



John A. Carey
Inspector General

OFFICE OF INSPECTOR GENERAL PALM BEACH COUNTY



Inspector General
Accredited

“Enhancing Public Trust in Government”

Consolidated Report of Open Recommendations Over Two- Years

May 2, 2022

Insight – Oversight – Foresight

Consolidated Report of Open Recommendations Over Two-Years

We have consolidated the OIG report recommendations that have been open (i.e. pending implementation) for over two years. We will be ceasing routine follow-up and closing out these recommendations on September 30, 2022, if they have not yet been implemented.

The OIG has issued hundreds of recommendations since its creation in 2010 with an overall 95% of these having been accepted or pending implementation by management. This high acceptance/implementation rate reflects well upon the OIG staff working with management to develop realistic and achievable recommendations that make good business sense to improve government operations.

We understand that due to the persistence of the Coronavirus (COVID-19) pandemic and the many challenges and additional burdens placed upon government agencies, it is understandable that implementing our OIG recommendations has been an added challenge. Consequently, prior years' open recommendations have increased. We will continue to work with management in monitoring these recommendations until September 30, 2022.

By not implementing the recommendations, management must accept any associated risk. Research has shown that non-implementation of recommendations exposes organizations to further risks. As such, the entity will be assessed at a higher risk in our future OIG County-wide Annual Risk Assessments. Additionally, we may follow up on these recommendations in future audits and reviews to determine whether corrective action was taken.

The following lists these open recommendations.

Recommendations Pending Implementation for Over Two-Years

Date

1/17/2019

City of Riviera Beach – Purchasing Cards and Council Members’ Out-of-State

Report Number

Travel Audit

2019-A-0003

Recommendations:

29. The City Develop and implement an independent oversight process for all Council Members and Mayor’s travel expenditures to ensure compliance with all policy requirements.

Pending Implementation

Town of Jupiter Inlet Colony – Revenue Audit

Recommendations:

5. The Town update its chart of accounts to be in compliance with the statutory requirements.

Pending Implementation

6. The Town develop and implement policies and procedures to provide guidance for chart of account selections.

Pending Implementation

7. The Town record/post revenue transactions in the proper revenue account based on the Uniform Accounting System Chart of Accounts.

Pending Implementation

8. The Town implement a review process and comply with the requirements for annual financial reporting and audits for municipalities, as required in Florida Statutes.

Pending Implementation

10. The Town develop and implement policies and procedures for the reconciliation process between the cash receipts, permit computer system, and financial computer system.

Pending Implementation

11. The Town develop and implement written guidance for permit fee receipting, recording, and refunding.

Pending Implementation

12. The Town provide staff training for reconciliations and permit fee processing.

Pending Implementation

13. The Town's accounting policies and procedures be updated to reflect actual operations.

Pending Implementation

14. The preparer and reviewer should sign and date reconciliation reports when reconciliations are completed to evidence completion.

Pending Implementation

15. The Town complete periodic reviews of policies and procedures to ensure the accuracy and updates for operational changes.

Pending Implementation

16. The Town comply with the deposit and bank account reconciliation procedures.

Pending Implementation

17. The Town provide training to staff for the revised written guidance for the bank reconciliation process.

Pending Implementation

18. The Town update its accounting policies and procedures to clearly define and document financial procedures that ensure all aspects of the revenue and cash receipting process have proper reconciliation and review.

Pending Implementation

19. The Town provide training to staff for the revised financial procedures for the revenue and permitting processes.

Pending Implementation

20. The Town's staff should endorse checks "for deposit only to the Town" immediately upon receipt.

Pending Implementation

21. The Town consider revising its policy to require that deposits are completed more frequently to minimize the risk of theft.

Pending Implementation

22. The Town develop and implement policies and procedures for changing access/codes upon an employee's separation of employment.

