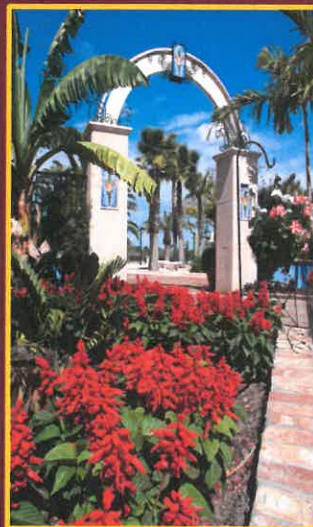
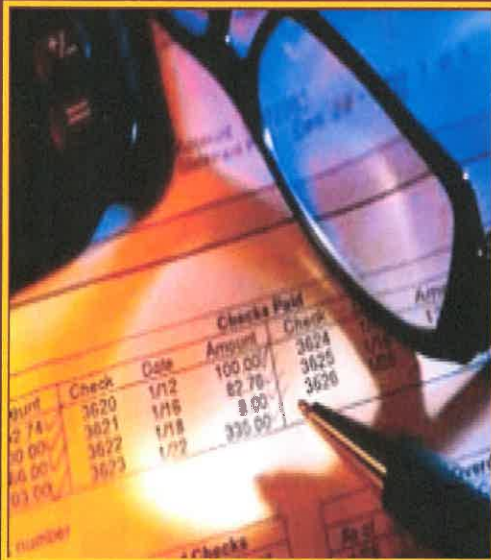




DIVISION OF INSPECTOR GENERAL
KEN BURKE, CPA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
PINELLAS COUNTY, FLORIDA

ANNUAL REPORT

FOR THE YEAR ENDING DECEMBER 31, 2016



An Accredited Office of
Inspectors General



Ken Burke, CPA

CLERK OF THE CIRCUIT COURT AND COMPTROLLER
PINELLAS COUNTY, FLORIDA

Clerk of the County Court
Recorder of Deeds
Clerk and Accountant of the Board of County Commissioners
Custodian of County Funds
County Auditor

Division of Inspector General

510 Bay Avenue
Clearwater, FL 33756
Telephone: (727) 464-8371
Fax: (727) 464-8386
Fraud Hotline: (727) 45FRAUD (453-7283)
Clerk's website: www.mypinellasclerk.org

March 20, 2017

The Honorable Ken Burke
Clerk of the Circuit Court and Comptroller

The Honorable Chairman and Members
of the Board of County Commissioners

On behalf of the Division of Inspector General (IG), I am pleased to present the IG's 2016 Annual Report. *The International Standards for the Professional Practice of Internal Auditing* of The Institute of Internal Auditors (IIA), *Standard Number 2060 – Reporting to Senior Management and the Board*, mandates the issuance of a report periodically on the internal audit activity's purpose, authority, responsibility, and performance relative to its plan.

This report summarizes the objectives and accomplishments of the IG for the year ending December 31, 2016.

We would like to take this opportunity to thank you for the development of the 2017 IG Annual Audit Plan issued January 17, 2017. We strive to ensure that you are satisfied with any audit, investigation, or requested project provided. It is the goal of the IG to ensure adherence to County resolutions, directives, policies, procedures, and internal controls.

The Annual Report is designed to serve as a helpful guide for County management in developing recommendations for the annual work plan that is completed every January by the IG. Please feel free to contact us anytime to request a review of an area or function that, in your perspective, could be improved.

In its 34th year of continuous operations, the IG staff takes pride in their contribution towards making the County operate as efficiently and effectively as possible for our citizens and stakeholders. The staff of the entire IG is to be applauded for their accomplishments, dedication, and production of this report.

Respectfully Submitted,

Hector Collazo Jr.
Inspector General/Chief Audit Executive
Division of Inspector General



An Accredited Office of
Inspectors General

TABLE OF CONTENTS

	<i>Page</i>
Introduction	4
Summary of Performance	4
Historical Background	5
Independence	7
Mission	8
Operations	9
Professional Development	10
Budget	13
Annual Audit Plan Selection Process	13
Communication	15
IG's Continuous Improvement	16
Performance Results	18
Productivity	18
Audits	19
Investigations	24
Follow-Ups	28
Cooperative Partnership Projects	29
Support of County Functions	34
Volunteers In Pinellas	34
Dollar Recoveries And Cost Avoidance	35
Division of Inspector General – A Good Investment	35
Highlights of Findings	37
Appendix	42
Appendix A	42
Professional Staff Biographies	
Appendix B	50
Professional Organizational Affiliations	

INTRODUCTION

Summary of Performance

The year ending December 31, 2016 was a continuing period of progress, partnerships, and accomplishments for the Division of Inspector General (IG). We appreciate and value the support of the Clerk of the Circuit Court and Comptroller (Clerk), Board of County Commissioners (BCC), County Administration, County staff, and the citizens of Pinellas County for the County's Inspector General function.

The IG office is comprised of two operational units: Audit Services and the Public Integrity Unit (PIU), working together to:

- Ensure an independent, objective analysis and evaluation of County programs and operations;
- Issue public reports; and
- Make recommendations to strengthen and improve the delivery of public services to the citizens of Pinellas County.

IG publicly issued 40 County Government related reports during 2016. They included 23 Audits, 8 Investigations, and 9 Follow-Ups, which yielded 49 Opportunities for Improvement, encompassing 87 Recommendations. Of the 23 issued Audits, 10 identified no Opportunities for Improvement or Recommendations.

Departmental Management concurred with and committed to the implementation of 98% of our 87 recommendations. This is a reflection of the intangible value and importance of a strong, independent audit and investigative process, management's commitment to that process, and their commitment to ensuring adherence to County resolutions, directives, policies, procedures, and internal controls.

Our PIU Investigative Section completed 12 investigations (including guardianship investigations) and handled 266 anonymous hotline tips with 135 referrals to Federal, State, County, and City departments/agencies.

Our PIU's Guardianship Section issued 67 guardianship audit reports to the Sixth Judicial Circuit Court, which resulted in:

- Removal of one Guardian.
- Identifying approximately \$1.5 million in questionable expenditures.
- Court ordered judgments and claims against Guardians in the amount of \$42,000.

The Division also participated in three ongoing cooperative partnership projects including:

- Pinellas County Property Appraiser DAVID Internal Control Review
- Pinellas County Housing Authority Section Eight Review Project
- Pinellas County Sheriff's Office PREA Hotline



Overall, for the year 2016, the IG has identified over \$4.1 million in potential economic impact to the County and its citizens.

**We appreciate the Clerk of the
Circuit Court and Comptroller,
Board of County Commissioners,
and County Administration for their
support of the Division of Inspector
General function.**

Historical Background

Pinellas County is a Charter County established under the Constitution and Laws of the State of Florida in 1912. The County approved the Home Rule Charter in 1980, consequently establishing a BCC/Administrator form of government. The elected Constitutional Officers include the:

- Clerk of the Circuit Court and Comptroller
- Board of County Commissioners
- Property Appraiser
- Sheriff
- Supervisor of Elections
- Tax Collector

The Clerk of the Circuit Court and Comptroller is a Constitutional Officer whose authority and responsibilities derive from constitutional and statutory provisions. Section 1(d), Article VIII, of the State Constitution, provides for the election of certain County Officers including a Clerk of the Circuit Court (Clerk). The latter part of this section specifies that:

"...the Clerk of the Circuit Court shall be ex officio clerk of the board of county commissioners, auditor, recorder and custodian of all county funds."

Section 16, Article V, of the State Constitution, also specifies that the Clerk shall have the duties quoted above. The law also confers onto the Clerk the responsibility to act as the County's Auditor.

In 1983, the Clerk established the Internal Audit Division in order to fulfill the responsibility of County Auditor. One of the most significant roles of an Internal Audit Division is to serve as public watchdog over taxpayer dollars.

The Clerk of the Circuit Court and Comptroller, Pinellas County, Florida, Division of Inspector General, serves as public watchdog over taxpayer dollars.

Our Division complies with national best practices and the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*. The Division's first external Quality Assurance Review was conducted in 1991. The external Quality Assurance Review is a strategic assessment of an internal audit function, including its infrastructure, staff experience, and performance relative to organizational goals, best practices, and standards.

The Clerk established the *Fraud, Waste and Abuse Policy* in 2003 to facilitate the development of internal controls that will provide for the detection, prevention, and reporting of fraud, waste, and abuse aimed at County government. It is the intent of this policy to promote awareness of the potential for fraud, waste, and abuse throughout the County, and to provide guidelines and assign responsibility for the development of adequate internal controls and systems.

In conjunction with the previously mentioned policy, the IG's PIU was established in November 2003. The PIU conducts investigations of suspected inappropriate activities in County affairs. These investigations can involve the administration of oaths, the production of books and records, and the implementation of other appropriate investigative techniques.

In May 2009, the Audit Charter was amended to the Inspector General Charter, thereby resulting in a title change from the Internal Audit Division to the Division of Inspector General (IG). In accordance with our commitment to comply with national best practices, the Division adopted and embraced the Association of Inspectors General's (AIG) *Principles and Standards for Offices of Inspector General*. These standards foster and promote public accountability and integrity in the general areas of prevention, examination, investigation, audit, detection, elimination, and prosecution of fraud, waste, and abuse through policy research and analysis, and standardization of practices, policies, and ethics.

The AIG Quality Assurance Review, in August 2016, determined that the IG met or exceeded the intent of the AIG's *Principles and Standards for Offices of Inspector General* and IIA's *International Standards for the Professional Practice of Internal Auditing*, which is the highest affirmation.

In February 2010, the Pinellas County IG became the first local government agency in the nation to be awarded status as an *Accredited Office of Inspector General* by the Commission for Florida Law Enforcement Accreditation (CFA) after a rigorous external evaluation process.

In December 2015, the CFA assessment team conducted a thorough re-evaluation of the Division's Public Integrity Unit's policies and procedures, management, operations, and support services to determine compliance with the CFA standards. They determined that the IG is 100%

compliant with the CFA standards and reaccreditation was awarded on February 24, 2016. Our IG office became the **first** local government agency in the nation to be awarded our second status as a *Reaccredited Office of Inspector General* by the Commission for Florida Law Enforcement Accreditation.

In March 2015, the Pinellas County Administrator issued *Pinellas County Administrative Directive No. 19-1, Fraud, Waste and Abuse Policy*, which formally provides instruction and guidance for implementing the *Fraud, Waste and Abuse Policy* to BCC employees.

The Clerk is an elected Constitutional Officer and Public Trustee and thus responsible to the citizens and taxpayers of Pinellas County. The Clerk is considered to be independent from the BCC. The IG office is organizationally independent from those areas that it will be auditing, reviewing, and investigating.

The IG/Chief Audit Executive has the authority and responsibility to conduct audits and investigations of all agencies funded by the Clerk and the BCC departments under the County Administrator. Moreover, IG has the authority to issue reports based on its findings and investigations.

Independence

As specified in the IG Charter:

The IG office is organizationally independent from those areas which it will be auditing, reviewing, and investigating.

To provide for the independence of the IG activity, its personnel report to the IG/Chief Audit Executive, who reports functionally and administratively to the Clerk. Since the Clerk is elected, and thus responsible to the citizens and taxpayers of Pinellas County, the Clerk is considered to be independent. The IG/Chief Audit Executive must communicate and interact directly with the Clerk. The Clerk, as

County Auditor, communicates with the BCC, but this does not restrict the IG/Chief Audit Executive from communicating with the BCC directly. The Division has no direct responsibility to or authority over any area subject to its audit, review, and investigation. Therefore, the IG office is organizationally independent from those areas which it will be auditing, reviewing, and investigating. The IG/Chief Audit Executive has the authority and responsibility to conduct audits/investigations of all agencies funded by the Clerk, the BCC, and departments under the County Administrator, and to issue reports thereon.

Mission

The mission of the Division of Inspector General (Division) is to improve government and preserve the public trust by providing independent, comprehensive audits, and investigations designed to add value and improve the County's operations and contracts. We strive to educate citizens and policymakers regarding the operation of their government. The Division will conduct investigations to ensure compliance with the Pinellas County Clerk of the Circuit Court's Fraud, Waste and Abuse Policy and Procedures designed to facilitate the development of internal controls that will provide for the detection, prevention, and reporting of fraud, waste and abuse directed against County government. It is the intent of the policy to promote awareness of the potential for fraud, waste and abuse throughout the County, and to provide guidelines and assign responsibility for the development of adequate internal controls and systems.



