



# OFFICE OF INSPECTOR GENERAL PALM BEACH COUNTY

*“ENHANCING PUBLIC TRUST IN GOVERNMENT”*

## The IG’s Role in Promoting Ethics in Government

John A. Carey  
INSPECTOR GENERAL

# IG Beginnings

- ▶ **1777 – George Washington, commander of the Continental Army, establishes the position of Inspector General.**
- ▶ **IG would seek and speak the truth, promote standardization, efficiency, and effectiveness.**



# Landmark Legislation

## Inspector General Act of 1978

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- ▶ **Political climate of late 1970s.**
- ▶ **Serious fraud, waste, and abuse scandals at large Federal agencies.**
- ▶ **Answer to this problem was the *Inspector General Act* creating *independent* IGs in federal entities.**



**The Palm Beach County  
Office of Inspector General**

# **Palm Beach County Ethics Movement**

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- ▶ **2003 – 2010: Arrests/Prosecutions of high level County and City officials.**
- ▶ **2009: State Attorney convenes a Grand Jury.**
- ▶ **December 2009: County Code of Ethics, Commission on Ethics, and the Office of Inspector General created.**

# The Creation of the Palm Beach County IG

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- ▶ November 2010, by over a *72% majority*, the people of Palm Beach County voted to expand the IG's jurisdiction over all 38 municipalities.
- ▶ The Palm Beach County IG is unique in that the IG reports to its citizens.

# **OIG Jurisdiction/Oversight Responsibilities**

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- ▶ **County, Cities, SWA, and CSC  
Employees: 14,500 (+)**
- ▶ **County, Cities, SWA, and CSC  
Combined Budgets: \$8 Billion**
- ▶ **Contract Value Monitored:  
\$ Billions**

