

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

JUNE 1, 2017

**THURSDAY
3:00 p.m.**

COMMISSION CHAMBERS

I. CALL TO ORDER

II. ROLL CALL

MEMBERS:

Michael S. Kridel, Chair
Clevis Headley, Vice Chair
David Aronberg – Absent
Carey Haughwout – Absent
Michael Loffredo – Absent
Judy M. Pierman
Sarah L. Shullman

STAFF:

John A. Carey, County Inspector General

ADMINISTRATIVE STAFF:

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

III. INTRODUCTORY COMMENTS

Chair Michael Kridel stated that this was the semiannual meeting of the Palm Beach County Inspector General Committee (committee).

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

IV.a. Meeting: November 10, 2016

MOTION to approve the November 10, 2016, minutes. Motion by Clevis Headley, seconded by Sarah Shullman, and carried 4-0. Dave Aronberg, Carey Haughwout, and Michael Loffredo absent.

V. SIX-MONTH STATUS REPORT

V.a. Presentation by Inspector General Carey

General John Carey gave a slide presentation and stated that:

- Intake activities were now being compared to historic averages rather than to the last 6 months.
- Written correspondence, calls to the OIG and the hotline, and complaints of wrongdoing were down.
- Correspondences led to 4 investigations, with 3 being referred to OIG's contract oversight staff.
- Seventeen public records requests in a 6-month period was a fairly consistent average.
- There were 11 ongoing investigations or investigative reviews.
- The previous 6 months reflected significant questioned costs and potential cost savings because 1 investigation involved a multimillion-dollar municipal contract.
- Investigations sometimes involved integrity rather than monetary issues.
- The \$32,180 in questioned costs and potential cost savings for the current 6 months involved an integrity issue of employee theft.
- Beginning in 2015, contract oversight staff began monitoring more contracts and attending less selection committee meetings.

V.a. – CONTINUED

- The OIG had oversight on the 1-penny sales surtax funds for the County and the municipalities but not for the Palm Beach County School District.
 - Training was conducted on construction-type audits and other activities.
 - A periodic report would be prepared for the public.
- During the 6 months of audit activities, recommendations were made and accepted, but no questioned costs and no potential cost savings were found.

- Recent training and outreach included:
 - giving an OIG presentation to new County employees during orientation;
 - briefing new County supervisors during their training; and
 - providing an OIG presentation of the last 6 months to County and municipal leaders.
- The County was receptive to OIG training, but the receptiveness was mixed among municipalities.
- Staff met quarterly with municipal internal auditors.
- Three IG investigators and 1 IG auditor received certifications from the Inspectors General Institute.
- The OIG was at a 56% staffing level.
- An OIG team building day was conducted to teach critical thinking skills, collaboration, trust, respect, and teamwork.
- The OIG needed at least 33 staff members to minimally serve the County and the municipalities.
 - Ten additional positions over a 3-year period were proposed to the BCC.
 - Filling 4 positions in 2018 would bring the budget to \$3.5 million.

Commissioner Sarah Shullman said that if the municipalities that were not funding the OIG volunteered to do so, they could potentially recoup more in cost savings.

Mr. Carey said that:

- When the lawsuit between the County and the municipalities ended, the municipalities that were funding the OIG ceased contributing.
- At the Budget Retreat, the Board of County Commissioners (BCC) directed staff to review funding the 4 additional positions and requesting that the municipalities voluntarily fund the OIG.

Chair Kridel requested that Mr. Carey provide the February 9, 2017 OIG funding proposal that was presented to the BCC. He expressed concern that current federal budgetary issues could affect local government and ultimately the OIG.

Mr. Carey stated that:

- In dollars, the OIG's jurisdictional budget oversight was greater than Miami-Dade County's OIG (Miami-Dade), but less than Miami-Dade in its operational budget.
- The OIG's span of jurisdictional oversight involved 42 individuals compared to 37 for Miami-Dade.
- Miami-Dade's oversight involved 1 jurisdictional system for accounting, policies, and regulations versus Palm Beach County's oversight, which involved ordinances, policies, and budgetary systems for each municipality.
- Most of the OIG's investigative reports involved the County.
- Audit and contract oversight reports were performed more often on the municipalities than on the County.
- The municipalities had more complaints, correspondences, questioned costs, and potential cost savings than the County.
- The municipalities also had more referrals to law enforcement or to the Commission on Ethics (COE) and more recommendations to bring into compliance or to improve operations than the County.
- One of the OIG's biggest challenges was finding and hiring high-quality auditors.
- Staff was preparing for the OIG's State reaccreditation.
- He was recently elected to serve on the board of the Florida Chapter Association of Inspectors General.
- Since its inception, the OIG:
 - found \$24.7 million in questioned costs and \$21.9 million in potential cost savings;
 - referred 119 cases to law enforcement, the County, or the State COE; and
 - identified 606 recommendations or corrective actions.
- Most of the referred cases went to the COE and the Public Corruption Unit of the State Attorney's Office.

V.b. Discussion

Chair Kridel requested that Mr. Carey bring back any additional information that was not covered in today's meeting.

Commissioner Shullman said that citizens concerned about local government waste, fraud, and oversight of the 1-penny surtax funds should contact their municipalities and request that they financially support the OIG.

Chair Kridel, Vice Chair Headley, and Commissioners Pierman and Shullman expressed their appreciation and support for the OIG.

V.c. Public Comment– None

VI. NEW BUSINESS – None

VI.a. Discussion – None

VI.b. Public Comment – None

VIII. ADJOURNMENT

At 4:23 p.m., the chair declared the meeting adjourned.

APPROVED: 11-9-2017

Chair/Vice Chair