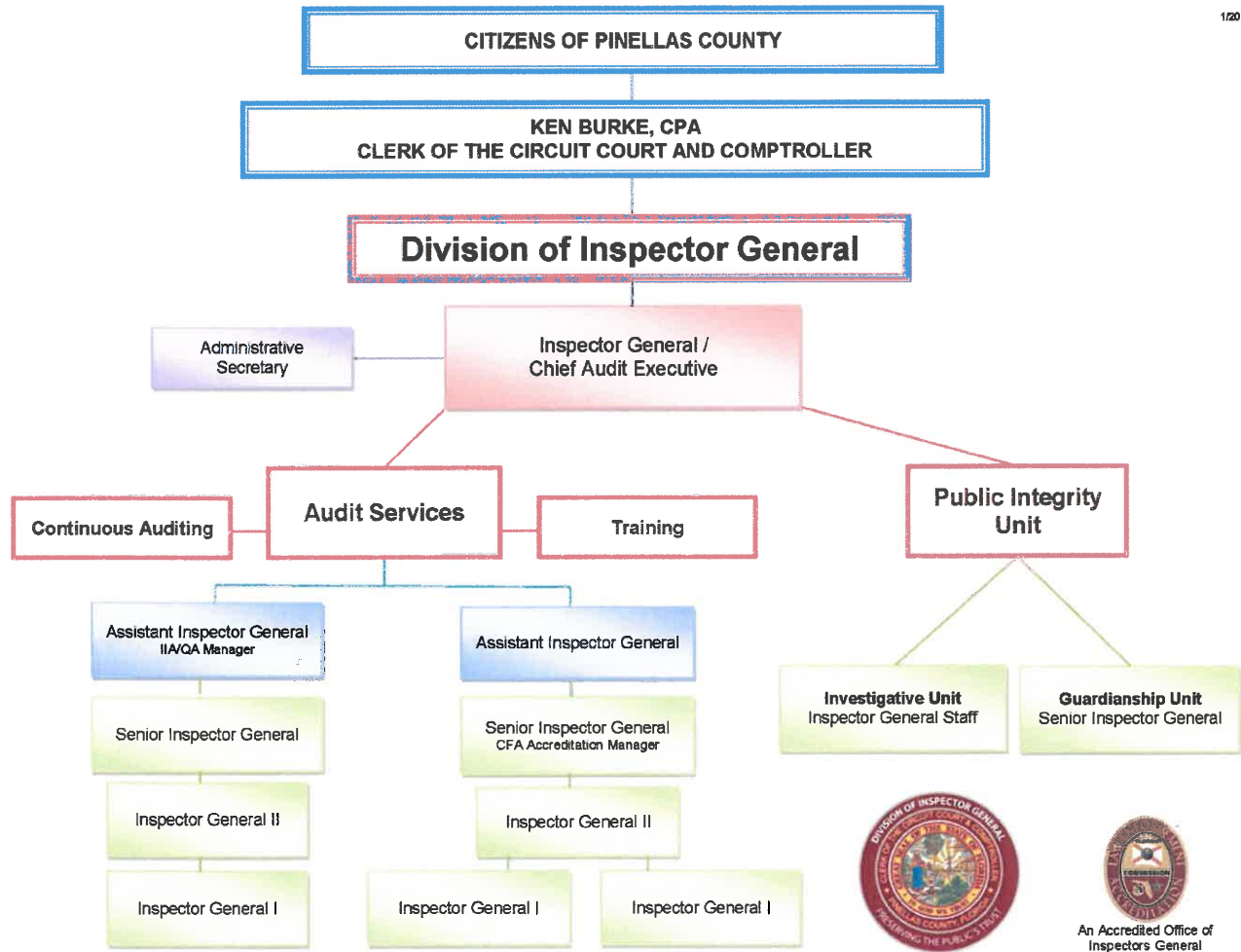
The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing* (Red Book) defines internal auditing as an independent, objective assurance (audit) and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Assurance Services (audits) is an objective examination of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes for the organization. Consulting Services is advisory, and performed at the specific request of clients; the nature and scope of which are agreed with the client, and are intended to add value and improve an organization's governance, risk management, and control processes without the internal auditor assuming management responsibility.

The Association of Inspectors General's (AIG) *Principles and Standards for Offices of Inspector General* (Green Book) describes investigations and forensic audits as independent techniques to gather and assess evidence related to alleged wrongdoing, potential violations of laws, rules and regulations, policies and procedures, or other abuses that impact negatively on the ability of the organization to effectively and efficiently carry out its duties. Furthermore, the Green Book requires compliance with the aforementioned Red Book standards when performing audits.

The Commission for Florida Law Enforcement Accreditation (CFA), *The Florida Inspectors General Standards Manual*, is an accreditation program recognized as a means of maintaining the highest standards of professionalism for independent investigations based on meeting specific requirements and prescribed standards. Furthermore, the CFA requires compliance with the aforementioned *Florida Inspectors General Standards Manual* when conducting investigations.

Operations

The IG office is comprised of 12 staff positions. (Please see Appendix A for staff biographies.)



The Division is subdivided into:

- Audit Services
- (PIU), which includes the:
 - Investigative Unit
 - Guardianship Unit

The IG conducts audits, guardianship audits/reviews, investigations of potential fraud, waste, and abuse, and provides a variety of consultative services. In fulfilling our responsibilities, IG meets or exceeds the following auditing and investigating standards:

- A. *International Standards for the Professional Practice of Internal Auditing* of The Institute of Internal Auditors (IIA).
- B. *Principles and Standards for Offices of Inspector General and Quality Standards for Investigations* from the Association of Inspectors General (AIG).
- C. *The Florida Inspectors General Standards Manual* of the Commission for Florida Law Enforcement Accreditation (CFA).

These standards collectively prescribe how the IG's audits, investigations, and consultations are performed. Quality Assurance Reviews of our audits, investigations, and processes are conducted by independent agencies.

**Quality Assurance Reviews
of our audits, investigations,
and processes are
conducted by independent
agencies.**

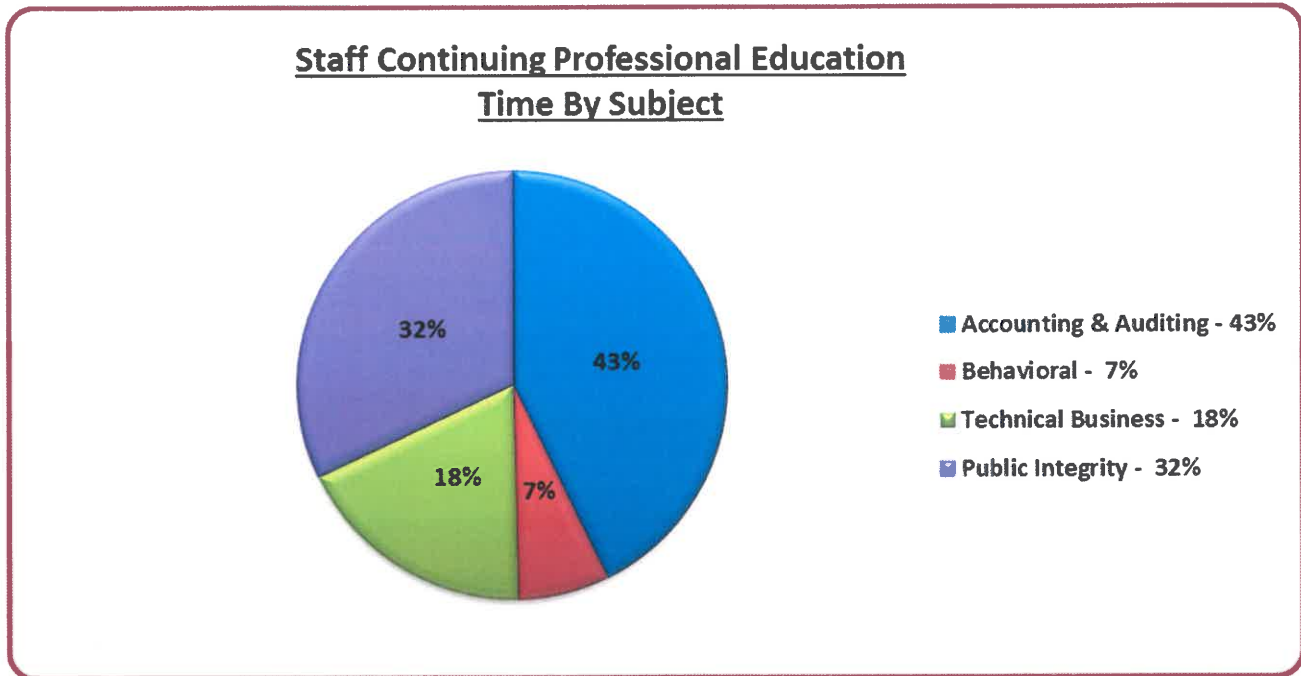
Professional Development

The IG recognizes that the quality and effectiveness of its services are dependent upon a professionally trained staff. Please see Appendix A, Staff Biographies, which highlight the key certifications earned by the IG staff. To this end, the Division allocates a portion of its resources to ensure continuing professional education as a key requirement of the aforementioned standards. All IG staff are cross trained in investigative and auditing techniques and attended training in 2016 sponsored by:

- Association of Certified Fraud Examiners
- Association of Inspectors General
- CCH Wolters Kluwer TeamMate
- Crowe Horwath
- Florida Audit Forum
- Florida Court Clerks & Comptrollers
- Florida Government Finance Officers Association
- Guardian Association of Pinellas County, Inc.
- Hetherington Group
- Information Systems Audit and Control Association
- Inspector General Criminal Investigator Academy
- Institute of Internal Auditors
- National Association of Construction Auditors
- National White Collar Crime Center
- Statewide Public Guardian's Office - Irene Rausch

Training is vital to our function as it keeps us abreast professionally and current on auditing techniques, investigative techniques, risk assessments, information technology, and best practices.

Training hours by subject area in 2016 are depicted in the following chart:



The subject areas in the chart above include:

Accounting & Auditing – subjects such as:

- Authoritative accounting literature
- Audit applications to computers and information systems
- Financial accounting and reporting
- General auditing theory and practice
- Internal controls
- Risk assessments

Public Integrity – subjects such as:

- Fraud, waste, and abuse
- Guardianship related areas
- Investigative techniques
- Interviewing
- Hotline operations
- Investigative writing
- Employee misconduct investigations

Behavioral – subjects such as:

- Behavioral sciences
- Oral and written communications
- Ethics
- Managerial effectiveness
- Social environment of business
- Investigative related areas

Technical Business – subjects such as:

- Budgeting
- Business law
- Computers and information systems
- Economics
- Financial planning
- Legislative changes
- Management advisory services
- Taxation

Included in our training, staff attends the two week IG Criminal Investigator Academy (IGCIA), "Essentials of Inspector General Investigations" training course at the Federal Law Enforcement Training Center (FLETC) in Glynco, Georgia. The IGCIA was established in Public Law 106-422 "for the purpose of performing investigator training services for offices of inspectors general created under the IG Act of 1978." The IG Reform Act of 2008 combined the two existing IG councils (the President's Council on Integrity and Efficiency, and the Executive Council on Integrity and Efficiency), into one statutory Council of Inspector Generals on Integrity and Efficiency (CIGIE). The mission of the CIGIE is to address integrity, economy, and effectiveness issues that transcend individual agencies, and to increase the professionalism and effectiveness of IG personnel by maintaining one or more training academies. The CIGIE has established a Training Institute to further the CIGIE mission.



The IGCIA was officially established at FLETC, Glynco, Georgia, in February 1994. The FLETC mission is, "We train those who protect our homeland." To carry out this mission, FLETC serves as an interagency law enforcement training organization for 91 federal agencies. FLETC also provides training to state, local, rural, tribal, territorial, and international law enforcement agencies.

Budget

IG is funded by the Clerk’s General Fund budget appropriated from the BCC. The following represents the Fiscal Year 2016 IG budget versus actual.

