



# Office of Inspector General

## *City of Jacksonville*

# 2017 ANNUAL REPORT





# *Message From the Inspector General*

## **To the Citizens of Jacksonville and the elected officials, officers, and employees of the Consolidated Government:**

I am pleased to issue the Office of Inspector General (OIG)'s Annual Report for Fiscal Year 2017 covering the period October 1, 2016, to September 30, 2017. This is the first Annual Report I have issued as the Inspector General. It summarizes the amazing work done by the small, dedicated team of professionals that make up the OIG. The OIG worked tirelessly over the last fiscal year to advance an effective oversight and accountability program for the Consolidated Government in order to promote efficiency and deter fraud, waste, and abuse. This Annual Report is required by Section 602.303(n), *Ordinance Code*.

The OIG was established by ordinance in October of 2014. The jurisdiction of the OIG was expanded on January 1, 2016, via Charter Referendum to the entire Consolidated Government. Thomas Cline served for 10 months as the OIG's first appointed Inspector General. The Inspector General Selection and Retention Committee (Committee) appointed Steve Rohan as the Interim Inspector General following the resignation of Mr. Cline, and he served until I started on June 1, 2017. I would be remiss if I did not acknowledge both Mr. Cline and Mr. Rohan for their efforts in moving the office forward from its creation in October of 2014 with no full-time employees to the office today with a staff of eight full-time employees across a wide range of disciplines. Additionally, Mr. Rohan worked diligently during his interim tenure to negotiate the first set of agreements with the Independent Authorities, providing fiscal support to the OIG's expanded jurisdiction. I was honored to be selected by the Committee and tasked with leading this dedicated office of professionals in fulfilling the wishes of the citizens of Jacksonville.

As I complete my first six months in office, I extend my sincere thanks to the citizens, the Committee, the City Council, the Mayor and his Office, and all of the officials and employees of the Consolidated Government for their warm welcome and assistance. It is clear the Consolidated Government is committed to improving the economy and efficiency of government. In an effort to assist our office in focusing our outreach efforts and to better understand how to improve our operations, the OIG has created a web-based survey soliciting feedback from employees of the Consolidated Government and the citizens of Jacksonville. The survey can be accessed via the following link: <https://www.surveymonkey.com/r/COJOIG>. Thank you for providing your feedback.

This past fiscal year will stand out as it represents the most consistent and stable manning the OIG has enjoyed since its creation. This stability has allowed the OIG and its professionals to review and resolve more complaints than in any previous year. Additionally, the OIG is now prepared to focus its energies and efforts on accreditation by the Commission for Florida Law Enforcement Accreditation, Inc., an important milestone for the office. The OIG will continue to keep its focus on ensuring the Consolidated Government of Jacksonville is the most efficient and effective government for the citizens.

We look forward to a productive Fiscal Year 2018, and are excited for the new challenges and opportunities that await us in the future.

Sincerely,

*James R. Hoffman*

James R. Hoffman  
Inspector General

# MISSION STATEMENT

*“ENHANCING PUBLIC TRUST IN GOVERNMENT THROUGH  
INDEPENDENT AND RESPONSIBLE OVERSIGHT.”*

## VISION

To serve as the driving force to unite stakeholders, to include the citizens, employees, elected leaders, and civic organizations, in ensuring the efficient, effective, and responsible use of government funds throughout the Consolidated Government by conducting outreach to educate individuals about the office and providing assistance through our core functions of investigations, audits, and contract oversight.

## CORE VALUES

**Integrity:** We must respect both the letter and spirit of the law, policy, or regulation and are free from any financial, social, or other obligation that might reasonably be an influence on the performance of our duties.

**Respect:** We must treat all individuals that come in contact with our office with dignity and courtesy at all times.

**Urgency:** We must understand the impact of our work on individuals and the government and always strive to act with diligence, accuracy, and efficiency in the performance of our tasks.

**Objectivity:** We must be impartial in our work and only rely on the facts. Our reports must be accurate, fair, and understandable.

**Professionalism:** We must comply with applicable standards and accreditation requirements. Our team will maintain professional credentialing through continuing education.

