



**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact**

Fiscal Years	2012	2013	2014	2015	2016
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	<u>\$146,008</u>	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	_____	_____	_____	<u>\$146,008</u>	_____
<b># ADDITIONAL FTE POSITIONS (Cumulative)</b>	_____	_____	_____	_____	_____

Is Item Included in Current Budget?      Yes X    No \_\_\_\_\_

Budget Account No.:      Fund 0001 Department 500 Unit 5000 Object 1201

Reporting Category \_\_\_\_\_

**B. Recommended Sources of Funds/Summary of Fiscal Impact:**

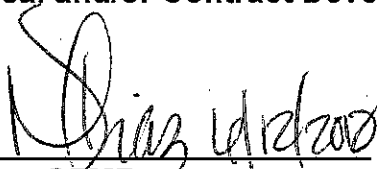
Contract Element	Current	Proposed	Change
Salary (no increase)	\$146,008	\$146,008 *	none


**C. Departmental Fiscal Review:** \_\_\_\_\_

\* Section B above does not include deferred compensation and auto allowance which are unchanged in this amendment


**III. REVIEW COMMENTS**

**A. OFMB Fiscal and/or Contract Development and Control Comments:**

  
 \_\_\_\_\_  
 OFMB      6/12/12

  
 \_\_\_\_\_  
 Contract Development and Control      6-20/12 B. Wheeler

**B. Legal Sufficiency:**

  
 \_\_\_\_\_  
 Assistant County Attorney      6/21/12

**C. Other Department Review:**

\_\_\_\_\_  
Department Director

**Amendment No. 8 to Contract Between  
Palm Beach County  
And  
Joseph Bergeron, Internal Auditor**

**This amendment No. 8** dated June 26, 2012 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), R2008-0809 (5/6/2008), R2009-0795 (5/5/09), R2010-0800 (5/18/10) and R2011-0939 (6/21/11) 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), R2008-0809 (5/6/2008), R2009-0795 (5/5/09), R2010-0800 (5/18/10) and R2011-0939 (6/21/11); 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 October 1, 2012 and ending September 30, 2015. The County shall pay the Internal Auditor a salary of \$146,008 per year plus any increase in salary in the same percentage as provided other County employees as determined by the Board of County Commissioners during its budget process, 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. Subparagraphs 5A and 5B are amended as follows:

A. At the end of a contract period – At least ninety (90) days prior to the expiration of this Agreement or any subsequent extensions, renewals or continuations thereof, the County shall provide the Internal Auditor with written notice of its decision not to renew this Agreement. The Internal Auditor shall notify the Board of this requirement thirty (30) days in advance of the ninety (90) day period.

In the event County elects not to renew this Agreement ~~to provide such ninety (90) day notice~~, the Internal Auditor shall remain employed by the County through the end of the term of this Agreement. At the end of said term the County shall have no obligation to pay the Internal Auditor any monies other than the unpaid balance of his salary for time actually worked plus payment for any unused sick and vacation leave in accordance with then existing County policy relating to non-merit administrative employees.

In the event the Internal Auditor wishes to terminate this Agreement at the end of its term, or any extensions, renewals or continuations thereof, he shall provide at least ninety (90) days notice in writing to the Board.

B. Without cause during term of this Agreement – The County may, at any time, terminate this Agreement and conclude the Internal Auditor's employment with the County, at its pleasure and without cause, provided that: (1) the County provides the Internal Auditor with written notice of its intent to do so, (2) the action is approved by a majority of the full Board, and (3) the County shall provide as severance payments to the Internal Auditor an amount equal to but not exceeding 20 weeks of all salary and benefits provided for herein ~~through the remaining term of this agreement; provided however, that in no event, shall the Internal Auditor receive less than the equivalent of six (6) months of salary and benefits calculated from the date of the County's notification of termination to the Internal Auditor,~~ plus payment for any unused sick and vacation leave in accordance with then existing County policy relating to non-merit administrative employees.