	Budget	Actual
Personal Services	\$1,280,367	\$1,280,367
Operating Expenses	\$104,620	\$104,620
Capital Outlay	\$4,391	\$4,391
Total	\$1,389,378	\$1,389,378

Annual Audit Plan Selection Process

IG recognizes that an overall strategy and audit plan is critical in order to meet the goals, objectives, and mission of the office. Annually, audits/projects are selected and prioritized using a dynamic risk based approach. Risk factors include:

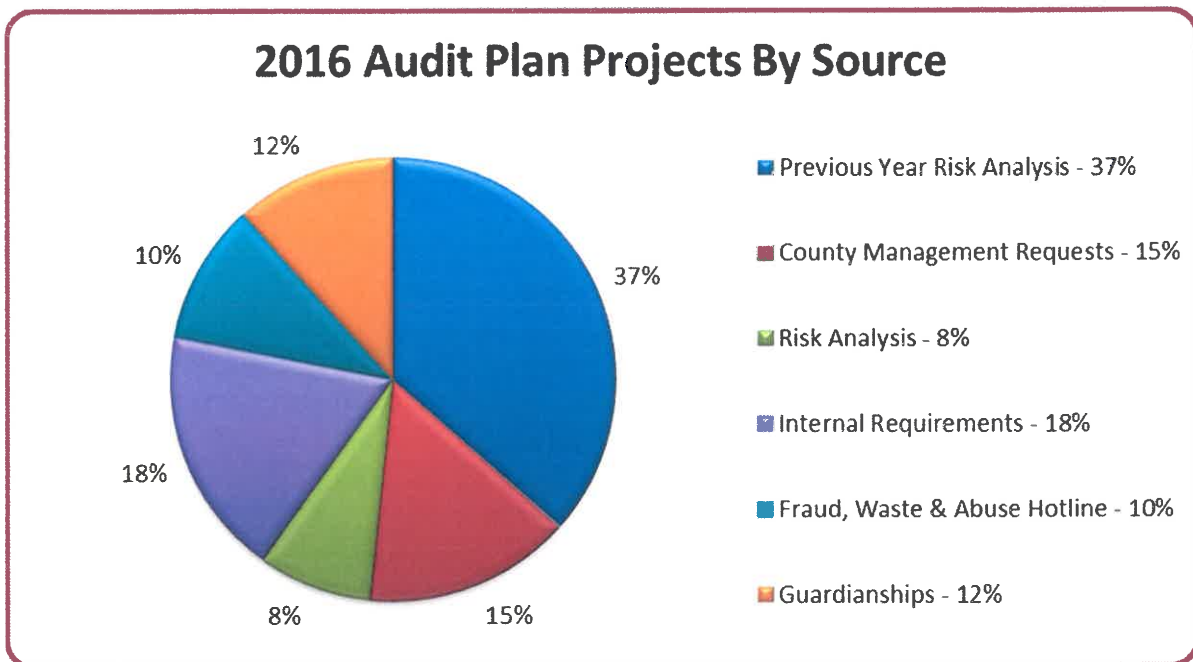
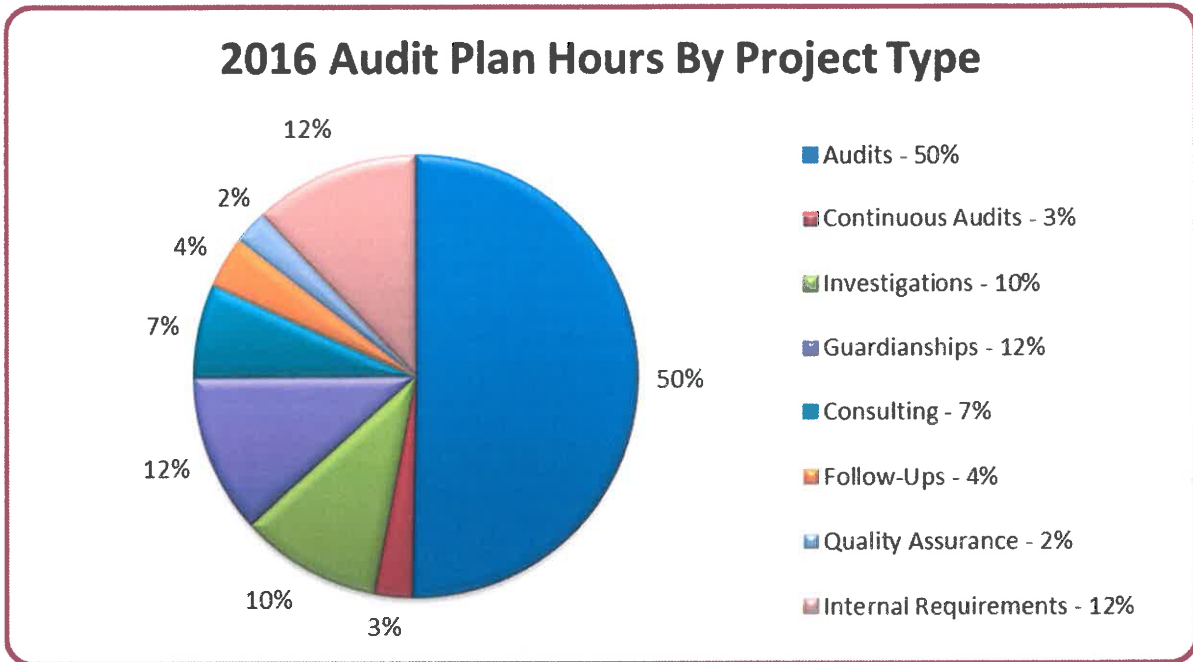
- Perception of risks from County-wide administration and officials, solicited recommendations from citizens, other Constitutional Officers, a survey of County employees, and tips from the Fraud, Waste, and Abuse Hotline.
- Economic factors such as the amount of financial impact, volume of transactions, number of personnel, generation of revenue, and the alignment of responsibility.
- Changes in organization, management, key personnel, and information systems.
- Environmental factors such as controls, regulations, and public perception.

The number of audits selected for the plan is based on audit impact (the problem or risks it would address and the likely types of findings and recommendations), the sensitivity and complexity of the audit compared to its likely impact, staff resources, and the breadth and depth of audit coverage across County government.

Based on the estimated available hours for the IG staff in 2016, the Annual Audit Plan for 2016 is broken down by project type in the following chart. Please see the Annual Audit Plan for the past seven years (2010 – 2016) on the IG website at:



<http://www.pinellasclerk.org/aspInclude2/ASPInclude.asp?pageName=auditplan.htm>

The sources for the project types shown in the above chart are identified in the following chart:



Communication

IG is committed to disseminating information by using various methods, such as:

- Division's website at www.mypinellasclerk.org; click on "Division of Inspector General" on the left-side menu:
 - Inspector General Reports (includes audits and investigations)
 - Annual Reports
 - Annual Audit Plans
 - Peer Review and CFA Accreditation
- Brochures distributed throughout the County with availability in many County facilities
- Fraud posters displayed throughout County Departments
- Fraud Hotline
- IG Connection Newsletter
- Pinellas County Connection TV (PCC TV)
 - Bright House Channel 622
 - WOW Channel 18
 - Verizon Channel 44
- IG Fraud Alerts
- Follow IG on  www.facebook.com/igpinellas
- Follow IG on  <http://twitter.com/pinellasig>
- Internal Controls/Fraud Hotline class offered through Human Resources Training & Development
- Presentations made at various professional organizations
- Fraud, Waste, and Abuse Video



Fraud, Waste & Abuse Video

IG's Continuous Improvement

"Who audits the auditors and investigators?" is the most common question asked of IG staff.

The IG's audit and investigative activities are assessed by independent external quality assurance review teams based on the Institute of Internal Auditors *International Standards for the Professional Practice of Internal Auditing*, and the Association of Inspectors General's *Principles and Standards for Offices of Inspector General*. The external quality assurance review program is voluntary; however, the benefit of an organization undergoing external quality assessments is that it allows the IG to stipulate that our activities **"conform with Auditing and Investigative Standards."** It also builds stakeholder confidence by documenting our commitment to quality and successful best practices, and the mindset for professionalism. Obtaining an external quality assessment review provides evidence to the Clerk, BCC, County management, County staff, and Pinellas County citizens that we are concerned about our own organizational internal controls, ethics, governance, and risk management processes.

IG became the **first** local government agency in the nation to be awarded status as an Accredited Office of Inspector General by the Commission for Florida Law Enforcement Accreditation (CFA) on February 3, 2010 after a rigorous evaluation process. The latter included a thorough review and assessment by CFA of all aspects of IG's policies and procedures, management, operations, and support services to determine compliance with the recognized Inspector General Standards of excellence. Following this initiative, IG updated its investigative manual to reflect CFA processes and professional standards, and streamlined the overall investigation process and management system.



An Accredited Office of
Inspectors General



Ava Jurek
Pinellas County SIGA

Deborah Weiss
CFA Accreditation Mgr

Sheriff Deryl Loar
CFA Commission Chair

Hector Collazo Jr.
Pinellas County IG

Lori Mizell
CFA Executive Director

On December 2, 2015, the CFA assessment team conducted a thorough re-evaluation of the Division's PIU's investigative policies and procedures, management, operations, and support services to determine compliance with the CFA investigative standards. They determined that the IG was 100% compliant with the CFA standards and our second reaccreditation was awarded on February 24, 2016. Our IG office became the **first** local government agency in the nation to be awarded their **second Reaccreditation Certificate** as an Accredited Office of Inspector General by the Commission for Florida Law Enforcement Accreditation. The CFA reaccreditation is on a three year cycle.

In accordance with the Association of Inspectors General's *Principles and Standards for Offices of Inspector General*, an external quality assurance review of the IG was performed on August 1, 2016. The IG's PIU investigative functions were assessed based on the *Principles and Standards for Offices of Inspector General, Investigative Standards*. The IG's Audit Services' functions were assessed based on the Institute of Internal Auditors' (IIA) *International Standards for the Professional Practice of Internal Auditing*. This quality assurance review also requires that we conduct an internal assessment, which was conducted on August 15, 2016 with the results posted on our website.



The Association of Inspectors General's external quality assurance review determined our operation *met or exceeded the intent of the AIG and IIA Standards*, which is the highest affirmation, having met all the *Principles and Standards for Offices of Inspector General, International Standards for the Professional Practice of Internal Auditing*, and *IIA Code of Ethics*. The Standards do not require such a review. However, the Association of Inspectors General recommends, and we concur, that Offices of Inspector

General periodically invite external reviewers to review IG's adherence to the professional standards adopted.

PERFORMANCE RESULTS

Productivity

The reports issued by IG fall into five key categories, which are audits, investigations, follow-ups, guardianship audits, and guardianship investigations. Below is a listing of these categories along with their respective number of reports for the years 2016, 2015, and 2014.

	Calendar Year		
	2016	2015	2014
Audits	23	29	23
Investigations	8	9	5
Follow-Ups	9	6	15
Guardianship Audits*	67	63	87
Guardianship Investigations*	4	3**	-
Total Reports	111	110	130

* Guardianship Audit and Guardianship Investigation reports are not available to the public per Florida Statute §744.3701, Inspection of report.

** 2015 is the first year Guardianship Investigations are being tracked separately from Guardianship Audits.

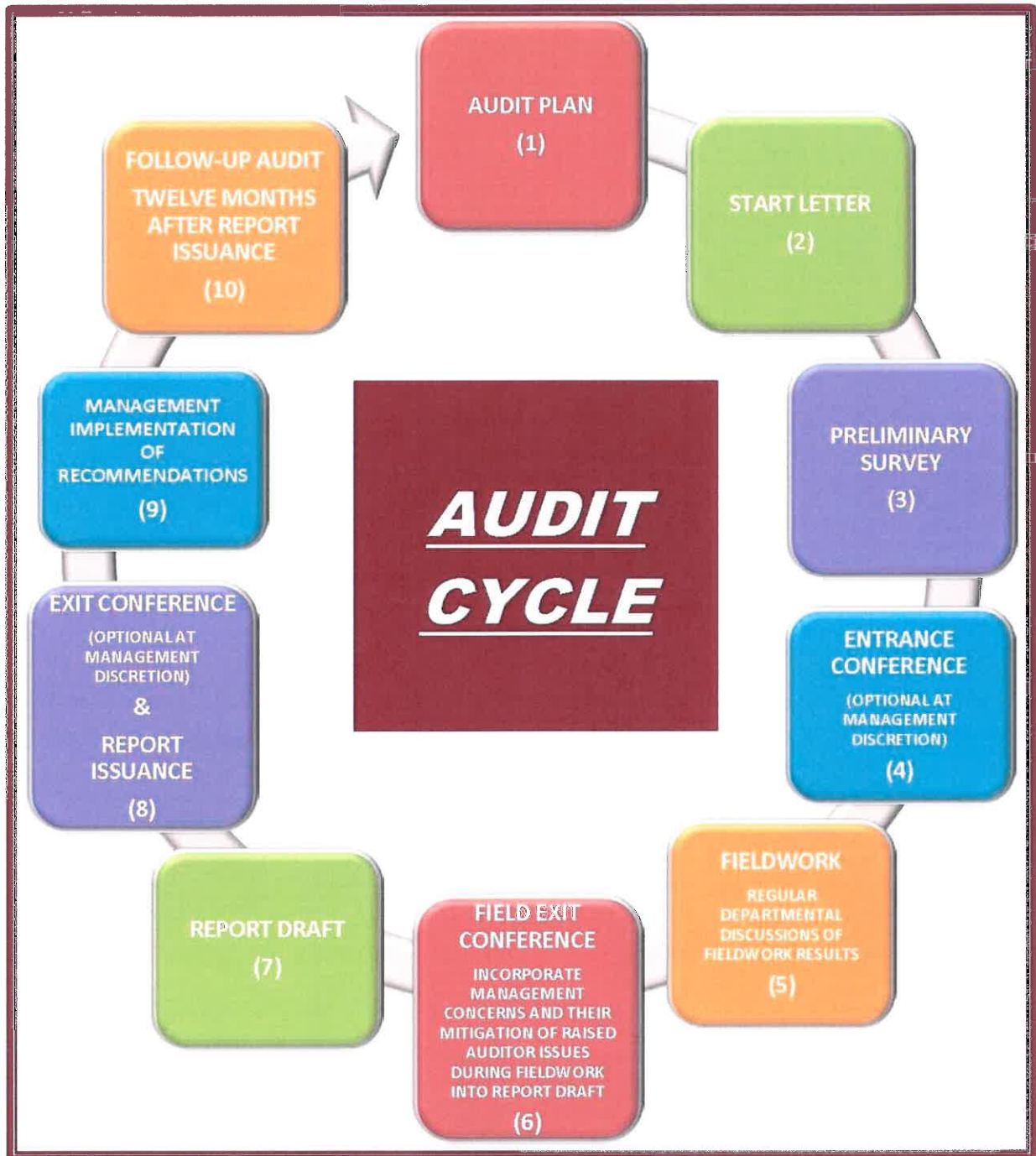
During calendar year 2016, IG issued 40 public reports, which include Audits, Follow-Ups, and Investigations. Our PIU's Guardianship Section issued 71 confidential audit and investigation reports.