Pending Implementation

23. The Town provide training to staff for the implemented or revised guidance for safeguarding cash and checks.

Pending Implementation

24. The Town develop and implement policies and procedures for adjustment transactions including voids and reversals.

Pending Implementation

25. The Town review the four (4) voided transactions and determine if a refund is owed to the Town's customers.

Pending Implementation

26. The Town provide training to staff for adjustment transactions.

Pending Implementation

27. The Town establish policies and procedures for the collection and write-off of unpaid permit fees.

Pending Implementation

28. The Town consider establishing an allowance for doubtful accounts.

Pending Implementation

29. The Town monitor unpaid permit fees and provide routine notice and follow-up for customer account balances that are aging.

Pending Implementation

30. The Town provide training to staff for collection and write-off of unpaid permit fees.

Pending Implementation

31. The Town update its written guidance to be in compliance with applicable Florida law and consistent throughout all written documents for permits, surcharges, and licensing.

Pending Implementation

32. The Town should periodically review its written guidance to ensure consistency across all requirements.

Pending Implementation

33. The Town provide staff training for the revised written guidance for permit, surcharges, and licensing processes.

Pending Implementation

34. The Town develop and implement written IT policies and procedures to ensure consistency of operations that provide guidance, at a minimum, for how to:

- a. Assign and remove user rights and a reasonable time for completion,
- b. Authorize user access,
- c. Limit system access requiring unique user IDs and passwords,

- d. Provide for user change management (new and separated employees),
- e. Provide guidance to employees.; and
- f. The Town require each computer system user to have a unique user ID and password that are kept confidential, and obtain additional user licenses, as needed.

Pending Implementation

- 35. The Town provide training to staff for the IT policies and procedures.

Pending Implementation

6/26/2019
Report Number
2019-A-0006

Village of Golf – Water Utility Cross-Connection Program Audit

Recommendations:

- 1. The Village ensure all residential and commercial backflow prevention devices have been inspected and require inspection reports, as needed.

Pending Implementation

- 2. The Village obtain and maintain copies of all inspection reports and repairs made to backflow prevention devices.

Pending Implementation

- 3. The Village create and maintain a current master inventory device listing of all residential and commercial (non-residential) backflow prevention devices.

Pending Implementation

- 4. The Village require the Homeowner’s Association and the building owners to use the Village inspection forms and submit them to the Village within seven (7) days of completion.

Pending Implementation

- 5. The Village maintain a current master listing of all air-gaps and inspect the air-gaps.

Pending Implementation

- 6. The Village ensure all backflow prevention devices that fail the annual inspection be repaired and re-tested.

Pending Implementation

7. The Village implement a monitoring program to ensure backflow prevention devices that fail the annual inspection are repaired and retested within 30 days.

Pending Implementation

9/9/2019
Report Number
2019-A-0010

City of West Palm Beach – Travel Audit

Recommendations:

1. The City consider recouping the \$135.59 incorrectly paid for tips and gratuity from the travelers.

Pending Implementation

2. The City review the \$242.52 in potentially improper charges and consider seeking reimbursement from the travelers or vendors, as applicable.

Pending Implementation

3. The City consider obtaining reimbursement for the \$5,113.21 incorrectly paid for Florida sales tax from the vendors.

Pending Implementation

4. The City consider obtaining reimbursement for the \$353.45 incorrectly paid for double-booked lodging, late fees, and booking fees from the vendors.

Pending Implementation

5. The City review the policy requirements related to purchasing card prohibited uses and determine whether the City wants to revise the policy to reflect actual operations processes.

Pending Implementation

6. The City provide training on the current or revised Purchasing Card Policy to all purchasing cardholders and approvers.

Pending Implementation

7. The City enhance the review and oversight process to ensure that travel expenditures are sufficiently documented, necessary, comply with policy, and exclude Florida Sales Tax.

Pending Implementation

8. The City revise the Travel Policy to prohibit unnecessary upgrades, such as, valet parking when self-parking is available and requiring that the conference training or event agenda and event detail for meals included in the registration be included in the supporting documentation for the travel expense report.