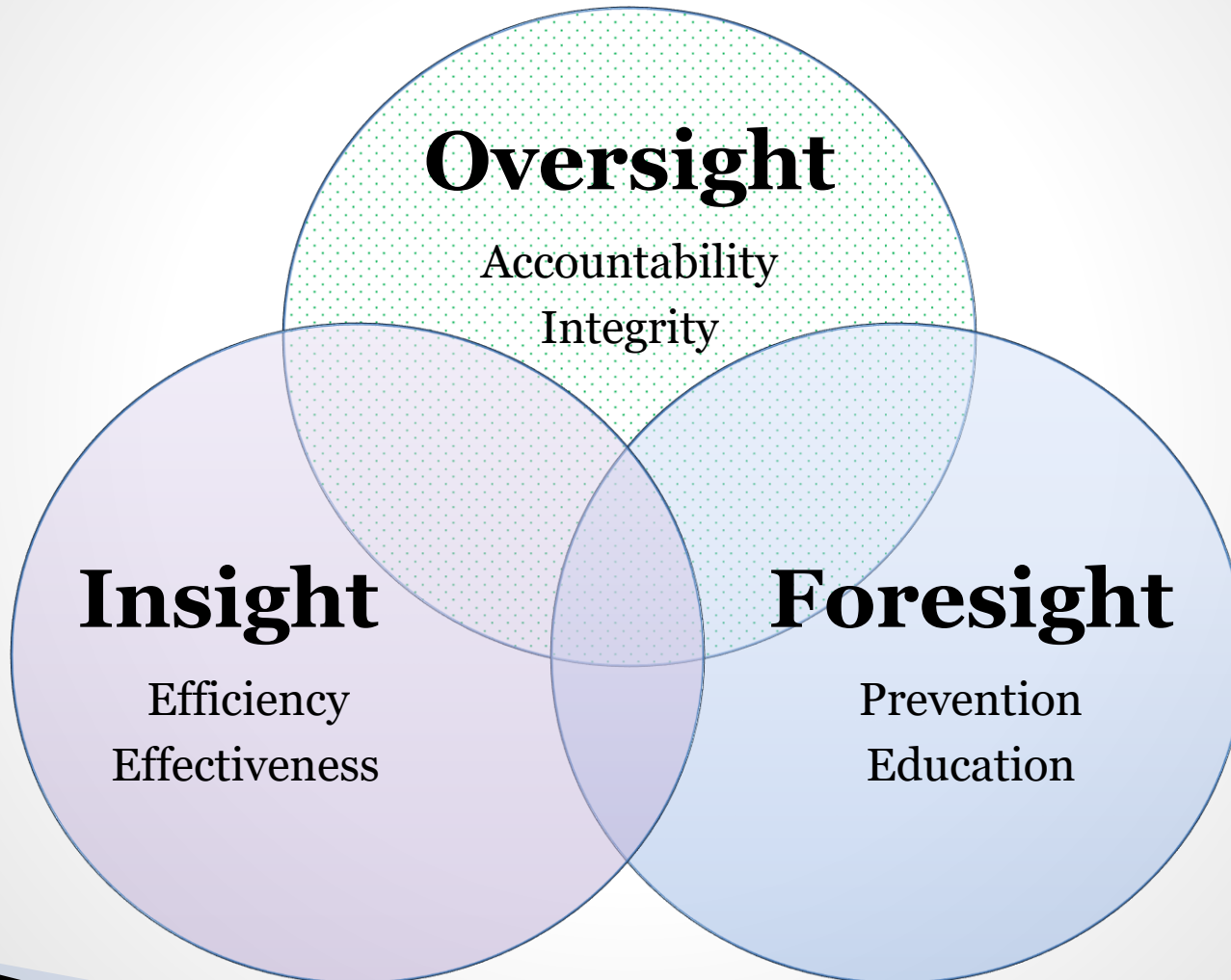
# PBC OIG's Mission and Functions

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- ▶ Our mission is to provide *independent* and objective insight, oversight, and foresight in promoting *integrity, efficiency, effectiveness in government.*
- ▶ Ultimately, *enhancing public trust in government.*



# Our OIG Approach



# What the IG Does

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- ▶ **Fact Finders:**
  - ▶ **Audit**
  - ▶ **Investigate**
  - ▶ **Review**
- ▶ **Make Recommendations:**
  - ▶ **Corrective Actions**
  - ▶ **To make Government better/save money**
- ▶ **Make Referrals:**
  - ▶ **Law Enforcement**
  - ▶ **Ethics Commissions**
- ▶ *Provide Transparency to the Public.*

# Inspector General Authorities

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- ▶ Investigate, audit, and review.
- ▶ Receive full and unrestricted access to records.
- ▶ Receive Whistleblower complaints.
- ▶ Obtain sworn statements.
- ▶ Issue subpoenas.
- ▶ Make criminal referrals to Law Enforcement Agencies.

# Practical Examples

The following are examples of the type of work/results from our:

- ▶ *Investigations*
- ▶ *Contract Oversight*
- ▶ *Audits*



# INSPECTOR GENERAL SIX MONTH ACTIVITIES



## Contract Oversight Delray Beach Solid Waste and Recyclable Materials

The City's previous Commission *rejected* the OIG recommendation to competitively solicit waste collection services.

**Result:**  
**Questioned Costs**  
**\$3 million**



City eventually *accepted and implemented* previous OIG recommendation for competitive procurement.

**Result:**  
**Avoidable Costs**  
**\$9 million**

# INSPECTOR GENERAL'S SIX MONTH REPORT



## Audit Finding - Referral to Investigation Division Delray Beach Employee Vendor

- A Treatment Plant Operator and a Supervisor were identified as owners of a registered City vendor, who caused the City to pay for purchases totaling over **\$150,000** for *products the City never received*.

*Three former City employees were arrested on felony and charged with Organized Scheme to Defraud and Grand Theft.*



# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



## **Contract Oversight Report CA-2018-0034 City of Delray Beach Lifeguard Towers**

### **ALLEGATIONS:**

The City's award of an Request For Proposal (RFP) was improper and unfair:

- There was only bidder
- The City did not confirm the vendor's qualifications
- The specifications limited competition
- The vendor qualifications were too restrictive
- The price was higher than other public purchases of similar items