Access to our reports can be obtained through the Clerk's website by following the steps below:

- Open the homepage to the right of the page, select the report desired or use the links below. Our reports are broken down in the following categories:
 - [Inspector General Reports](#)
 - [Annual Reports](#)
 - [Annual Audit Plans](#)
 - [Key Documents](#)

Audits

The objective of these projects is to provide auditees with an independent appraisal of whether desired results and objectives are achieved economically, efficiently, and in accordance with prescribed laws, regulations, policies, and procedures. The following chart depicts the typical audit cycle.

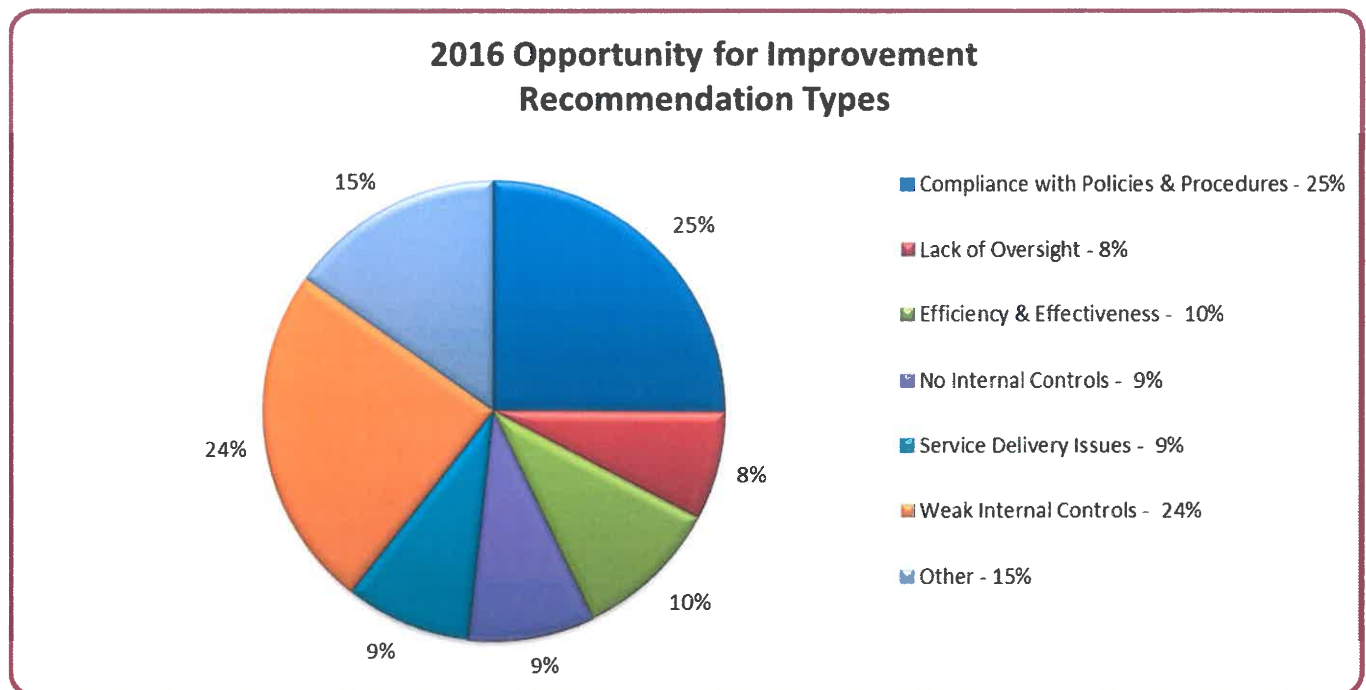


An Opportunity for Improvement is our way of working with management towards the advancement of government best practices in order to better serve the citizens and stakeholders of Pinellas County.

During 2016, IG issued 23 audit reports with:

- 40 Opportunities for Improvement containing
 - 78 recommendations.

The following chart shows Opportunity for Improvement recommendations by type:



Recommendations are an integral part of our audits; this is where an opportunity for change or improvement takes place. We presented a total of 207 recommendations in 2014 through 2016; the management of the audited departments concurred with 188 of that total (91%).

The table below presents the report year and recommendation statistics:

Year	Number of Recommendations	Concurred To By Management	
		Number	Percentage
2016	78	76	97%
2015	55	51	93%
2014	74	61	82%
TOTAL	207	188	91%

The following chart shows the status of all audits on the Annual Audit Plan for the past three years (2014, 2015, and 2016), current consulting projects, and continuous audits. Each project falls into one of eight status categories:

- *Completed* – audit completed and report issued.
- *In Progress* – audit is in progress and report will be issued.
- *Risk Reassessed* – as part of our continuous monitoring of the Annual Audit Plan, some scheduled audits may have risk factors re-evaluated causing a change in the current year's Annual Audit Plan.
- *Rescheduled* – audit was rescheduled to a future calendar year.
- *Continuous Audit* – audit is continuously performed with periodic reports issued.
- *Continuous Consulting* – consulting review is continuously performed.
- *Consulting Completed* – consulting review completed and report or memo issued.
- *Consulting In Progress* – consulting review is in progress.

YEAR	PROJECT	STATUS	REPORT NO.
2014 AUDIT PLAN STATUS			
2014	Agreements with Parks and Conservation Resources Non-Profit Organizations	Completed	2016-40
2014	Animal Services Operations & Internal Controls	Completed	2015-20
2014	Audits of Selected County Contracts	Risk Reassessed	N/A
2014	Building & Development Permit Revenue Collection and Allocation	Completed	2014-29
2014	Business Technology Services Hewlett Packard Contract Review	Completed	2015-06
2014	Child Support Operations & Internal Controls and FACC Interface (Circuit Court Civil Court Records Support/Family)	Completed	2016-07
2014	Clerk Branches' Operations & Internal Controls	Risk Reassessed	N/A
2014	Clerk Collection Service Agreements (Linebarger Goggan Blair & Sampson, LLC and Penn Credit Corporation)	Completed	2015-21
2014	Clerk of the Circuit Court's Internal Controls Over DAVID	Completed	2015-24
2014	County Purchase Card Usage for Contract Payments	Rescheduled	N/A
2014	Pinellas County GIS Infrastructure Construction Water & Sewer Information	Completed	2015-35
2014	High Volume Usage of County Purchase Cards	Risk Reassessed	N/A
2014	Housing Finance Authority Long Term Obligations	Completed	2015-02
2014	Short-Term Disability and Long-Term Disability Contracts	Completed	2015-37
2014	Human Services Grants - Social Action Funding	Risk Reassessed	N/A
2014	Pinellas Public Library Cooperative Management Transition	Rescheduled	N/A
2014	Public Works and Utilities Infrastructure Long Term Plans/Projects	In Progress	N/A
2014	Review of Oversight Entities (Boards, Councils, Authorities, Other Oversight)	Risk Reassessed	N/A
2014	Tax Increment Financing Districts Municipal Payments to County	In Progress	N/A
2014	Unannounced Limited Audit of Existing Bank Accounts for the BCC & CCC	Completed	2015-22

**Performance Results
2016 Annual Report**

YEAR	PROJECT	STATUS	REPORT NO.
2015 AUDIT PLAN STATUS			
2015	Alcohol Beverage License Revenue	Rescheduled	N/A
2015	Audits of Selected Construction Contracts	In Progress	N/A
2015	Audits of Selected County Service & Maintenance Contracts	Risk Reassessed	N/A
2015	Business Technology Services Server Security	Risk Reassessed	N/A
2015	Code Enforcement Operations & Internal Controls	Completed	2016-05
2015	Community Development Selected Program	Risk Reassessed	N/A
2015	Court Appearance Bonds Operations & Internal Controls, Bond Application	Risk Reassessed	N/A
2015	Court Evidence Custody, Criminal & Civil Operations & Internal Controls	Rescheduled	N/A
2015	Finance Division Accounts Payable Operations & Internal Controls	Rescheduled	N/A
2015	Internal Controls Over Selected County Applications' Interfaces	Rescheduled	N/A
2015	Parks and Conservation Resources Concession Agreements	Risk Reassessed	N/A
2015	Pinellas County Health Program	Rescheduled	N/A
2015	Pinellas Public Library Cooperative Operations & Internal Controls	Rescheduled	N/A
2015	Solid Waste Contract for Waste to Energy Plant	Rescheduled	N/A
2015	STAR Center Operations & Internal Controls	Risk Reassessed	N/A
2015	St. Petersburg-Clearwater International Airport Lease & Concession Agreement With Stellar Partners, Inc.	Completed	2015-13
2016 AUDIT PLAN STATUS			
2016	Alcohol Beverage License Revenue	Rescheduled	N/A
2016	Audits of Selected Construction Contracts	In Progress	N/A
2016	Audits of Selected County Service & Maintenance Contracts	In Progress	N/A
2016	Court Evidence Custody, Criminal & Civil Operations & Internal Controls	Rescheduled	N/A
2016	Finance Division Accounts Payable Operations & Internal Controls	Rescheduled	N/A
2016	Intergovernmental Radio Program	In Progress	N/A
2016	Internal Controls Over Selected County Applications' Interfaces	Rescheduled	N/A
2016	Juvenile Detention Operations	Rescheduled	N/A
2016	Pinellas County Health Program	Rescheduled	N/A
2016	Pinellas Public Library Cooperative Operations & Internal Controls	In Progress	N/A
2016	Records Retention	Rescheduled	N/A
2016	Regional 911	Rescheduled	N/A
CONSULTING PROJECTS			
2014	Clerk's Expungement & Sealing Procedures	Consulting Completed	Memo Issued
2015	Clerk's Change Management Consulting Project	Consulting Completed	Memo Issued
2016	Pinellas County Health Insurance	Consulting In Progress	N/A
CONTINUOUS AUDITS/PROJECTS			
2016	ACL Continuous Audit Work	Continuous Audit	N/A

YEAR	PROJECT	STATUS	REPORT NO.
2016	Budget Financial Management Services Delivery Team	Continuous Consulting	N/A
2016	Budget Financial Management Services Delivery Team	Continuous Consulting	N/A
2016	Contract Management Services Delivery Team	Continuous Consulting	N/A
2016	County Bankcard Transactions Review for the CCC, BCC Members, and County Administrator	Continuous Audit	N/A
2016	Fixed Asset Physical Inventories	Continuous Audit	2016-11, 22, 31, 32, 34, 35, 36
2016	Imprest Fund Unannounced Cash Counts & Unannounced Notary Audits	Continuous Audit	2016-03, 04, 13, 14, 19, 20, 25, 28, 29, 30
2016	Pinellas County Housing Authority Section 8 Review	Continuous Audit	N/A
2016	Property Appraiser Employees' Use of Driver and Vehicle Information Database (DAVID) Personal Data	Continuous Audit	2016-18
2016	Security Panel Representative	Continuous Consulting	N/A
2016	Technology Steering Cooperative Representative	Continuous Consulting	N/A
2016	Utilities Process Review Team	Continuous Consulting	N/A

As shown above, based on the estimated available hours for the IG staff in 2014 through 2016, the following is the status of those 63 projects:

- 13 audits were completed and a report issued.
- 7 audits were in progress at year-end.
- 11 audits were reassessed, and based on risk, were cancelled.
- 17 audits were rescheduled.
- 12 audits and consulting reviews are continuously performed.
- 2 consulting reviews were completed and a memo issued.
- 1 consulting review was in progress at year-end.

Investigations

The objective of these projects is to investigate allegations of fraud, waste, and abuse directed against County government. Investigations that uncover administrative wrongdoing typically reveal violations of law, policy, or regulations. They also identify the individuals responsible for the violations and make recommendations for administrative action. The following chart depicts the typical investigation cycle.