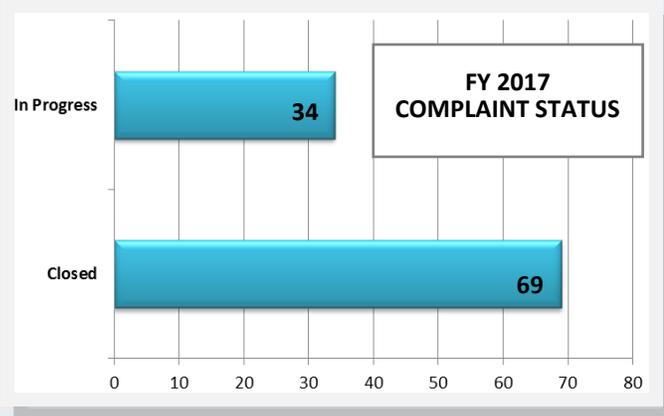
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# Fiscal Year 2017 Executive Summary

The following summarizes the accomplishments, initiatives, and activities of the Office of Inspector General (OIG) for Fiscal Year (FY) 2017 covering the period October 1, 2016 to September 30, 2017.

During FY 2017, the OIG received and processed **103** complaints from various sources. Each complaint was reviewed to determine if the complaint was best handled by the OIG or forwarded to another department or agency within or outside the Consolidated Government.



In FY 2017, the OIG issued a total of **12** reports, consisting of two audit reports, five contract oversight observations, and five reports of investigation. The OIG's website, [www.coj.net/oig](http://www.coj.net/oig), contains complete copies of all reports issued since the creation of the office in 2014, including all reports issued in FY 2017.

In the 12 reports issued in FY 2017, the OIG made **32** total recommendations for improving the economy and efficiency of the Consolidated Government. In addition to the reports, the OIG issued its first ever five-year Strategic Plan

(Appendix 5), which is also available on the OIG website. Finally, the OIG increased its outreach efforts in FY 2017. These activities included the development of new outreach tools, training and education presentations, and a web-based survey.

The Audit Unit issued two audit reports in FY 2017. In the *Cellphone Inventory Audit* (summarized on page 19), the OIG highlighted potential cost savings of \$89,661 associated with devices with little or no activity, cost overages, or terminated employees. City management agreed to **\$40,811** of the \$89,661 identified. The Audit Unit also issued the *Fleet Supplemental Audit*. Additionally, the Audit Unit was actively working two audits, *Sports and Entertainment* and *Payroll and Timekeeping*, at the end of FY 2017, with final audit reports anticipated in FY 2018.

The Contract Oversight Unit reviewed and closed **23** complaints during FY 2017. Nine of these complaints originated in FY 2017. The remaining 14 closed complaints were received during prior fiscal years. Of the complaints closed in FY 2017, the Contract Oversight Unit issued five Contract Oversight Observations (highlighted on pages 20-21) addressing concerns involving contracts, procurement issues, or related matters.

In FY 2017, the Investigative Unit issued five reports of investigation covering the City of Jacksonville (COJ) and JEA (highlighted on pages 21-23). Additionally, the OIG collaborated with JEA Audit Services and the JEA Interagency Detective on both administrative and criminal matters pertaining to JEA.

The five reports of investigation resulted in **22** recommendations for corrective actions. These corrective actions focused on improving outdated or non-existent policies and procedures identified during the investigations. Both the City and JEA supported the OIG recommendations by immediately establishing, revising, or strengthening policies and procedures intended to reduce potential fraud, waste, or abuse in daily operations.

Many of the OIG's recommendations were focused on improving internal controls. As a result of the joint JEA and OIG investigations, JEA received **\$10,117.71** in court-ordered restitution and monetary recoveries related to employee misconduct.

In addition to the 22 investigative recommendations, the OIG issued management inquiry and corrective action memorandums to City and JEA management, which resulted in the strengthening of internal controls through updates to policies and/or procedures (refer to page 21).

