

PALM BEACH COUNTY

BOARD of COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: 05/05/2009

Consent Regular

Public Hearing

Department:

Submitted By:

Internal Auditor's Office

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve:

- A) Amendment No. 5 to the contract (R2004-1796) with Joseph Bergeron, Internal Auditor; extending said contract for one additional year ending on August 16, 2012; and
- B) Recommendations of the Audit Committee for salary adjustment for the period August 17, 2009 through August 16, 2010.

Summary: The Audit Committee, at its March 11, 2009 meeting, unanimously approved recommending a 2.5% salary adjustment, the same percentage increase provided to other County employees for FY 2009 and a one year extension of the Internal Auditor's contract. The Audit Committee's recommendations result in a salary of \$146,008 and a contract expiration date of August 16, 2012. This item is presented to the Board at this time to comply with the 90 day notice requirement of the contract. Countywide (PFK)

Background and Policy Issues:

The Audit Committee conducted an evaluation of the Internal Auditor at its March 11, 2009 meeting covering calendar year 2008. All seven members submitted evaluations. Five evaluations gave an "exceeds expectations" rating and two evaluations gave a "meets expectations" rating. Copies of the evaluations are attached to this agenda item. Future performance evaluations will be conducted each March for the calendar year just ended.

The Audit Committee unanimously approved recommending a 2.5% salary adjustment and an extension of the contract for another year with a new expiration date of August 16, 2012. The 2.5% salary increase is the same as the Countywide salary increases included in the FY 2009 budget for base salary and merit.

Attachments:

- Amendment No. 5 to contract (R2004-1796)
- Annual Performance Evaluations (7)

Recommended by: Joseph F. Bergeron
Internal Auditor

4.7.09
Date

Recommended by: [Signature]
County Administrator

4/21/09
Date

**Amendment No. 5 to Contract Between
Palm Beach County
And
Joseph Bergeron, Internal Auditor**

This amendment No. 5 dated May 5, 2009 to the contract dated August 17, 2004 (R2004-1796 as amended by R2005-1030 (5/17/05), R2006-0801 (5/2/06), R2007-0818 (5/15/07), and R2008-0809 (5/6/2008) between Palm Beach County, a political subdivision of the State of Florida, hereinafter referred to as "County", and Joseph Bergeron, hereinafter referred to as "Internal Auditor", an individual residing at 13689 Exotica Lane, Wellington, Florida 33414.

Witnesseth:

Whereas, the parties hereto have previously entered into an employment contract dated August 17, 2004 (R2004-1796 as amended by R2005-1030 (5/17/05), R2006-0801 (5/2/06), R2007-0818 (5/15/07), and R2008-0809 (5/6/2008); and

Whereas, the contract will automatically renew under the same terms and conditions unless terminated by either party in accordance with Section 5 of the employment contract; and

Whereas, the parties hereto desire to amend the contract to reflect these changes.

Now therefore, in consideration of the mutual covenants hereinafter set forth and for other such good and valuable consideration, the receipt of which the parties hereto expressly acknowledge, the parties agree as follows:

1. Section 1 of the employment contract is amended to read:
The County shall employ Joseph Bergeron (hereinafter "Internal Auditor") as the Internal Auditor of Palm Beach County pursuant to the Charter of Palm Beach County for a period of three (3) years beginning August 17, 2009. The County shall pay the Internal Auditor a salary of \$146,008 per year, payable biweekly and a continuing contribution on behalf of the Internal Auditor into the NACO Deferred Compensation Program in the amount of 50% of the maximum basic contribution allowed by law exclusive of any catch-up provisions allowed by law. In addition, the County shall pay the Internal Auditor a car allowance of \$550.00 per month. This Agreement shall continue on the same terms and conditions as herein provided for additional one year periods, unless terminated by either party in accordance with Section 5 of this Agreement.

2. All other terms and conditions of the employment contract shall remain in full force and effect.

This amendment shall be effective following execution hereof by the parties hereto.

In witness whereof, the parties hereto have set their hands and seal on the day set forth above.