Equally important to the investigative process is the identification of:

- Internal control weaknesses
- Contracting irregularities
- Other problems that place County Government at risk for fraud, waste, and abuse

Therefore, the reports frequently make specific recommendations to:

- Correct the identified deficiencies
- Provide guidance on the applicable laws and regulations
- Suggest employee training where appropriate

When investigative findings suggest signs of criminal conduct, they are presented to the appropriate law enforcement authorities for further action.

The following table shows the number of investigation and guardianship cases referred to the State Attorney's Office (SAO) over the past three years and their outcome.

Year	Cases Referred to SAO	Cases SAO Filed Charges On	Convictions	Employees/Guardians Terminated or Resigned	Amount of Fines/Fees/Restitution
2016	1	Pending	Pending	N/A*	Pending
2015	1	1	1	1	\$50,000
2014	1	1	1**	1	\$580
Total	3	2	2	2	\$50,580

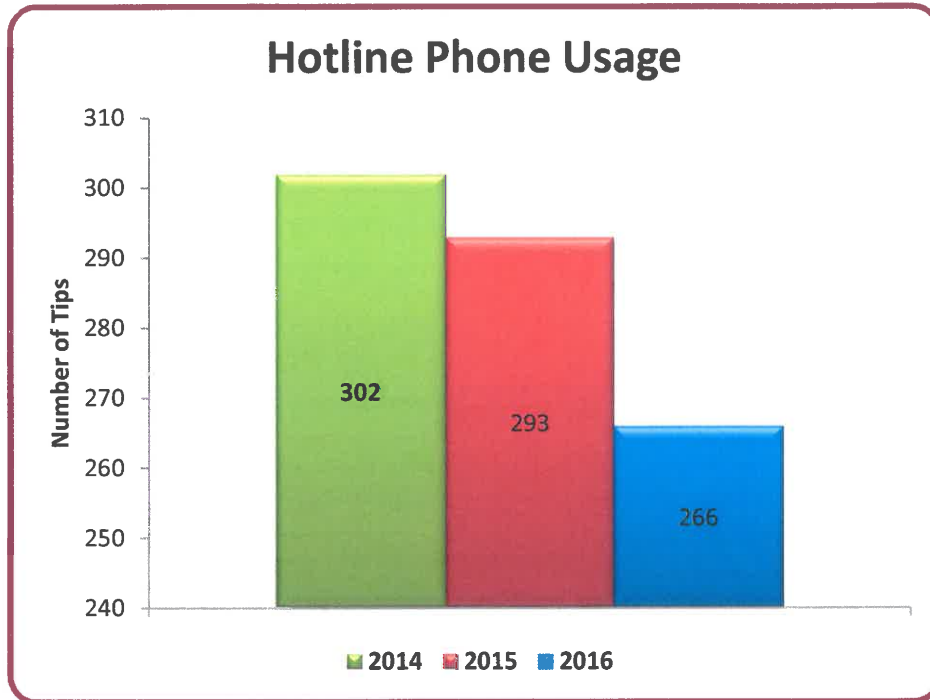
* Defendant is a citizen who is alleged to have fraudulently manufactured County documents.

**Defendant placed on Pre-Trial Intervention. If she remains crime-free for a year, the charge is dropped and her record is sealed.

During calendar year 2016, IG handled 266 anonymous Hotline tips. IG investigated 18 of these tips, while 135 were referred to the appropriate agencies, including:

- | | |
|--|---|
| <ul style="list-style-type: none"> ● County Departments ● Pinellas County Sheriff's Office ● Sixth Judicial Circuit Court ● Local Police Departments | <ul style="list-style-type: none"> ● State Attorney's Office ● Florida Department of Revenue ● Internal Revenue Service ● Federal Bureau of Investigation |
|--|---|

No action was taken on the remaining 113 calls because they were informational in nature, or did not require referral, etc.



The following table shows the number of investigations conducted over the past three years and their disposition. The investigation disposition falls into one of three categories:

1. *Substantiated*:
 - There is sufficient evidence to justify a reasonable conclusion that the allegation is true.
2. *Unsubstantiated*:
 - There is insufficient evidence to either prove or disprove the allegation.
3. *Unfounded*:
 - The allegation proved to be false or there is no credible evidence to support the allegation.

Year	Total Number of Investigations Completed	Total Number of Allegations	Substantiated	Unsubstantiated	Unfounded
2016	8	12	4	2	6
2015	9	14	1	7	6
2014	5	31	3	3	25
Total	22	57	8	12	37

Starting in 2015, guardianship investigations are being tracked separately from guardianship audits. Our PIU's Guardianship Section issued four guardianship investigation reports to the Sixth Judicial Circuit Court, which encompassed:

- 4 unsubstantiated allegations
- 14 recommendations
- Removal of one Guardian

The Fraud, Waste, and Abuse Hotline is our way to promote honesty and efficiency in government and maintain the public's trust in County government. County management, County employees, and citizens are urged to immediately report any suspected instance of fraud, waste, or abuse.

Reports may be made in several convenient ways:

- Written complaints may be faxed to (727) 464-8386
- Written complaints may be mailed to 510 Bay Avenue, Clearwater, Florida 33756
- Call the dedicated Hotline number (727) 45FRAUD (727-453-7283)
- Report online through the Clerk's website:
 - [Report Fraud of County Resources](#)
 - [Report Fraud of Guardianship Cases](#)

When reporting fraud, waste, or abuse, you may remain anonymous if you wish.

The fraud reporting program is critical to our efforts to combat fraud, waste, and abuse as complaints provide the ability to generate leads from multiple sources. Investigations are initiated upon the receipt of credible information alleging an act of fraud, waste, or abuse that falls within IG's jurisdiction.

Follow-Ups

The objective of these projects is to track the status of management's action on reported findings and recommendations. To meet the standard of due professional care, IG has established a process that assesses the adequacy, effectiveness, and timeliness of management's actions. Management of each audited entity is primarily responsible for deciding the appropriate action to be taken on reported audit findings and recommendations.

Based on a risk assessment, approximately six months to one year after the issuance of an audit or investigative report, a follow-up is conducted and a report is issued. The report summarizes managements' responses to recommendations that are categorized as implemented, acceptable alternative, partially implemented, not implemented, or not applicable.

During 2016, IG performed nine follow-ups with 45 Opportunities for Improvement containing 99 recommendations. Management implemented 82% of our recommendations. The table below summarizes follow-up statistics for the past three years.

Year	Number of Follow-Ups	Number of Opportunities for Improvement	Number of Recommendations	Implemented	
				Number	Percentage
2016	9	48	102	84	82%
2015	6	19	31	29	94%
2014	15	55	88	65	74%

2016 Follow -Up Audits	1	2	3	4	Report No.
Ft. De Soto Park Operations & Internal Controls	10	35	21	60%	2016-09
Clerk's Collection Services Agreements	4	5	5	100%	2016-16
REM Warehouse Inventory Controls	1	1	1	100%	2016-17
Animal Services Operations & Internal Controls	12	31	31	100%	2016-23
Housing Finance Authority Long-Term Obligations	6	10	6	60%	2016-24
Clerk's Internal Controls Over DAVID Information	4	5	5	100%	2016-26
Multiple Award Service Contracts for Motor & Pump Repairs	5	8	8	100%	2016-38
GIS Infrastructure Construction Water and Sewer Information	3	4	4	100%	2016-39
Mosquito Control & Vegetation Mgmt. Petty Cash Fund	3	3	3	100%	2016-21
TOTAL	48	102	84	82%	

1-Number of Opportunities for Improvement

2-Number of Recommendations

3-Number of Recommendations Implemented, Partially Implemented, and No Longer Applicable

4-Percentage Implemented, Partially Implemented, and No Longer Applicable

Cooperative Partnership Projects

Guardianship Audits and Investigations

Sixth Judicial Circuit Court, Clerk's Probate Division

Probate Guardianship and Mental Health Division

The objective of these projects is to augment the Clerk of the Circuit Court and Comptroller, Probate Records, Guardianship Section's, authority under Section 744.368 of the Florida Statutes, which states the Clerk "...shall audit the verified inventory or the annual accounting. The Clerk shall advise the court of the result of the audit." Also these projects provide assistance to the Probate Guardianship and Mental Health Division of the Sixth Judicial Circuit Court. These projects help with supporting the Clerk and Court's oversight process as it pertains to the protection of wards' assets per Chapter 744 of the Florida Statutes and related Administrative Orders of the Sixth Judicial Circuit. The Division of Inspector General conducts varying levels of audits and financial investigations of guardianship activities.



These audit reports are not available to the public per Florida Statute §744.3701 and the Sixth Judicial Circuit in and for Pinellas and Pasco County, Florida Administrative Order No. 2010-065 Pa/Pi-Cir Sealing of Court Records (Section II-B Confidential Records and Information, 2c); they are issued to the Court for review and possible action. During 2016, IG handled 80 Guardianship Hotline calls of which 46 were referred to other entities. The guardianship work performed during

calendar year 2016 resulted in two guardians being removed and approximately \$3,931,498 in questionable expenditures identified and resolved. IG conducts the following three types of guardianship audits/reviews:

- **Level I**
 - An IG Level I audit consists of the review of guardianship reports in conjunction with the supporting documentation, which has been determined to have discrepancies by the Clerk's Probate Guardianship Section.
- **Level II**
 - An IG Level II audit consists of the examination of the guardianship report and the attempted verification of selected questionable items. Limited inquiries and/or requests for supporting documentation may be necessary to resolve issues.
- **Level III**
 - An IG Level III audit consists of a comprehensive examination and attempted verification of all significant items pertinent to the guardianship report.

The table and accompanying chart below display guardianship statistics over the past three years.

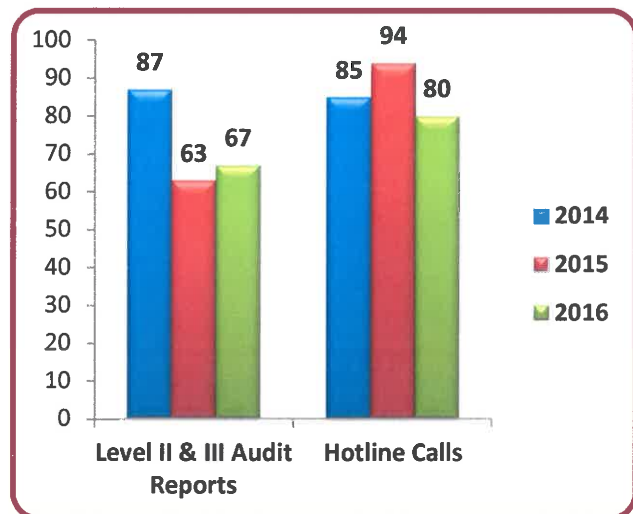
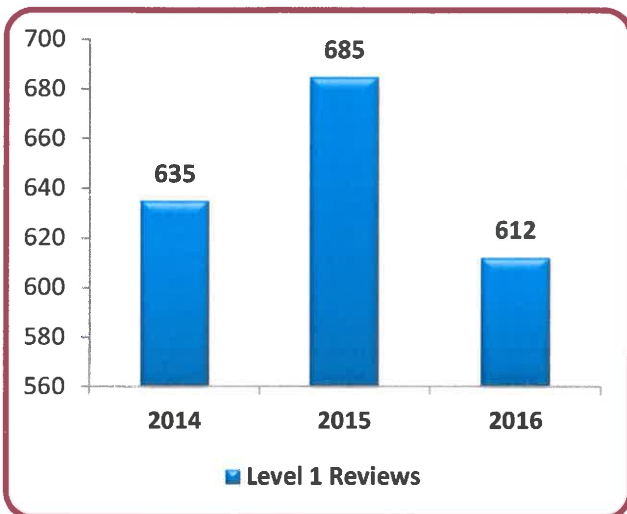
During calendar year 2016, the IG Guardianship Section conducted 612 Level I reviews and issued 67 Level II and III audit reports with:

- 100 Opportunities for Improvement
 - Containing 172 Recommendations

Year	Level 1 Reviews	Level II & III Audit Reports	Hotline Calls	OPPG*
2016	612	67	80	4
2015	685	63	94	N/A
2014	635	87	85	N/A

*First year of OPPG Investigations (see page below).

GUARDIANSHIP TRENDS



Florida Department of Elder Affairs, Office of Public and Professional Guardians

Statewide Investigations of Guardians

Fraud Prevention in Guardianships



In 2016, the Florida Department of Elder Affairs, Office of Public and Professional Guardians (OPPG), was given the statutory responsibilities for handling complaints and conducting investigations of professional guardians pursuant to the guardianship laws in Florida Statute Chapter 744. With no investigative unit or investigative experience, OPPG determined a cooperative partnership was needed with Clerks' Offices of Inspectors General, having the expertise and experience needed to fulfill OPPG's investigative authority. Therefore, in 2016, a Memorandum of Understanding was executed between OPPG and six Clerks of Circuit Court and Comptroller, Offices of Inspectors General, establishing a statewide partnership known as the Statewide Investigation Alliance (Alliance).