### Responsible Oversight

- FY 2017 Complaints Received: **103**
- FY 2017 Complaints Closed: **69**
- Total Complaints Closed in FY 2017: **102\***

*\*Includes Complaints received FY 2015-2017*

### Promoting Integrity & Efficiency

- Audit Reports Issued: **2**
- Reports of Investigation Issued: **5**
- Contract Oversight Observations Issued: **5**

### Guarding Taxpayers' Dollars

- Audits: **\$40,811** identified for re-appropriation
- Monetary Recoveries: **\$10,117.71\***
- Restitution Ordered: **\$4,361.36**
- Court Ordered Fine: **\$650**

*\*Includes Restitution*

### Holding Employees Accountable

- Arrests: **2**
- Deferred Prosecution Agreements: **2**
- Resignations: **2**
- Other Disciplinary Actions: **2**

# OIG Background & Oversight

## ESTABLISHMENT OF THE OIG

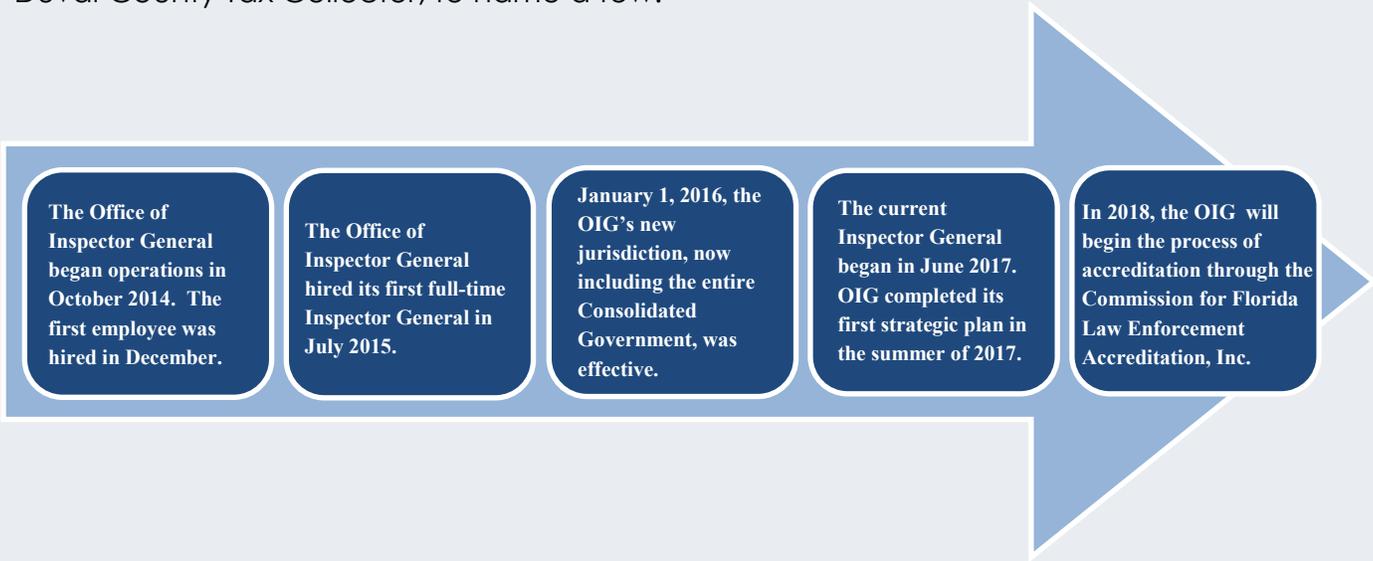
In only three months, legislation was drafted and approved creating the OIG within the City of Jacksonville and adding the office to the *Ordinance Code*. The office began operations in October of 2014. In its initial legislative creation, the jurisdiction of the office was limited to the City of Jacksonville and did not include many of the Constitutional Officers or Independent Authorities and Agencies that make up the Consolidated Government.



At the time of the legislation creating the office in the *Ordinance Code*, the Council also voted on placing a Referendum on the ballot in March of 2015, asking the voters of Duval County to amend the Charter to expand the jurisdiction of the OIG from the core City of Jacksonville departments and employees to include all of the Consolidated Government. The Referendum passed with a majority of the voters in favor of amending the Charter to expand the jurisdiction of the office.

On January 1, 2016, the OIG's new jurisdiction was effective, providing for the oversight of the entire Consolidated Government. The OIG's jurisdiction now includes JEA, Jacksonville Transportation Authority, Jacksonville Port Authority, Jacksonville Aviation Authority, Duval County Property Appraiser, Duval County Supervisor of Elections, and Duval County Tax Collector, to name a few.

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The Office of Inspector General began operations in October 2014. The first employee was hired in December.

