

**OFFICIAL MEETING MINUTES
OF THE
PALM BEACH COUNTY INSPECTOR GENERAL COMMITTEE
PALM BEACH COUNTY, FLORIDA**

MAY 14, 2015

**THURSDAY
9:00 A.M.**

**COMMISSION
CHAMBERS**

I. CALL TO ORDER

Chair Salesia Smith-Gordon said that there was a quorum. She announced that Carmine Priore resigned from the Palm Beach County Inspector General Committee and the Commission on Ethics.

II. ROLL CALL

MEMBERS:

Salesia V. Smith-Gordon, Chair
Michael S. Kridel, Vice Chair
David Aronberg, State Attorney – Arrived later
Carey Haughwout, Public Defender – Arrived later
Clevis Headley
Michael F. Loffredo

STAFF:

Debbie Brooks, Executive Assistant, Office of Inspector General (OIG)
John A. Carey, County Inspector General

ADMINISTRATIVE STAFF:

Julie Burns, Deputy Clerk, Clerk & Comptroller's Office

III. INTRODUCTORY COMMENTS

Chair Smith-Gordon requested that cell phones be quieted or turned off.

IV. APPROVAL OF INSPECTOR GENERAL (IG) COMMITTEE MEETING MINUTES

IV.a. Meeting: May 8, 2014

MOTION to approve the May 8, 2014, minutes. Motion by Michael Kridel, seconded by Clevis Headley, and carried 4-0. David Aronberg and Carey Haughwout absent.

IV.b. Meeting: August 14, 2014

MOTION to approve the August 14, 2014, minutes. Motion by Michael Kridel, seconded by Clevis Headley, and carried 4-0. David Aronberg and Carey Haughwout absent.

V. SIX MONTH STATUS REPORT

V.a. Presentation by Inspector General Carey

Inspector General John Carey said that:

- The status report covered OIG activities from October 1, 2014, through March 31, 2015.

(CLERK'S NOTE: Public Defender Carey Haughwout joined the meeting.)

General Carey continued:

- The OIG's three divisions were Intake and Investigations, Contract Oversight, and Audits.
- Intake and Investigations highlights included:
 - In January 2015, the OIG hired Jeff Himmel as Director of Intake and Investigations.
 - Intake and Investigations received approximately 400 calls and 121 written correspondence involving complaints, questions, and concerns.

(CLERK'S NOTE: State Attorney David Aronberg joined the meeting.)

General Carey continued:

- Seventy-one percent of written correspondence were complaints.
- Ten correspondences led to investigations and referrals to the Public Corruption Unit (PCU) of the State Attorney's Office (SAO).
- There were 14 public records requests.
- Correspondences involved the County, municipalities, and other subjects, such as nonjurisdictional matters referred to State agencies.
- Most of the complaints came from citizens, who were informed of outcomes that resulted in significant actions or investigations.
- Many anonymous complaint sources probably came from government employees.
- Correspondences from the Community Services Department were not included in the six-month report because they totaled less than three.
- The high volume of correspondence in some municipalities probably resulted from multiple citizens who lodged separate complaints or correspondence on the same issue.
- Top allegations included employee misconduct, contract and financial improprieties, and theft.
- He would verify whether the two allegations of falsification, omission, or misrepresentation and misuse of property and personnel were on the previous six-month report because they contained clear category distinctions.

Vice Chair Michael Kridel said that misuse of property probably fell under the financial impropriety category, and falsification, omission, or misrepresentation depended on the subject matter.

General Carey said that he would follow up on Vice Chair Kridel's comments and continued with Intake and Investigations highlights:

- Six OIG-initiated cases were referred to the SAO's PCU.

- No allegations involving significant questionable or identified costs existed in the current six-month timeframe. Most investigations involved improper personnel or procedural actions.
- The OIG lacked authority to arrest or monetarily penalize individuals; however, formal letters were sent to counsel and officials of municipalities, and the press and the public were informed.
- The OIG saved taxpayer money through implemented recommendations in identified recoverable costs and cost avoidances.
- Matters involving the Commission on Ethics (COE) or the Code of Ethics were referred to the COE.
- The SAO's PCU was contacted regarding the investigation of the City of Riviera Beach (Riviera Beach) department director, and he would research if the COE was also contacted.
- Contract Oversight highlights included:
 - Contract Oversight proactively promoted efficiency and the prevention of fraud, waste, and abuse; and oversaw County, municipal, and agency procurement activities.
 - Dennis Yeskey would replace OIG General Counsel Robert Beitler as Contract Oversight manager.
 - Staff attended 56 procurement meetings and monitored approximately \$1 billion in contracts.
 - Two contract oversight reports were issued during the six-month period.
 - An anonymous complaint regarding Riviera Beach's survey projects was received and reviewed for jurisdiction before an initial assessment was performed to determine what evidence was provided.
 - A contract oversight notification found that Riviera Beach complied with Florida statute requirements when entering into contracts with engineering firms but not with surveyor firms.
 - A citizen's complaint was received regarding Riviera Beach's professional service agreements.