As an Alliance member, the IGs' staff of independent and professional auditors/investigators reinforces the Florida Judicial Circuit Courts' duties of oversight and protection of wards, the Clerks of the Circuit Court and Comptrollers' duties to audit and investigate guardianships and advise the Court, and the OPPG duties of monitoring, educating, and disciplining professional guardians. In cooperation with the Court, Clerk, and OPPG, the Alliance conducts investigations involving legally sufficient complaints against professional guardians to fulfill the new requirements of Florida Statute Chapter 744.



St. Petersburg College and Guardianship Association of Pinellas County



The IG has a cooperative partnership with St. Petersburg College to provide training to family and professional guardians.



In addition, the IG has a cooperative partnership with the Guardianship Association of Pinellas County to provide training to Association members and submit articles to the Association newsletter.

DAVID Internal Control Review

Pinellas County Property Appraiser's Office

The objective of this project is to provide periodic monitoring of Property Appraiser employees' use of the Driver and Vehicle Information Database (DAVID) personal data as required by the Memorandum of Understanding (MOU) between the Property Appraiser and the Florida Department of Highway Safety and Motor Vehicles (DHSMV).



Periodically, the DHSMV requests the Property Appraiser to submit an attestation ensuring DAVID data is used in an appropriate manner per the MOU. The Pinellas County Property Appraiser requested IG to perform the attestation engagement. As a result of that engagement, the Property Appraiser requested IG to perform a limited audit annually to analyze the DHSMV access transaction reports for the Property Appraiser employees to determine that DAVID information was obtained for legitimate business purposes.

Section Eight Review

Pinellas County Housing Authority

The objective of this project is to assist the Pinellas County Property Appraiser in uncovering Section 8 voucher fraud.

The Pinellas County Housing Authority requested IG's assistance in identifying the Section 8 recipients who also own properties in Pinellas County.



Prison Rape Elimination Act (PREA) Hotline
Pinellas County Sheriff



In 2014, the Pinellas County Sheriff requested IG's assistance to comply with federal law and in a cooperative effort to save the County an estimated \$150,000 per year in additional funds to operate the PREA Hotline.

PREA is a federal law established to address the elimination and prevention of sexual abuse in correctional systems. PREA applies to all Federal, State, and local prisons, jails, police lock-ups, private facilities, and community settings such as residential facilities.

The Pinellas County Sheriff's Office (PCSO) has a **zero tolerance policy** for all forms of sexual abuse of inmates either by other inmates, staff, volunteers, contractors, or individuals having responsibility for the safety, security, care, and/or treatment of inmates. Inappropriate relationships will not be tolerated and these relationships are criminal and may be prosecuted under state and federal laws.

The objective of this project is to provide an independent hotline for reporting complaints of sexual abuse or sexual harassment of any inmate incarcerated in the Pinellas County Jail in accordance with the Prison Rape Elimination Act (28 CFR Part 115.51).

Pinellas County Sheriff's Office PREA HOTLINE ACTIVITY	
Year	
2016	330
2015*	198

*First full year of PREA Hotline

Support of County Functions

The objective of these projects is to serve as an independent, objective resource for County Management. Examples of support IG provided in 2016 include:

- Consulting services at management request, which resulted in the following consulting project:
 - Analysis of Pinellas County Health Insurance

- Management requests that we participate on various Boards and Teams, such as:
 - Budget Financial Management Services Delivery Team
 - Contract Management Services Delivery Team
 - Security Panel
 - Technology Steering Committee

- Training County employees on internal controls and fraud through the Human Resources Department.

Volunteers In Pinellas

Pinellas County depends on volunteers to help provide residents and visitors with the best service possible. The Volunteers In Pinellas (VIP) program affords citizens the opportunity to make a difference in the community. The program matches individuals' unique interests, talents, and abilities with available volunteer opportunities throughout the County.



IG participates in the VIP program with volunteers to assist staff in gathering data and research needed for performing audits, guardianships, and investigations. During 2016, seven volunteers contributed 170 hours of their time to the IG office.

Dollar Recoveries and Cost Avoidance

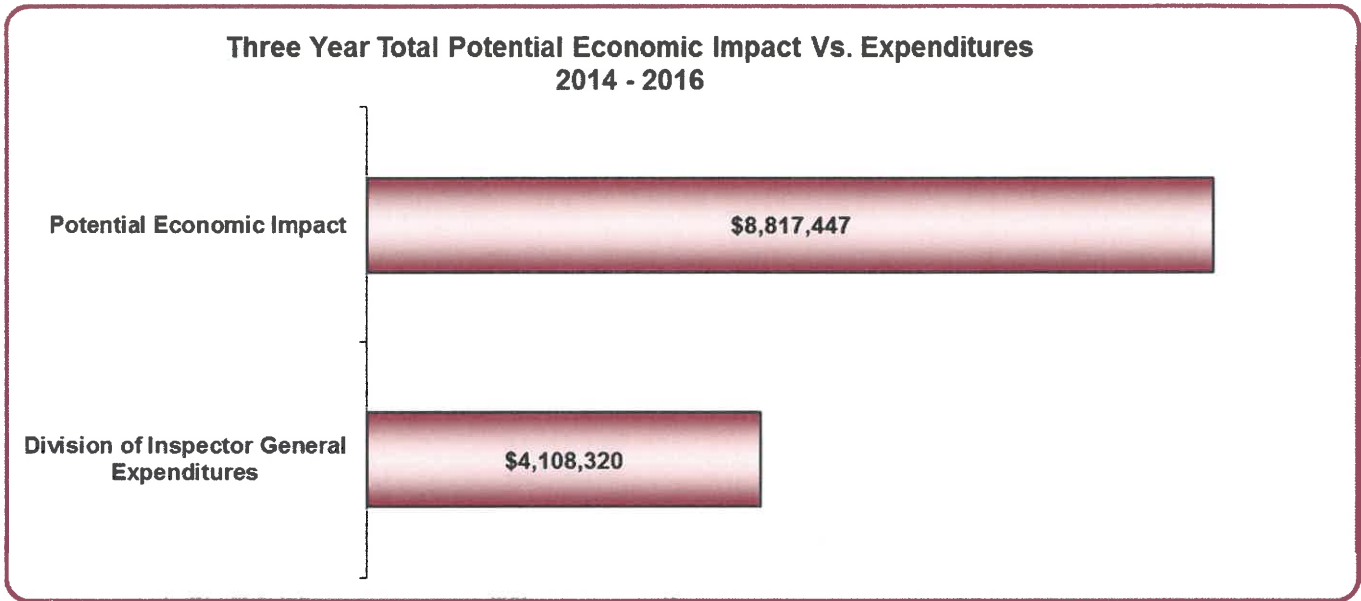
The table below shows the 2016 project recommendations that resulted in potential recoveries, savings, cost avoidance, and other economic impacts that conservatively totals over \$4.2 million.

PROJECT	REPORT NO.	POTENTIAL COUNTY IMPACT	POTENTIAL CITIZEN IMPACT	DESCRIPTION
Guardianships	Reports Not Publicly Issued		\$3,931,498	72 Audit/Investigative/OPPG reports issued resulting in 2 guardians removed, \$3,889,498 in questionable costs, and \$42,000 of court ordered judgments
Audit of Agreements With Parks & Conservation Resources Nonprofit Organizations	2016-40		\$168,699	See Page 40
PCSO PREA Hotline	N/A	\$150,000		See Page 33
TOTALS		\$150,000	\$4,100,197	

Division of Inspector General - A Good Investment

Not only is the expense of having an IG Office cost-effective, its importance extends beyond the financial considerations. The impact of maintaining transparency and trust in local County government is invaluable. The vigilance of the IG staff ensures Pinellas County taxpayers and stakeholders receive a fair and honest accounting of their funds.

IG is productive and cost-effective. Over the past three years, IG has only expended approximately \$4.1 million and identified over \$8.8 million of potential recoveries, savings, cost avoidance, or other economic impact to the County and/or the taxpayers during the same timeframe. The benefit-to-cost ratio of 2.1 to 1.0 demonstrates that the financial investment made in IG is a notably wise use of County funds.



A well run audit and investigative function is an investment that benefits County Government, but more importantly, the citizens and taxpayers of Pinellas County.

Highlights of Findings

The following are highlights of selected audits and investigations issued by IG during 2016. If you would like to read the reports, please visit the Clerk's website at www.mypinellasclerk.org and click on "Division of Inspector General" on the left-side menu.

AUDIT OF CODE ENFORCEMENT DIVISION OPERATIONS AND INTERNAL CONTROLS (REPORT NO. 2016-05)

Pinellas County's Code Enforcement Division (CED) is responsible for code enforcement in the unincorporated areas of Pinellas County. Its mission includes the investigation of complaints about, and inspections of, minimum housing, overgrown lots, trash and debris, inoperable vehicles, loud noises, etc. In 2002, at the request of the Board of County Commissioners (BCC), CED began taking anonymous complaints, which increased the number of cases received. During our audit period, there were 4,172 open cases. In Fiscal Year 2014-15, CED operated with a budget of \$1,792,050 and 18 positions, which includes 10 Code Enforcement Officers.



Pinellas County's Code states that reasonable control and regulation of activities that are causing pollution or damage to the air, water, soil, natural resources, or animal or plant life in

the County, is necessary for the protection and preservation of the public health, safety, and welfare. Accordingly, to ensure the protection, enhancement, and restoration of the areas noted above, the BCC has:

- The power and authority to impose and recover a civil penalty for environmental infractions;
- Limited rights of entry for monitoring, investigating, and analyzing environmental infractions; and
- The power and authority to issue emergency orders for environmental infractions.

Citizens may initiate code violation complaints by phone, mail, or online. The complaint desk receives complaints via telephone and callers leave voice messages with their complaints. If more information is needed, complaint desk staff will call the complainant back and request more information. If a complaint is made anonymously,



there will be no call back. Citizens may also report complaints online at the County's web page or via the "SeeClickFix" mobile application. Residents can report problems with pot holes, sidewalks, illegal dumping, mistimed traffic signals, graffiti, etc. with their smart phones or other mobile communications devices. Complaints will be assigned a number and a Code Enforcement Officer will visit the property in question.

Although CED must investigate complaints and issue fines as necessary, they have limited legal ability to obtain compliance. The property owner has the option to correct the violations in a reasonable time frame. When a citation is issued, the property owner may pay the fine and correct the violation or appear in court. CED may choose to refer the case to the Special Magistrate for a special hearing. The property owner is not required to appear at the hearing, but fines and interest will accumulate until the violations are corrected.

We concluded that CED is performing investigations in accordance with CED standards. However, there is insufficient staff to support current complaint and case activity. Code Enforcement Officers are not able to keep up with their current case load and respond to new complaints timely, which impacts service to the public. The cases are well documented by the Code Enforcement Officers. CED uses a case tracking system, Permits Plus, for monitoring and recording notes regarding open cases. The system is sufficient for keeping inventory of cases and case notes; however, the reporting functionality limits management's ability to obtain useful analytical data.

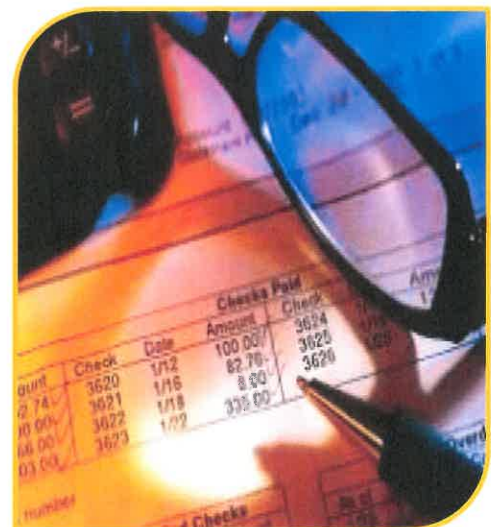
The current phone complaint process eliminates staff interface with the complainant because all calls go directly to voice mail. This limits the ability of the trained staff to obtain sufficient information to process/investigate the complaint. Anonymous callers do not always leave enough information in their recorded message, which may result in their complaint not being processed.

INVESTIGATION OF MISUSE OF COUNTY TIME AND EQUIPMENT (REPORT NO. 2016-10)

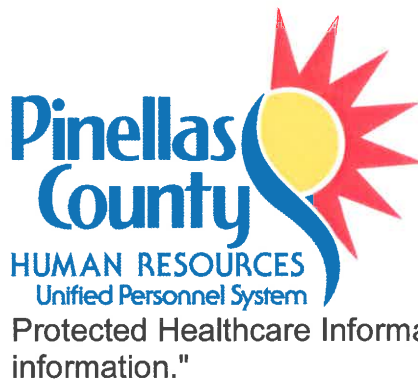
Our investigation of allegations that two Human Resources employees were conducting business for a nonprofit organization they founded and operate while at work on County time using County equipment was substantiated.