The Office of Inspector General hired its first full-time Inspector General in July 2015.

January 1, 2016, the OIG's new jurisdiction, now including the entire Consolidated Government, was effective.

The current Inspector General began in June 2017. OIG completed its first strategic plan in the summer of 2017.

In 2018, the OIG will begin the process of accreditation through the Commission for Florida Law Enforcement Accreditation, Inc.

## STATE OF FLORIDA

The State of Florida has an extensive network of Inspector Generals, unique among the states for its breadth. As mandated by the *Florida Inspector General Act of 1994*, every Florida state agency has an Inspector General. The Chief Inspector General has responsibility to monitor the activities of each OIG that is under the jurisdiction of the Governor. In addition, many local governments and universities within Florida have established OIGs.



## OVERSIGHT AND PROFESSIONAL STANDARDS

### INSPECTOR GENERAL RETENTION AND SELECTION COMMITTEE

Sec. 602.305, *Ordinance Code*, provides for the selection of the Inspector General (IG), by the Inspector General Selection and Retention Committee (The Committee), a seven-member group, which has the responsibility to make decisions regarding retention and removal of the IG, and provides guidance, direction, and support to the OIG. The Committee's IG selection is subject to confirmation by City Council. The role of the Committee is set out in Sec. 602.305, *Ordinance Code*; see Appendix 2 for additional details. The Committee's members are set forth as follows:

(1) The President of the Jacksonville City Council; (2) The State Attorney of the Fourth Judicial Circuit; (3) The Chair of the Jacksonville Ethics Commission; (4) The Chair of the Jacksonville TRUE Commission; (5) The Public Defender of the Fourth Judicial Circuit; (6) The Chief Judge of the Fourth Judicial Circuit; and (7) The Mayor of the City of Jacksonville.

## OVERSIGHT AND PROFESSIONAL STANDARDS, CONTINUED

### ASSOCIATION OF INSPECTORS GENERAL

Organized in October 1996, the Association of Inspectors General (AIG) is instrumental in the professionalism of Inspectors General at both the state and local level. The purpose of the AIG, as specified in the Association's Articles of Organization, Constitution, and Bylaws, is to:

“foster and promote public accountability and integrity in the general areas of the prevention, examination, investigation, audit, detection, elimination, and prosecution of fraud, waste, and abuse through policy research and analysis; standardization of practices, policies, and ethics; encouragement of professional development by providing and sponsoring educational programs; and the establishment of professional qualifications, certification, and licensing.”

The AIG provides standards for the operations and work performed by OIGs to maintain compliance with the highest requirements for competence, accuracy, and quality. The AIG also provides a peer review program for OIGs to ensure compliance with these professional standards.

As a member of both the national and local chapters of the AIG, the OIG's goal is to comply with the standards promulgated by the AIG. The OIG will request a peer review from the AIG when the OIG's policies and procedures are in place and adequately tested, and when the OIG has the budgetary resources to provide the necessary support for the peer review. All of the OIG investigators are AIG Certified Inspector General Investigators and the OIG auditor is a Certified Inspector General Auditor.

### COMMISSION FOR FLORIDA LAW ENFORCEMENT ACCREDITATION, INC. (CFA)

In Florida, law enforcement agencies and Inspectors General may attain accredited status through the CFA. This accreditation process includes a rigorous review process and recognizes the professionalism and excellence of the agencies that successfully meet the accreditation requirements. Both the *Ordinance Code* and the *Charter* (refer to Appendices) specify the OIG should seek accreditation when practical, subject to available funding. In preparation for achieving accreditation, three OIG staff members have obtained CFA Accreditation Manager Certification. The OIG will begin the accreditation process in FY 2018.



# Overview of Operations

## HISTORICAL & CURRENT STAFFING

The OIG began operations in 2014 with authorized funding to hire four employees on a staggered basis throughout FY 2015. The approved FY 2016 budget increased the employee cap to seven. The FY 2017 budget increased the office's employee cap to eight and also provided funding for one part-time employee. The FY 2018 budget will maintain the employee cap at FY 2017 levels. Despite the expansion of the OIG's oversight jurisdiction as a result of the Charter Referendum, the office has continued its expanded oversight mission with the increase of only one authorized position in the last two fiscal years. A more detailed summary of OIG staffing is provided below.

