



**OFFICE OF INSPECTOR GENERAL  
PALM BEACH COUNTY**

Sheryl G. Steckler  
Inspector General

May 7, 2013

Gaetana "Tana" Ebbola  
Chief Executive Officer  
Children's Services Council  
2300 High Ridge Road  
Boynton Beach, FL 33426

Re: Correspondence #2012-08-0023

Dear Ms. Ebbola,

The Office of Inspector General (OIG) received an anonymous complaint concerning a series of contracts between Children's Services Council (CSC) and RRF Human Development Consultants, Inc. (RRF) between 2009 and 2011. According to the complaint, CSC failed to follow their own internal procedures and did not competitively procure these contracts.

According to information obtained by the OIG, in 2009 CSC was going through a restructuring in order to streamline their organization, decrease the number of directors and managers, and create the opportunity to move more decisions to line staff. Through a series of contracts, RRF was hired as the consultant to guide CSC through this process.

A review of the contracts between CSC and RRF disclosed that at the time that they were procured, CSC's Purchasing Policies permitted the CEO to enter into sole source contracts with "consultants with specific expertise" provided that the contract was less than \$50,000.00. Anything above that amount required CSC Council approval, which was sought by Ms. Ebbola for one of the RRF contracts totaling \$120,000.00. Although the CEO alone was permitted to utilize a sole source method, the decision to contract with RRF involved a small committee of senior executive members, to include the CEO,

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as well as the consideration of three other organizations<sup>1</sup> during the initial restructuring phase.

During the restructuring phase, CSC entered into contracts with RRF based on individual Department needs, which resulted in multiple contracts. CSC has since changed its policy to allow the authorization of contracts for different scopes of work, per vendor, up to an annual (fiscal year) cumulative total of \$100,000.00. After meeting the annual threshold, any additional contract with the vendor during the same fiscal year, must be approved by the Council.

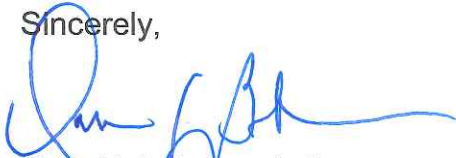
It is noted that the use of RRF to streamline CSC's organization resulted in approximately \$1.1 million in annual savings. CSC has also updated their Purchasing Policies since these contracts were procured.

Although there were no findings during the OIG's review of this matter, the OIG makes the following recommendation:

1. While CSC has implemented the Contract Request Form and legal review to their purchasing procedures, CSC should make these forms/procedures part of their written Purchasing Policies.

Please review and notify the OIG of any actions taken by **May 27, 2013**.

Sincerely,



Donald J. Balberchak  
Director of Investigations

Cc: Council Member Dari Bowman, Chair  
Council Member Gregory A. Langowski, Vice Chair  
Council Member Judge Ronald Alvarez, Secretary  
Council Member E. Wayne Gent  
Council Member Vincent Goodman  
Council Member Dennis Miles  
Council Member Willie A. Miller, Jr.  
Council Member Debra Robinson  
Council Member Shelley Vana

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<sup>1</sup> John Pickering of Commonwealth Center for High Performing Organizations; Larry Kokkelenberg of Organizational Trainers and Consultants; and Genna Hoagland of Collaborative Strategies.