We determined that two Human Resources employees were using County time and equipment to run a nonprofit business. In addition, the review of evidence revealed that one employee was conducting business on three additional businesses on County time using County equipment.

Additionally, one employee did not report their affiliation with the nonprofit entity and other businesses as required by the Unified Personnel Board (UPB) Policies. UPB Policy



#5 addresses outside or non-County employment. This policy outlines the provisions under which County employees may request permission for outside employment. Failure to obtain permission for outside employment is grounds for discipline, up to and including termination.



Additional analysis noted sensitive electronic data was transmitted in plain text. According to the Pinellas County Information Security Policy, "Emails are sent in plain text and pass through multiple servers and devices, which may present opportunities for loss of privacy. When sending sensitive data via Email over the Internet, encrypting the message is required to maintain the confidentiality of the data. Unencrypted email is not a secure method for transmitting sensitive information such as Protected Healthcare Information (PHI), Personally Identifiable Information (PII), or Credit Card information."

INVESTIGATION OF CITIZEN FABRICATING CLERK DOCUMENTS (REPORT NO. 2016-33)

Our investigation substantiated the allegations that a citizen:

- Fabricated Clerk records, and thereby violated Florida Statutes.
- Created fraudulent Clerk documents showing no criminal record to provide prospective employers in order to obtain employment.

Through our investigation we found that the citizen fabricated Clerk documents in an attempt to obtain employment. The citizen legally obtained certified copies of her case documents, extracted the certified copy stamp and Deputy Clerk signature, and transposed them onto fabricated documents. The citizen used additional publicly available resources to create the fabricated Clerk documents, which were intended to make the recipients believe that the respondent had no criminal record.



The citizen created at least five criminal record verification letters with the intention of misleading potential employers to obtain employment. In two cases, employment was obtained before the employers learned the letters were fraudulent. In addition, we determined the citizen embellished many of the entries on her resume by expanding the dates of employment, including additional duties, and fabricated a Medical Assistant certificate.

The Inspector General forwarded the evidence obtained during the course of this investigation to the State Attorney's Office for their review of the facts for potential prosecution. In addition, the Inspector General contacted Region 3 Clearwater Circuit Administrator of the Florida Department of Corrections regarding this case and provided the case documentation.

AUDIT OF AGREEMENTS WITH PARKS & CONSERVATION RESOURCES NONPROFIT ORGANIZATIONS (REPORT NO. 2016-40)



Pinellas County is Florida’s most densely populated County. It is located along the west coast of Florida on a peninsula separating Tampa Bay from the Gulf of Mexico. In land area, the County is small – only 280 square miles – yet its population of approximately 945,000 permanent residents makes it the sixth most populous County in Florida. The County’s small size, coupled with the speed of urban growth over the past 125 years places the County in the position of becoming the first County in the state of Florida – and one of the few in the nation - to reach “build-out” status. As of September 2005, only 6% of the County remains vacant, developable land. In response to this anticipated build-out, the County is developing new strategies to accommodate the continued population growth and the transitioning from a suburban to an urban environment.

A key component of this strategy to accommodate the continued growth is Parks and Conservation Resources’ (PCR) Recreation, Open Space, and Culture System. Studies throughout the United States have consistently shown that businesses and residents place a high value on “quality of life” when choosing a place to live or work, including the quality of the community’s parks and preserves, trails, arts and cultural facilities, schools, and other elements of “the public realm.”

Additionally, PCR manages the County's environmentally sensitive lands using sound resource management practices that promote the quality of ecosystems native to the County. The preserves and other managed areas are ecologically diverse properties with well-defined, resource-based public recreational amenities. Management practices focus on maintaining or enhancing the natural biological diversity. They also provide opportunities for the public to appreciate these wild lands for their intrinsic value.

The County is also responsible for meeting the recreational needs of residents. A common theme is the need to raise countywide awareness and support for the existing Pinellas County system of non-profit arts, culture and historical preservation facilities and programs. PCR works diligently toward this goal through partnerships with municipalities and Nonprofit organizations. The focus of many of the Nonprofits that work with PCR is on the collection, preservation, interpretation and education of the history of Pinellas County. Several of these Nonprofits have focused on a specific park, preserve, or historical location to develop a one-on-one relationship and/or partnership with that location.

PCR has established agreements with multiple Nonprofit organizations to assist with the preservation and educational functions related to the strategic missions of the department. Some of the more notable partnerships that have worked with PCR are:

- 4-H Youth Development
- Alliance for Weedon Island Archaeological Research and Education (AWIARE)
- Florida Botanical Gardens Foundation
- Friends of Brooker Creek
- Friends of Fort De Soto
- Friends of the Gulf Beaches Historical Museum
- Friends of Weedon Island
- Palm Harbor Historical Society
- PIN-MAR Antique Car Club
- Pinellas County Historical Society



We concluded that overall the audited Nonprofit organizations comply with Florida Statutes, the Internal Revenue Service, and other regulatory bodies as they pertain to Nonprofit organizations. We did not determine any conflict of interest between the staff at PCR, the Nonprofits, and other associated parties. We determined the relationship between PCR and Pinellas Trails, Inc. would benefit from a formal agreement.

Our audit yielded findings in the following areas:

- Internal controls over the approval and execution of agreements between PCR and Nonprofits.
- Nonprofits fulfilling their agreement obligations and objectives/work plans.
- Internal controls over revenue collection and expenditure processing.

APPENDIX A

Professional Staff Biographies

Hector Collazo Jr., *Inspector General/Chief Audit Executive*

Mr. Collazo has the following certifications:

- Certified Inspector General (CIG)
- Certified Inspector General Auditor (CIGA)
- Certified Information Systems Auditor (CISA)
- Certified Inspector General Investigator (CIGI)
- Certified Fraud Examiner (CFE)
- Certified Fraud Specialist (CFS)
- Certified in Risk and Information Systems Control (CRISC)
- Certified In Risk Management Assurance (CRMA)
- Certified Construction Auditor (CCA)

He has a Bachelor of Arts in Psychology from the University of Texas at Dallas with over 30 years of professional experience in government and non-profit organizations with 25 years of auditing and investigating experience. Mr. Collazo joined the Pinellas County Clerk of the Circuit Court and Comptroller Division of Inspector General in 2005. Mr. Collazo is a member of the following organizations:

- Association of Inspectors General
 - Member of the Board of Directors
 - Member of the Executive Committee
 - Chair of the Peer Review Committee
 - Chair of the Conference Committee
 - Member of the Standards and Practice Committee
 - Member of the Professional Certification Board
- Association of Inspectors General Institute
 - Certification Manager for the Certified Inspector General Auditor Designation
- Florida Chapter of the Association of Inspectors General (Member of the Board)
- Florida Audit Forum (Member of the Board)
- Chief Audit Executive Roundtable (CAE Coordinator)
- Association of Local Government Auditors
- Government Finance Officers Association
- Association of Government Accountants (National and Tallahassee Chapter)
- National and Tampa Bay Chapter of the Association of Certified Fraud Examiners
- National and Florida West Coast Chapter of the Institute of Internal Auditors
- National and West Florida Chapter of the Information Systems Audit and Control Association

- Association of Certified Fraud Specialists
- National White Collar Crime Center (Voting Member)
- National Association of Construction Auditors
- Guardianship Association of Pinellas County
- National and Florida State Guardianship Association

Mr. Hector Collazo can be reached by phone at (727) 464-8375 or email at hcollazo@mypinellasclerk.org.

Linda Magnuson, *Administrative Secretary*

Ms. Magnuson is the Inspector General Administrative Secretary and Evidence Custodian. She is certified as a National Network Professional Estate Planning Team Member with 30 years of legal experience in various areas. She has 15 years of government experience, which includes 13 years in the audit field. Ms. Magnuson joined the Pinellas County Clerk of the Circuit Court and Comptroller, Probate Division in 2004 and the Division of Inspector General in 2005.

Ms. Magnuson can be reached by phone at (727) 464-8371 or email at lmagnuson@mypinellasclerk.org.

Melissa Dondero, *Assistant Inspector General*

Ms. Dondero has the following certifications:

- Certified Public Accountant (CPA)
- Certified Internal Auditor (CIA)
- Certified Inspector General Auditor (CIGA)
- Certified Information Technology Professional (CITP)
- Certified In Risk Management Assurance (CRMA)
- Certified Fraud Specialist (CFS)
- Certified TeamMate Electronic Workpaper Champion

She has a Master of Accountancy in Accounting Information Systems and Bachelor of Science in Accounting, both from the University of South Florida, with over 13 years of professional auditing and investigating experience. Ms. Dondero joined the Pinellas County Clerk of the Circuit Court and Comptroller Division of Inspector General in 2003. Ms. Dondero is a member of the following organizations:

- Association of Inspectors General (National and Florida Chapter)
- Institute of Internal Auditors (National and Florida West Coast Chapter)
- American Institute of Certified Public Accountants
- Florida Institute of Certified Public Accountants
- Information System Audit and Control Association (National and West Florida Chapter)
- Association of Certified Fraud Examiners (National and Tampa Bay Chapter)

- Association of Certified Fraud Specialists
- Florida Government Finance Officers Association
- Association of Local Government Auditors
- Association of Government Accountants (National and Tallahassee Chapter)
- Florida Audit Forum
- Beta Gamma Sigma
- Golden Key International Honour Society

Ms. Dondero can be reached by phone at (727) 464-8382 or email at mdondero@mypinellasclerk.org.

Ava Sadowska, Assistant Inspector General

Ms. Sadowska has the following certifications:

- Certified Internal Auditor (CIA)
- Certified Inspector General Auditor (CIGA)
- Certified Inspector General Investigator (CIGI)
- Certified Construction Auditor (CCA)
- Certified Fraud Specialist (CFS)

She has a Master of Science in Management and a Bachelor of Arts in Business Administration, both from National-Louis University, with 19 years of professional auditing experience. Ms. Sadowska joined the Pinellas County Clerk of Circuit Court and Comptroller Division of Inspector General in 2015; she was previously employed with the Division for five years. Ms. Sadowska is a member of the following organizations:

- Association of Inspectors General (National and Florida Chapter)
- Institute of Internal Auditors (National and Florida West Coast Chapter)
- Tampa Bay Chapter of Association of Certified Fraud Examiners
- Association of Local Government Auditors
- National Association of Construction Auditors
- Florida Audit Forum
- Association of Certified Fraud Specialists

Ms. Sadowska can be reached by phone at (727) 464-8387 or email at asadowska@mypinellasclerk.org.

Anne DiNatale, *Senior Inspector General*

Ms. DiNatale has the following certifications:

- Certified Inspector General Auditor (CIGA)
- Certified Inspector General Investigator (CIGI)
- Certified Fraud Specialist (CFS)

She has a Bachelor of Business Administration Degree from Pace University in New York with a major in Accounting/Finance with 37 years of professional auditing experience. Ms. DiNatale joined the Pinellas County Clerk of the Circuit Court and Comptroller Division of Inspector General in 2000. Ms. DiNatale is currently conducting audits and reviews of Guardianships within the Sixth Judicial Court. Ms. DiNatale is a member of the following organizations:

- Association of Inspectors General (National and Florida Chapter)
- Association of Certified Fraud Specialists
- Institute of Internal Auditors (National and Florida West Coast Chapter)
- Tampa Bay Chapter of the Association of Certified Fraud Examiners
- National and Florida State Guardianship Associations
- Guardianship Association of Pinellas County
- Association of Local Government Auditors
- Florida Audit Forum

Ms. DiNatale can be reached by phone at (727) 464-8366 or email at aDiNatale@mypinellasclerk.org.

William McGuinness, *Senior Inspector General*

Mr. McGuinness has the following certifications:

- Certified Inspector General Auditor (CIGA)
- Chartered Global Management Accountant (CGMA)
- Certified Fraud Specialist (CFS)
- Certified Law Enforcement Officer

He was a Certified Public Accountant for over 40 years and is now retired; he was also a sworn law enforcement officer with the St. Petersburg Police Department. He has a Bachelor of Business Administration from St. Francis College in Accounting with 24 years of professional auditing experience, 20 years of adjunct teaching experience at the University of South Florida and Long Island University's C.W. Post School of Professional Accountancy, and 29 years of global financial accounting experience with PricewaterhouseCoopers and Western Electric Co., Inc. Mr. McGuinness joined the Pinellas County Clerk of the Circuit Court and Comptroller Division of Inspector General in 2003. Mr. McGuinness is the U.S. Director of the *Against Malaria Foundation*, a UK-based not-for-profit foundation, named by *GiveWell*[™], an independent charity evaluator, as the number one charity worldwide for the past four years. Mr. McGuinness is a member of the following organizations:

- Association of Inspectors General (National and Florida Chapter)
- Institute of Internal Auditors (National and Florida West Coast Chapter)
- Tampa Bay Chapter of the Association of Certified Fraud Examiners
- Florida Government Finance Officers Association
- American Institute of Certified Public Accountants
- Association of Local Government Auditors
- Pinellas Federal Credit Union Supervisory Committee
- Florida Audit Forum

Mr. McGuinness can be reached by phone at (727) 464-8372 or email at wmcguinn@mypinellasclerk.org.