In December 2014, the office hired its first full-time employee to conduct contract oversight activities; however, this individual left after only five months. In February of 2015, the first Investigator was hired. This Investigator gave the office the ability to start investigating allegations of fraud, waste, and abuse received through the OIG's hotline. When the first Investigator was hired, the office had received 23 open complaints. It would be another seven months before the office would hire a second Investigator on the final day of FY 2015; at this point the office had received 100 complaints. Due to the large number of complaints received prior to staffing, the OIG continues to address complaints from the initial years of its operations.

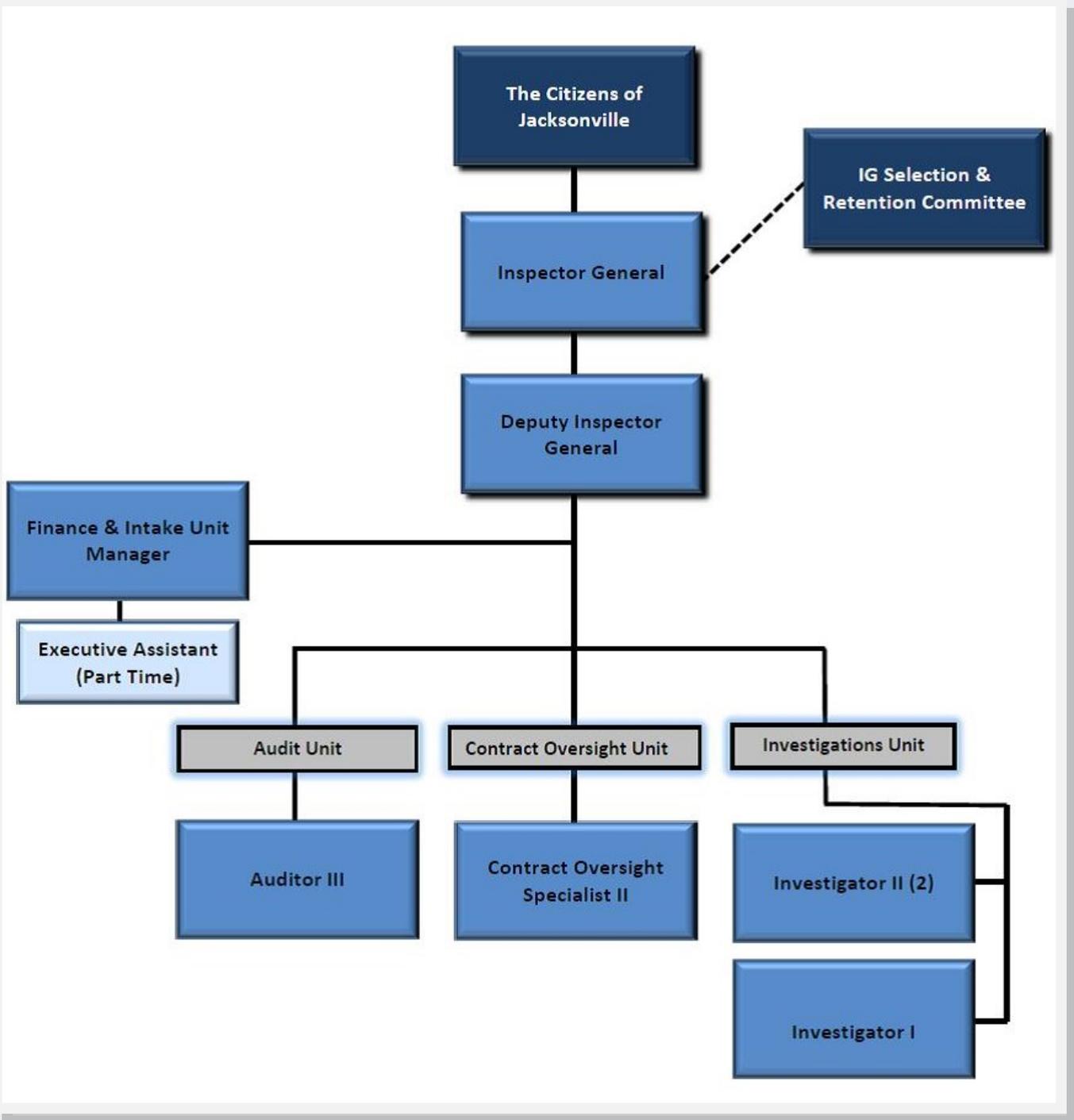
The first Inspector General was hired in July of 2015 and the office hired its first and only Auditor in mid-September of 2015. By the end of FY 2015, there were four employees: the Inspector General, an Auditor, and two Investigators.