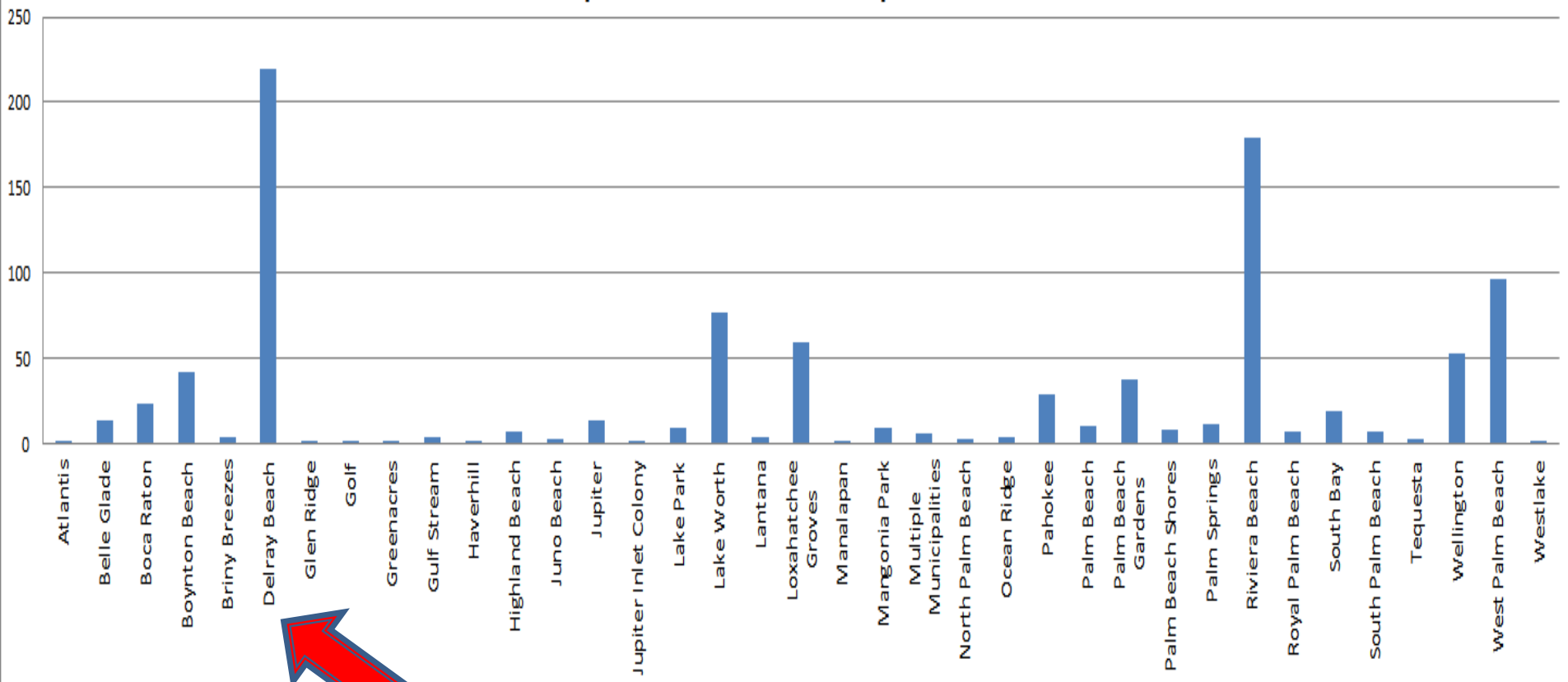


### **OUTCOME:**

- The City's bid specifications and vendor qualifications were justified and not unduly restrictive.
- The City followed its policies and procedures for the award to the sole bidder, and the price was fair, reasonable, and within the market range.

# Correspondences and Complaints that Come into the OIG

Correspondences to Date - Municipalities





# Return on Investment

- ▶ **We Listen.**
  - **10,000 (+) Hotline/Office Calls and Correspondences**
  - **We offer an *independent* office for citizens in and out of government to bring concerns, questions, complaints.**

# Return on Investment

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- ▶ **We Guard and Save Taxpayers' Dollars.**
  - **\$42.6 M Found in Questioned Costs**
  - **\$23.7 M Found in Potential Cost Savings**

# Return on Investment

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- ▶ **We Make Government Better.**
  - **650 (+)**  
**Recommendations/Corrective Actions**
    - **94% Management Acceptance Rate**
  - **Share best practices**
  - **Prevent bad practices**

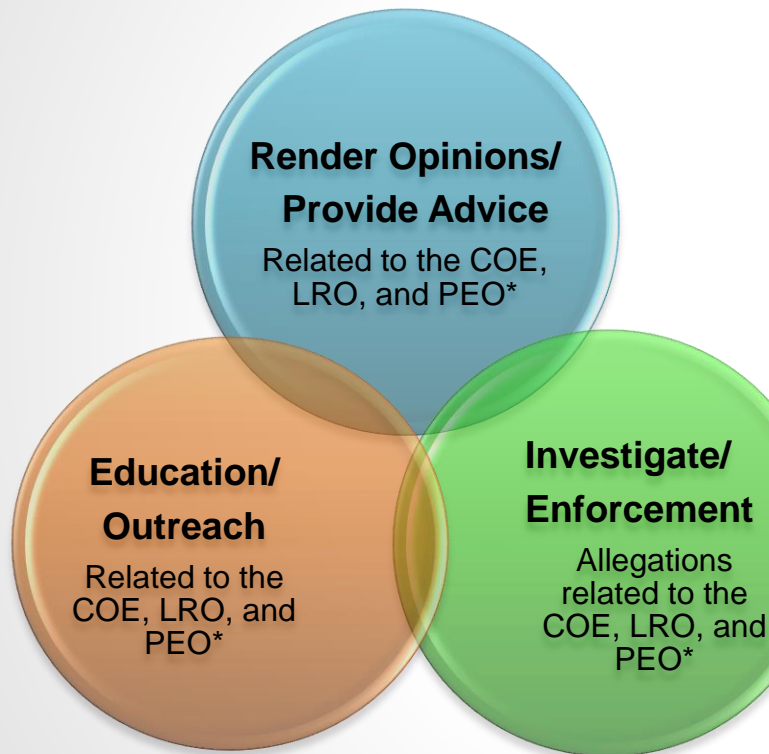
# Return on Investment

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- ▶ **We Hold People Accountable.**
  - **Investigations and Audits have led to *18 arrests and/or prosecutions.***
  - **128 cases have been referred to Law Enforcement or Ethics Commissions.**