3. 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: \_\_\_\_\_


\_\_\_\_\_  
Shelley Vana, Chair

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

**PERFORMANCE APPRAISAL FOR  
PALM BEACH COUNTY INTERNAL AUDITOR**

Internal Auditor: Joseph Bergeron

Rating Period: January 1, 2011 through December 31, 2011

David Rosenstein April 30, 2012

CORE COMPETENCIES	RATING (Check One)		
	Needs Improvement	Meets Expectations	Exceeds Expectations
<b>Planning &amp; Organizing</b>			
• Develop Comprehensive Annual Internal Audit Plan		x	
• Develop Annual Risk Assessment			x
• Implement Annual Audit Plan			x
• Perform Timely Special Projects as Requested		x	
<b>Leadership/Judgment/Decisiveness</b>		x	
<b>Technical/Professional Knowledge</b>			x
<b>Initiative</b>		x	
<b>Communication Skills</b>			x
<b>OTHER CONSIDERATIONS</b>			
<b>Goal Accomplishment</b>		x	

Overall Conclusion is that the Internal Auditor is Meeting Expectations +

Attachment # 2

Comments and/or Suggestions Regarding Performance:

2011 was a significant transition year for the PBC IAD. The IA team worked on the development of a more formal risk assessment process, implemented a more comprehensive annual audit plan, performed follow-ups and improved the documentation of follow-up efforts, while still maintaining an aggressive audit schedule. Overall, reporting has improved. This was accomplished during a period of budget and staff reductions.

There were external factors that modified the strategic direction as well as scope and execution of the planned audit activities. These factors included the implementation of a county Inspector General office, as well as the BCC looking for added value from the IA function.

During the period the IA Audit Committee gained a better understanding of its roles and responsibilities, and working with the IA and county management, modified/amended the appropriate ordinances to more clearly reflect what the IA function and IA Audit Committee policies/procedures should include. I commend the IA Director for his patience in working with the Audit Committee during this period of learning and change.


Suggestions

Continuous Improvement – the IAD director should prepare specific goals and objectives for himself and for each member of his staff. These measurable objectives should be reported to the Audit Committee in a summary form on a regular basis to ensure that the director and each member of his department are meeting or exceeding their goals. These goals should be challenging, but realistic for each member of the staff including the Director.

BCC attendance at Audit Committee meetings – The IA director should encourage a member of the BCC to attend each meeting in an effort to ensure that they have “bought in” to the efforts of the IAD and the Audit Committee. With their visible support, the function will be more effective.

Develop automated tools to sample and to identify potential exceptions for applicable computer based systems. This can be done in conjunction with specific audits, or as part of a continuous audit program.

Spend more time in areas where there are the greatest exposures to errors and fraud. Oftentimes the results of audits are not commensurate with the amount of

Performance appraisal for County Internal Auditor  
By David Rosenstein   
For Calendar Year 2011

time and money spent on the audit. Be more cognizant of the fact that the average audit is costing \$25 - \$30,000 and spend this budget wisely.

When hiring new staff, strive to attract people with the know how to use current auditing techniques that can be applied to be more efficient and effective.



**PERFORMANCE APPRAISAL FOR  
PALM BEACH COUNTY INTERNAL AUDITOR**

Internal Auditor: Joseph Bergeron

Rating Period: January 1, 2011 through December 31, 2011

Mark J. Burger  
Evaluator (Print Name)

5/29/2012  
Date

CORE COMPETENCIES	RATING (Check One)		
	Needs Improvement	Meets Expectations	Exceeds Expectations
<b>Planning &amp; Organizing</b>			
• Develop Comprehensive Annual Internal Audit Plan		Yes	
• Develop Annual Risk Assessment		Yes	
• Implement Annual Audit Plan		Yes	
• Perform Timely Special Projects as Requested		Yes	
<b>Leadership/Judgment/Decisiveness</b>		Yes	
<b>Technical/Professional Knowledge</b>		Yes	
<b>Initiative</b>		Yes	
<b>Communication Skills</b>		Yes	
<b>OTHER CONSIDERATIONS</b>			
<b>Goal Accomplishment</b>		Yes	



**PERFORMANCE APPRAISAL FOR  
PALM BEACH COUNTY INTERNAL AUDITOR**

Internal Auditor: Joseph Bergeron

Rating Period: January 1, 2011 through December 31, 2011

NAM H. NGUYEN  
Evaluator (Print Name)