Attest:

Sharon R. Bock, Clerk & Comptroller

Palm Beach County, Florida

By Its Board of County

Commissioners

By: _____

John F. Koons, Chairman

Witness for Internal Auditor

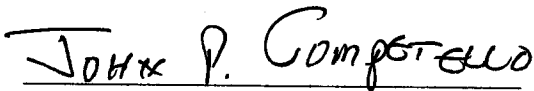
Internal Auditor



Witness signature



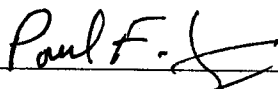
Joseph F. Bergeron



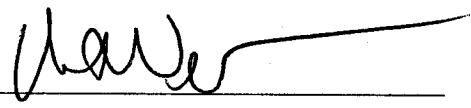
Witness printed name

Approved as to form and legal sufficiency

Approved as to terms and conditions



Assistant County Attorney



County Administrator

During the last three years in particular, Joe has prioritized audits to review at-risk situations and has brought all audits in successfully and on-schedule. He implemented a program to review past audits to ensure that all findings and recommendations were addressed and corrected.

Internal Audit is functioning alive and well! Our challenge, of late, is the shortage of auditors available to keep up with the volume of audits needed as staffing levels were reduced as a result of budget cutbacks.

Annual Performance Evaluation
Palm Beach County Internal Auditor
Joseph Bergeron
For the Calendar Year Ended December 31, 2007

Overall Evaluation of Performance

(See "Considerations for the Internal Auditor's Annual Performance Review" which are attached.)

- Exceeds Expectations _____
- Meets Expectations _____
- Needs Improvements _____ (must provide explanatory comments)

Evaluator: Dorrit M. Miller
Signature

Date: 12/26/08

Comments (optional, unless Needs Improvement selected)

Joe's Audit Plan was well thought out and well executed. The scope of work for each audit has been just about right; given dwindling staffing he has managed to have a presence in many county departments.

Audit reports are generally well written and quite comprehensive.

Good job!

Joe Bergeron
Annual Performance Evaluation Comments
Calendar Year Ended December 31, 2008

Overall Evaluation: Meets Expectations

Comments:

Quarterly audit work plan updates to the Audit Committee are organized and effective. Joe has developed solid relationships with Committee members.

Resource limitations may impact ability to cover the needs of the county as well as other special requests of the Sheriff's office and others. This environment places greater importance on selecting auditable entities for the annual work plan that represent the highest risk to the County.

Focus is on conducting performance audits. Consider gathering best practice information to share during the audit process.

Evaluator:



Date:

3/11/09

Considerations for the Internal Auditor's Annual Performance Review

The evaluation criteria should reflect some or all of the following factors:

- Compliance with Palm Beach County Charter requirements
- Compliance with Audit Resolution
- Compliance with Generally Accepted Governmental Auditing Standards (GAGAS)
- Relationship of the Internal Auditor with the Audit Committee
- Relationship of the Internal Auditor with County management
- Degree of accomplishment of the annual audit plan
- Degree of accomplishment of objectives from annual budget
- Management of the audit staff
- Leadership skills demonstrated
- Results of periodic peer reviews

One matter that should be considered relevant to each of the factors listed above is the ability of the Audit Committee to have access to information relating to the evaluated measures.

Other matters relevant to the performance evaluation process would developing mutual agreement as to the performance items to be evaluated at the beginning of the evaluation period, agreeing on the weights (if any) to be assigned to the factors and what scale (if any) to be used to rate each factor.

The Palm Beach County Charter states that the Internal Auditor shall be responsible for conducting post audits and performance audits for all departments, divisions, regulatory boards and advisory boards under the BCC in all financial matters relating to their official capacity.

The Audit Resolution (R2005-0372 2/15/05) establishes requirements for the scope of audits, the annual audit plan and the content of audit reports. The Resolution also requires that audits be conducted according to GAGAS. There is significant detail in GAGAS on the requirements for specific audit engagements but no direction on the annual audit plan. The Institute of Internal Auditors standards require the annual audit plan to be risk based, consistent with the organization's goals and developed with input from senior management and the Board.

GAGAS require audit reports to be timely, complete, accurate, objective, convincing, clear and concise. These requirements are specific to performance audits which represent the vast majority of audits currently conducted by the Office.