Deborah Weiss, *Senior Inspector General*

Mrs. Weiss has the following certifications:

- Certified Inspector General Auditor (CIGA)
- Certified Inspector General Investigator (CIGI)
- Certified Fraud Specialist (CFS)

She has a Bachelor of Arts Degree from Bellevue University in Accounting with over 10 years of professional auditing experience, five years of governmental accounting experience, and 15 years of private industry accounting experience, which includes eight years of supervisory experience. Mrs. Weiss joined the Pinellas County Clerk of the Circuit Court and Comptroller Division of Inspector General in 2006 and has been with the County since 2001. Mrs. Weiss is a member of the following organizations:

- Association of Inspectors General (National and Tallahassee Chapter)
- Institute of Internal Auditors (National and Tampa Bay Chapter)
- Tampa Bay Chapter of the Association of Certified Fraud Examiners
- Association of Local Government Auditors
- Florida Audit Forum

Mrs. Weiss can be reached by phone at (727) 464-8388 or email at dweiss@mypinellasclerk.org.

Darcy Eckert, *Inspector General II*

Ms. Eckert has the following certification:

- Certified Inspector General Auditor (CIGA)

She has a Bachelor of Science Degree in Accounting from San Diego State University. She has seven years of professional experience in internal auditing. Ms. Eckert joined the Pinellas County Clerk of the Circuit Court and Comptroller Division of Inspector General in July 2015. Ms. Eckert is a member of the following organizations:

- Association of Inspectors General (National and Florida Chapter)
- Institute of Internal Auditors (National and Florida West Coast Chapter)
- Association of Certified Fraud Examiners (National and Tampa Bay Chapter)
- Association of Local Government Auditors
- Florida Audit Forum

Ms. Eckert can be reached by phone at (727) 464-8379 or email at deckert@mypinellasclerk.org.

Jason Stanley, *Inspector General II*

Mr. Stanley has the following certifications:

- Certified Inspector General Auditor (CIGA)
- Certified Information Systems Auditor (CISA)

He has a Master of Business Administration with a focus in Forensic Accounting, a Bachelor of Science in Accounting, and a Bachelor of Science in Finance, from the University of South Florida with over four years of professional auditing and investigating experience. Mr. Stanley joined the Pinellas County Clerk of the Circuit Court and Comptroller Division of Inspector General in 2016. Mr. Stanley is a member of the following organizations:

- Association of Inspectors General (National and Florida Chapter)
- Institute of Internal Auditors (National and Florida West Coast Chapter)
- Information System Audit and Control Association (National and West Florida Chapter)
- Florida Government Finance Officers Association
- Association of Certified Fraud Examiners (National and Tampa Bay Chapter)
- Association of Local Government Auditors
- Florida Audit Forum

Mr. Stanley can be reached by phone at (727) 464-8381 or email at jstanley@mypinellasclerk.org

Mary Beth Makrianes, *Inspector General I*

Mrs. Makrianes has a Master's Degree in Public Administration from Florida Gulf Coast University. She obtained her Bachelor of Science Degree in Information & Technology Management from St. Petersburg College. Mrs. Makrianes joined the Pinellas County Clerk of the Circuit Court and Comptroller Division of Inspector General in October 2013. She provided more than 17 years of service in Pinellas County Government's Human Resources Department. Having served in a variety of roles in Human Resources, her greatest accomplishments were in research, technology, and information systems. Her experience provides her not only a deep understanding of the rules, policies and directives utilized within the County, but also with a degree of familiarity with the various organizations and their operations. Mrs. Makrianes is a member of the following organizations:

- Association of Certified Fraud Examiners (National and Tampa Bay Chapter)
- Association of Inspectors General (National and Florida Chapter)
- Association of Local Government Auditors
- Florida Government Finance Officers Association
- Institute of Internal Auditors (National and Florida West Coast Chapter)
- Information System Audit and Control Association
- Florida Audit Forum
- Association of Government Accountants
- American Society for Public Administrators
- Sigma Beta Delta
- National Scholars

Mrs. Makrianes can be reached by phone at (727) 464-8380 or email at mbmakrianes@mypinellasclerk.org.

Cassandra (Cassy) Moreau, *Inspector General I*

Ms. Moreau has the following certifications:

- Certified Anti-Money Laundering Specialist (CAMS)
- Certified Fraud Examiner (CFE)
- Certified Inspector General Auditor (CIGA)

She has a Master of Accountancy in Forensic Accounting and a Bachelor of Business Administration in Management Information Systems and Finance, both from Florida Atlantic University. Ms. Moreau joined the Pinellas County Clerk of the Circuit Court and Comptroller Division of Inspector General in November 2014. Ms. Moreau is a member of the following organizations:

- Association of Certified Anti-Money Laundering Specialist
- Association of Certified Fraud Examiners (National and Tampa Bay Chapter)
- Institute of Internal Auditors (National and Florida West Coast Chapter)

- Association of Inspectors General (National and Florida Chapter)
- Information System Audit and Control Association
- Florida Audit Forum

Ms. Moreau can be reached by phone at (727) 464-8373 or email at cmoreau@mypinellasclerk.org.

Robert Poynter, *Inspector General I*

Mr. Poynter has the following certification:

- Certified Information Systems Auditor (CISA)

He has a Bachelor of Science in Business Administration from Berea College located in Berea, Kentucky, with over 12 years of professional auditing and three years of investigating experience. Mr. Poynter joined the Pinellas County Clerk of the Circuit Court and Comptroller Division of Inspector General in 2016. Mr. Poynter is a member of the following organizations:

- Association of Inspectors General (National and Florida Chapter)
- Institute of Internal Auditors (National and Florida West Coast Chapter)
- Information System Audit and Control Association (National and West Florida Chapter)
- Association of Certified Fraud Examiners (National and Tampa Bay Chapter)
- Florida Government Finance Officers Association
- Association of Local Government Auditors
- Association of Government Accountants (National and Tallahassee Chapter)
- Florida Audit Forum

Mr. Poynter can be reached by phone at (727) 464-8376 or email at rpoynter@mypinellasclerk.org.

APPENDIX B

Professional Organizational Affiliations



ASSOCIATION OF INSPECTORS GENERAL

The Association of Inspectors General seeks to foster and promote public accountability and integrity in the general areas of prevention, examination, investigation, audit, detection, elimination and prosecution of fraud, waste and abuse, through policy research and analysis; standardization of practices, policies, conduct and ethics; encouragement of professional development by providing and sponsoring educational programs; and the establishment of professional qualifications, certifications, and licensing. www.inspectorsgeneral.org



Established in 1941, The Institute of Internal Auditors (IIA) is an international professional association with global headquarters in Altamonte Springs, FL, USA. The IIA is the internal audit profession's global voice, recognized authority, acknowledged leader, chief advocate, and principal educator. Members work in internal auditing, risk management, governance, internal control, information technology audit, education, and security. www.theiia.org



*Together, Reducing
Fraud Worldwide*

The Association of Certified Fraud Examiners (ACFE) is the world's largest anti-fraud organization and the premier provider of anti-fraud training and education. Together with nearly 75,000 members, the ACFE is reducing the incidence of fraud and white-collar crime worldwide and inspiring public confidence in the integrity and objectivity within the profession. www.acfe.com



The Association of Local Government Auditors (ALGA) is a professional association of local government auditors with approximately 2,000 members that serves the local government auditing profession. ALGA was formed in 1989 and incorporated under the laws of the state of Montana. ALGA's purpose is to improve local government auditing by disseminating information and ideas about financial and performance auditing, providing training and offering a national forum to discuss auditing issues. <http://algaonline.org/>



The Florida Government Finance Officers Association was founded in 1937 and serves more than 2,800 professionals from state, county, and city governments; special districts, and private firms. The FGFOA is dedicated to being a professional resource by providing opportunities through Education, Networking, Leadership, and Information. www.fgfoa.org



Trust in, and value from, information systems

With more than 115,000 constituents in more than 180 countries, ISACA® is a leading global provider of knowledge, certifications, community, advocacy, and education on information systems assurance and security, enterprise governance of IT, and IT-related risk and compliance. www.isaca.org



The mission of the National White Collar Crime Center (NW3C) is to provide a nationwide support system for agencies involved in the prevention, investigation, and prosecution of economic and high-tech crimes and to support and partner with other appropriate entities in addressing homeland security initiatives, as they relate to economic and high-tech crimes. www.nw3c.org



The Commission for Florida Law Enforcement Accreditation offers the opportunity for the Inspectors General of Florida with an Investigations function to evaluate policies and procedures against the standards developed by the Chief Inspector General, the Inspectors General Workgroup, and Commission Staff. Accreditation of the investigation process within Offices of Inspectors General will significantly enhance the consistency and quality of these investigations. www.flaccreditation.org



The Association of Certified Fraud Specialists, Inc. (ACFS) is an educational, non-profit corporation. Members include professionals in law enforcement, internal and external auditors, public accountants, private and other investigators, forensic/investigative accountants and attorneys. ACFS offers certification, networking, training, and standards and ethics. www.acfsnet.org



The American Institute of Certified Public Accountants (AICPA) is the national professional organization for Certified Public Accountants (CPAs) in the United States. The AICPA's mission is to provide members with the resources, information, and leadership that enable them to provide valuable services in the highest professional manner to benefit the public, employers, and clients. www.aicpa.org



Founded in 1905, the Florida Institute of Certified Public Accountants (FICPA) has been working to advance the accounting profession in Florida for more than 100 years. The FICPA now has more than 19,000 members. Continued membership growth and renewal has made the FICPA one of the largest CPA organizations in the United States. www.ficpa.org



The mission of the Florida Audit Forum is to provide government audit professionals and other interested parties a unique opportunity to identify and address issues of mutual and common concern and to improve the communication links to share experiences, audit approaches, and possible solutions to issues addressed. www.floridaauditforum.org



The National Association of Construction Auditors was created to enhance the control environment related to construction projects. Our mission to unite those individuals and be recognized as the authority on construction project controls. <http://thenaca.org/home/>



AGA was founded as the Federal Government Accountants Association (FGAA) on September 14, 1950. The Association expanded in 1975 to include state and local government finance professionals. At that time, the organization's name was changed to the Association of Government Accountants (AGA). AGA is a member organization for financial professionals in government. <https://www.agacqfm.org/home.aspx>



The Florida Police Accreditation Coalition, Inc. is a not-for-profit corporation formed in 1989, under the laws of the State of Florida, for the purpose of providing member agencies a network of law enforcement professionals encouraging communication, mutual cooperation, support and the sharing of resources among each other. http://www.fla-pac.org/menu/what_is_fla_pac



The Guardian Association of Pinellas County, Inc. is a 501(C)(3) Non-Profit, Charitable Corporation formed in 1977 for the purpose of assisting guardians in their duties to the Wards appointed to them through the Sixth Judicial Circuit Court of Pinellas County, Florida. www.guardianassociation.org



The National Guardianship Association makes it our mission to advance the nationally recognized standard of excellence in guardianship. NGA believes that those appointed to the care of guardians, conservators and fiduciaries deserve quality services and that every person should be provided respect, due process, rights, and dignity in guardianship.

<http://www.guardianship.org/index.htm>



The Florida State Guardianship Association mission is dedicated to the protection of the dignity and rights of incapacitated persons and to increasing the professionalism of guardianship through education, networking and legislative action.

<http://www.floridaGuardians.com/>



DIVISION OF INSPECTOR GENERAL

KEN BURKE, CPA
CLERK OF THE CIRCUIT COURT
& COMPTROLLER
PINELLAS COUNTY, FLORIDA

SERVICES PROVIDED

AUDIT SERVICES

INVESTIGATIONS

GUARDIANSHIP SERVICES

CONSULTING

TRAINING

GUARDIANSHIP FRAUD HOTLINE

COUNTY FRAUD HOTLINE



An Accredited Office of
Inspectors General

Call: (727) 45FRAUD

(727) 453-7283



Fax: (727) 464-8386

Internet: www.mypinellasclerk.org

 www.twitter.com/pinellasig

 www.facebook.com/igpinellas



Write:

Fraud Hotline

Public Integrity Unit

Division of Inspector General

510 Bay Avenue

Clearwater, FL 33756