5-25-2012  
Date

CORE COMPETENCIES	RATING (Check One)		
	Needs Improvement	Meets Expectations	Exceeds Expectations
<b>Planning &amp; Organizing</b>			
• Develop Comprehensive Annual Internal Audit Plan		✓	
• Develop Annual Risk Assessment		✓	
• Implement Annual Audit Plan		✓	
• Perform Timely Special Projects as Requested <i>Not applicable</i>			
<b>Leadership/Judgment/Decisiveness</b>		✓	
<b>Technical/Professional Knowledge</b>		✓	
<b>Initiative</b>		✓	
<b>Communication Skills</b>		✓	
<b>OTHER CONSIDERATIONS</b>			
<b>Goal Accomplishment</b>		✓	



**PERFORMANCE APPRAISAL FOR  
PALM BEACH COUNTY INTERNAL AUDITOR**

Internal Auditor: Joseph Bergeron

Rating Period: January 1, 2011 through December 31, 2011

Alan Friedberg  
Evaluator (Print Name)

3/24/2012  
Date

CORE COMPETENCIES	RATING (Check One)		
	Needs Improvement	Meets Expectations	Exceeds Expectations
<b>Planning &amp; Organizing</b>			
• Develop Comprehensive Annual Internal Audit Plan		X	
• Develop Annual Risk Assessment	X		
• Implement Annual Audit Plan		X	
• Perform Timely Special Projects as Requested		X	
<b>Leadership/Judgment/Decisiveness</b>		X	
<b>Technical/Professional Knowledge</b>	X		
<b>Initiative</b>		X	
<b>Communication Skills</b>		X	
<b>OTHER CONSIDERATIONS</b>			
<b>Goal Accomplishment</b>		X	

Performance appraisal for County Internal Auditor

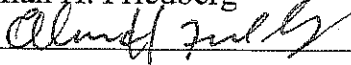
By \_\_\_\_\_

For Calendar Year 2011

Comments and/or Suggestions Regarding Performance:

\_\_\_\_\_ My main concern that is controllable by the internal audit director is related to staffing and training. We cannot afford to use the excuse that staff cannot perform as needed because they don't want to or are not capable. It is the director's job to manage staff training and assignments as necessary to achieve the department's mission. After a year of encouragement in this direction, I am not aware of significant progress. While immediate change is not expected, effort and progress is expected.

Alan H. Friedberg

  
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\_\_\_\_\_  
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\_\_\_\_\_  
\_\_\_\_\_

**PERFORMANCE APPRAISAL FOR  
PALM BEACH COUNTY INTERNAL AUDITOR**

Internal Auditor: Joseph Bergeron

Rating Period: January 1, 2011 through December 31, 2011

DORRIT M. MILLER  
Evaluator (Print Name)

5/24/2012  
Date

CORE COMPETENCIES	RATING (Check One)		
	Needs Improvement	Meets Expectations	Exceeds Expectations
<b>Planning &amp; Organizing</b>			
• Develop Comprehensive Annual Internal Audit Plan			✓
• Develop Annual Risk Assessment		✓	<del>✓</del>
• Implement Annual Audit Plan			✓
• Perform Timely Special Projects as Requested			✓
<b>Leadership/Judgment/Decisiveness</b>			✓
<b>Technical/Professional Knowledge</b>			✓
<b>Initiative</b>			✓
<b>Communication Skills</b>			✓
<b>OTHER CONSIDERATIONS</b>			
<b>Goal Accomplishment</b>			

Comments and/or Suggestions Regarding Performance:

Joe develops a very thoughtful and comprehensive annual audit plan and leads his staff to an impressive completion although faced with declining staffing. He continues to make positive steps in expanding the scopes of audits to include efficiencies. During the year, he has made attempts to improve the Risk Assessment model. These models are inherently difficult; however he is continuing his efforts to perfect the model. ~~and made a~~

Joe continues to maintain a very positive working relationship with staff, administration, the Board of County Commissioners and the OIG, which is very commendable.