- The contract oversight notification found that Riviera Beach repeatedly allowed a vendor to continue working after the contract expired and that it did not ensure that monthly invoices and progress reports were submitted as required by the professional services contract.
- Audit highlights included:
 - Staff was interviewing applicants for the director of audit position.
 - Audits were determined by annual audit plans based on risk assessment. They were initiated by OIG, requested from municipalities, or based on complaints.
 - A Children's Services Council audit report determined that its information management security was well managed and controlled; however, recommendations were made.
 - A Riviera Beach audit report determined that numerous internal controls needed improvement. Riviera Beach implemented 13 of the accepted 34 recommendations.
 - Ninety-four percent of recommendations were accepted and implemented.
- The following two significant reports were published after the six-month period:
 - Allegations were not supported regarding an investigation of the County Engineering Department; however, all recommendations were accepted, and immediate action was taken.
 - Newly elected City of Delray Beach (Delray Beach) council members implemented OIG recommendations from a March 2012 contract oversight notification regarding competitively solicited solid waste collection services. The new solid waste contract would save Delray Beach \$9 million in avoidable costs over the next six years.
- Avoidable costs were dollars an entity would not need to expend and/or an increase in future revenue.
- During National Ethics Awareness Month in March, the OIG partnered with the Commission on Ethics and the Center for Applied Ethics on several training and outreach initiatives.

- He judged students who debated on national and worldwide ethical issues at the fourth annual High School Ethics Bowl.
- As the OIG public information officer, he spoke to governmental and nongovernmental individuals, provided media interviews and comments, and solicited input.
- Education and awareness publications included the OIG Web site newsletter, annual report, and tips and trends.
- A 60-minute public awareness commercial was occasionally shown on the County's Channel 20 television station and on Youtube.
- Fiscal Year (FY) 2015 budget and staffing highlights included the following:
 - The FY 2015 budget was \$2.8 million.
 - There were 23 funded positions, 20 current on-hand personnel, and three vacancies for audit director, auditor II, and auditor III.
 - Twenty personnel oversaw 13,000 people employed in numerous organizations, multimillion-dollar budgets and contracts, and 788 identified "auditable units."
- Considerable activity recently occurred regarding the 2011 municipal lawsuit to fund the OIG.
 - The judge recently ruled in the County's favor.
 - On March 26, 2015, the municipalities' requested a rehearing, which was denied.
 - The municipalities were currently appealing the denial.
- Plans, objectives, and initiatives included:
 - refining and completing a FY 2015 audit risk assessment for FY 2016;
 - analyzing investigative anomalies and red flags;
 - focusing on contract oversight outcome rather than output; and

- continuing to hold internal government awareness initiatives, to meet with business and municipal stakeholders, and to perform citizens' outreach.
- The OIG received an on-site assessment and re-accreditation by the Commission for Florida Law Enforcement Accreditation.
 - A peer review by the national Association of Inspectors General was scheduled in August 2015.
 - A recent mock peer review conducted by a State inspector general rated the OIG at the highest level.
- The OIG Web site now contained Twitter and Facebook links.

V.b. Discussion

Responding to questions, General Carey said that:

- Semi-annual meetings were separately held with County department heads and managers of the 38 participating municipalities to discuss best practices.
- There were no specific programs to ascertain whether a municipality had underlying best practice issues; however, surveys solicited responses about general strengths, weaknesses, and oversight issues.
- A fully funded OIG would increase trust in government and identify good practices primarily through the audit function.

Chair Smith-Gordon expressed concern that OIG personnel lacked racial diversity, and she asked that General Carey expand his search to represent countywide demographics.

General Carey said that he was reviewing the matter and added that:

- His staff diversity consisted of 40 percent women.
- Three of six supervisory positions were held by either women or minorities.
- Racial diversity included one senior nonsupervisory female.

Commissioner Michael Loffredo noted that the OIG could only hire people who applied for positions.

Chair Smith-Gordon said that hiring included an expanded search process.

V.c. Public Comment

V.c.1.

DISCUSSED: OIG Reports and Findings.

Assistant County Administrator Brad Merriman said that the County supported General Carey and his office. He said that the OIG's reports and findings were critical elements of good governance, transparency, and enhanced public trust and that the reports were complete and comprehensive.

VI. NEW BUSINESS

VI.a. Discussion

General Carey stated that Jacksonville County was initiating an OIG and that former Inspector General Sheryl Steckler would assist in its implementation. He added that an inspector general should be chosen by July.

VI.b. Public Comment – None

VII. ADJOURNMENT

At 10:27 a.m., the chair declared the meeting adjourned.

APPROVED: 11/12/2015

Chair/Vice Chair