Pending Implementation

9. The City consider recouping \$406.47 of incorrectly reimbursed per diems / incidental expenses to the travelers.

Pending Implementation

10. The City consider obtaining reimbursement for the \$84.56 incorrectly paid for Florida sales tax to vendors.

Pending Implementation

11. The City enhance the review and oversight process to ensure that travel expenditures comply with policy, exclude Florida sales Tax, and Form 118s are submitted to Finance within ten (10) business days of returning from travel.

Pending Implementation

12. The City provide training to City officials and employees (travelers) on the Travel Policy requirements including any revisions to the Travel Policy.

Pending Implementation

13. The City provide training to reviewers on the Travel Policy requirements including review and oversight responsibilities and any revisions to the Travel Policy.

Pending Implementation

14. The City develop and implement a review and oversight process to ensure that expenditures from the City Commission District Accounts have adequate documentation to support the expenditure.

Pending Implementation

15. The City consider recouping \$168.01 that was incorrectly reimbursed to travelers that received a car allowance.

Pending Implementation

16. The City develop and implement a process to ensure travelers that receive a car allowance are not reimbursed for mileage within 100 miles of their official headquarters in accordance with the Travel Policy.

Pending Implementation

17. The City revise the Travel Policy to clarify how reimbursement for mileage should be calculated when car allowances are received by travelers to be clear on how the requirement should be applied.

Pending Implementation

18. The City provide staff training on the Travel Policy, amended effective October 1, 2018.

Pending Implementation

19. The City develop and implement a process to ensure that prepaid travel expenses for former employees are cancelled and refunded or transferred to another City employee upon employment separation.

Pending Implementation

20. The City locate the ethics training acknowledgment forms for the two Commissioners or ensure the City receives copies of the forms for training completed and include the forms in the Human Resource files.

Pending Implementation

21. The City develop and implement a process to ensure that City officials submit the required ethics training acknowledgment form, as required by the City's Ethics Training Policy.

Pending Implementation

22. The City review and resolve the duplicate transactions identified in the system.

Pending Implementation

23. The City develop and implement a process to prevent or identify and resolve duplicate travel records in the travel computer system.

Pending Implementation

24. The City provide training to City officials and employees on the use of the travel computer system prior to travel and use of the computer system.

Pending Implementation

25. The City locate the Motor Vehicle Policy effective prior to December 31, 2018, or seek advice and assistance from its legal department on how to resolve.

Pending Implementation

26. The City implement a process for retention of policies and procedures documents to comply with statutory requirements.

Pending Implementation

27. The City retain all directives, policies, and procedures that are superseded for at least two years to comply with statutory requirements.

Pending Implementation

28. The City obtain valid Florida driver's licenses for the four (4) employees that used vehicles without a current Florida driver's license in their personnel file and update those personnel files.

Pending Implementation

29. The City review all personnel files for employees that use City vehicles and ensure that a copy of the valid Florida driver's license is in the personnel file.

Pending Implementation

30. The City develop a process including policies and procedures to ensure that employees authorized to operate a motor vehicle have a current Florida driver's license maintained in their personnel file.

Pending Implementation

31. The City provide staff who are authorized to operate a City vehicle training on the Motor Vehicle Policy requirements.

Pending Implementation

12/2/2019
Report Number
2020-A-0002

Town of Haverhill – Revenue Audit

Recommendations:

1. The Town consider investing excess funds in a higher yield interest-bearing account at a qualified public depository or one of the other options available under section 218.415(17), F.S.

Pending Implementation

2. The Town consider adopting an investment policy allowing it to invest its surplus public funds in any of the options available under section 218.415(16), F.S.

Pending Implementation

3. The Town complete a journal entry to correct the coding for all franchise fee revenue that was posted to the incorrect account code.

Pending Implementation

4. The Town update its general ledger chart of accounts to be in compliance with statutory requirements.

Pending Implementation

5. The Town develop and implement policies and procedures to provide sufficient guidance for Chart of Account selections.

Pending Implementation

6. The Town record/post revenue transactions in the proper revenue account based on the UAS Chart of Accounts.

Pending Implementation

7. The Town comply with its General Policies and Duties guidance for the reconciliation of bank statements and the review and approval of financial statements and documents.