# Two Organizations Promoting Integrity in Government

## Commission on Ethics

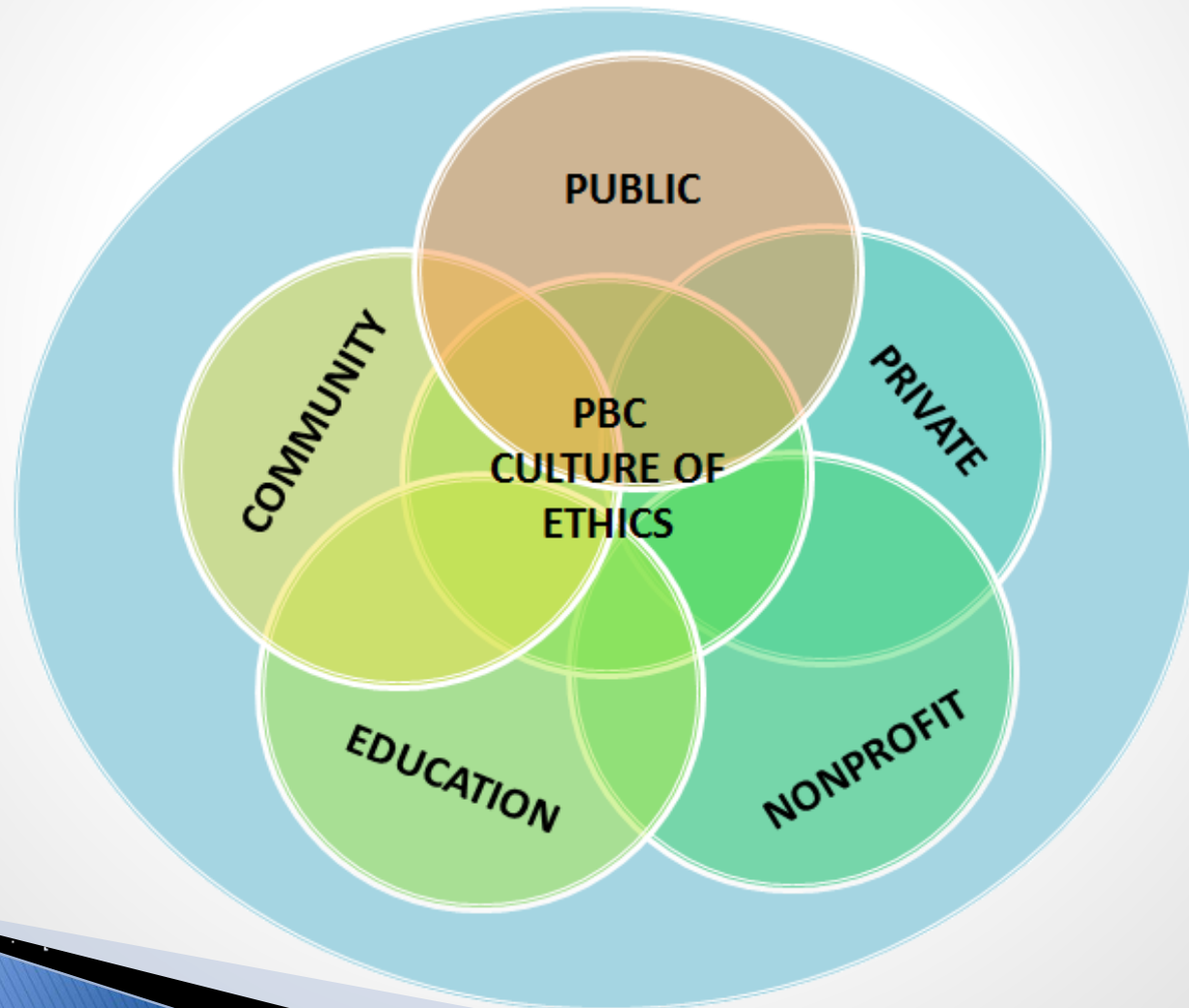


## Office of Inspector General



\* Commission on Ethics has jurisdiction over three ordinances: the Code of Ethics (COE), Lobbyist Registration Ordinance (LRO), and the Post-Employment Ordinance (PEO).

# Ultimately Building and Maintaining a Culture of Ethics is Everyone's Business



# QUESTIONS?

Visit our website at:

<http://www.pbcgov.com/OIG>

*Accountability, Transparency, Integrity*