Pending Implementation

8. The Town revise its General Policies and Duties guidance to ensure that internal controls are properly established to safeguard assets, as required by Florida Statutes.

Pending Implementation

9. The Town train staff on the new and/or revised written guidance.

Pending Implementation

10. The Town collect and remit applicable sales tax to the Florida Department of Revenue.

Pending Implementation

11. The Town consider updating its written guidance to ensure sales tax is properly collected and remitted to the Florida Department of Revenue.

Pending Implementation

12. The Town provide staff training for the updated written guidance.

Pending Implementation

13. The Town adjust its process to comply with its Building Permit Department Procedures for the refund of permit fees.

Pending Implementation

14. The Town provide staff training on the Building Permit Department Procedures for refund of permit fees.

Pending Implementation

15. The Town develop and implement written IT policies and procedures to ensure consistency of operations that provide guidance, at a minimum, for how to:

- a. Assign and remove user rights and a reasonable time for removal when access is no longer appropriate,
- b. Authorize user access,
- c. Limit system access by requiring unique user IDs and passwords, and
- d. Provide for user change management (new and separated employees).

Pending Implementation

16. The Town provide training to staff for the IT policies and procedures, as needed.

Pending Implementation

2/11/2020
Report Number
CA-2020-0074

City of Pahokee – Review of Technomarine Construction, Inc. Contracts

Recommendations:

1. City Officials responsible for managing grants become familiar with grant terms and comply with applicable terms and specifications.

Pending implementation.

2. The City develop and implement a policy/procedure about grant administration and train City staff.

Pending implementation

3. As a part of the City's policy and/or procedure regarding grant administration, the City should consider the development and implementation of a Project Implementation Plan (PIP) for grant awards.

Pending implementation

4. The City develop and implement a policy/procedure that includes construction requirements and compliance with section 255.05, Florida Statutes.

Pending implementation

5. The City provide training to staff on the requirements in section 255.05.

Pending implementation

6. The City comply with its ordinances.

Pending implementation

7. The City develop and implement a policy/procedure to provide direction to City staff to comply with Sec. 2-272.

Pending implementation

8. The City Manager comply with FL Code of Ordinances, Sec. 2-272.

Pending implementation

9. The City Manager not sign agreements that have not been reviewed by the City Attorney to either approve or disapprove the legal sufficiency of the document.

Pending implementation

10. The City develop and implement procurement policies and procedures for project management and effective contract administration.
The policies and procedures should include verifying and inspecting deliverables prior to approving and issuing payment. "Accepted deliverables may include approved product specifications, delivery receipts, and work performance documents".

Documenting the verification of deliverables further supports the acceptance of deliverables. "The State of Florida Contract and Grant User Guide" in its

Payment Verification section provides the user payment verification actions to use for cost reimbursement contracts.

Pending implementation

1/29/2019
Report Number
2017-0009

Riviera Beach - Outside Employment - Investigation

Recommendations:

4. The City consider revising its Outside Employment Policy to require department directors to acknowledge in writing the evaluation of outside employment requests and to note the basis for the determination that such outside employment conflicts or does not conflict with the employee's employment with the City.

Pending Implementation

5. The City train all City department directors and employees, including appointed employees, general employees, and public safety personnel regarding the obligations and penalties set forth in the City's Outside Employment Policy. The acknowledgment of this training should be documented.

Pending Implementation

Conclusion

The OIG report recommendations listed above have been open (i.e. pending implementation) for over two years. We will be ceasing routine follow up and closing out these recommendations if they are not implemented by September 30, 2022. **By not implementing the recommendations, management must accept any associated risk.** Research has shown that non-implementation of recommendations exposes organizations to further risks. As such, the entity will be assessed at a higher risk in our future OIG County-wide Annual Risk Assessments. We will continue to work with management in monitoring these recommendations until September 30, 2022. After which, we may follow-up on these recommendations in future audits and reviews to determine whether corrective action was taken.