While attempts were made to fill the vacated position of Contract Oversight Specialist sooner, the OIG's current Contract Oversight Specialist was hired in January of 2016. Additionally, the OIG hired an Intake Specialist in March of 2016; as discussed below, this position would eventually become the Finance and Intake Unit Manager. The final two Investigators were hired in April of 2016 and April of 2017. The OIG hired a part-time Executive Assistant in January of 2017.

The first Inspector General resigned at the end of June of 2016, and in an effort to continue operations, an Interim Inspector General assumed the position until a permanent IG could be hired in June of 2017. After discussion with the Inspector General Selection and Retention Committee, the Interim Inspector General established the Deputy Inspector General and Finance and Intake Unit Manager positions.

The office currently consists of an Inspector General, Deputy Inspector General, Finance and Intake Unit Manager, Auditor, Contract Oversight Specialist, 3 Investigators, and a part-time Executive Assistant, who also serves as an investigative analyst.

### ORGANIZATIONAL CHART



## STAFF CERTIFICATIONS

In order to ensure the OIG complies with oversight agency standards, OIG employees must maintain applicable certifications based on their respective disciplines. OIG employees are certified in a variety of disciplines including auditing, accounting, and investigations. Many employees hold more than one certification and participate in more than one professional organization.

### Certifications Held by OIG Staff



### Participation in Professional Organizations



## OPERATIONAL UNITS

### AUDIT UNIT

The Audit Unit provides risk-based independent audits focused on strengthening management controls in areas most susceptible to fraud, waste, and abuse, as well as improving the economy and efficiency of operations in areas where there are opportunities for significant cost savings. Additionally, the Audit Unit provides its expertise to the Investigations Unit as required.

Audits are conducted in accordance with *Generally Accepted Government Auditing Standards (GAGAS)*, published by the Government Accountability Office, and the *AIG's Principles and Standards for Offices of Inspector General*.

### CONTRACT OVERSIGHT UNIT

The Contract Oversight Unit conducts contract oversight activities to assist in fostering a procurement environment defined by openness, competitiveness, and the awarding of contracts equitably and economically. The Contract Oversight Unit has both a reactive and a proactive role within the Consolidated Government. Reactively, the Unit provides support to the Investigations Unit for contract-related questions and issues Contract Oversight Observation Reports addressing contract-related allegations of fraud, waste, and abuse. Proactively, the Contract Oversight Unit attends many of the procurement-related meetings and activities in order to conduct an on-going review

of the Consolidated Government's procurement process. Both the reactive and proactive activities often result in recommendations to address shortcomings, irregularities, and/or opportunities for improvement.

### INVESTIGATIONS UNIT

The Investigations Unit conducts and coordinates investigations in order to detect, deter, prevent, and eliminate fraud, waste, and abuse within the Consolidated Government. OIG investigations are conducted in order to resolve allegations of violations of Florida Statutes, the *Ordinance Code*, and/or Consolidated Government policies, rules, and/or directives. The Investigations Unit conducts investigations involving Consolidated Government officials and employees (excluding sworn personnel), as well as vendors, contractors, or consultants doing business with the Consolidated Government.

Investigations may be initiated as a result of information received from employees of the Consolidated Government; private citizens; local, state, or federal agencies; or through the OIG's or other agencies' hotlines. The Investigations Unit refers all potential or perceived criminal violations to the appropriate local, state, and federal authorities and works closely with the Office of the State Attorney for the Fourth Judicial Circuit. Investigations are conducted in accordance with the quality standards for investigations as outlined in the *AIG's Principles and Standards for Offices of Inspector General*.

*In FY 2017 the OIG, for the first time, conducted oversight activities pursuant to a protocol between the OIG and JEA. Based on the success of this protocol, the OIG intends to establish protocols with the rest of the Independent Authorities by the end of FY 2018.*

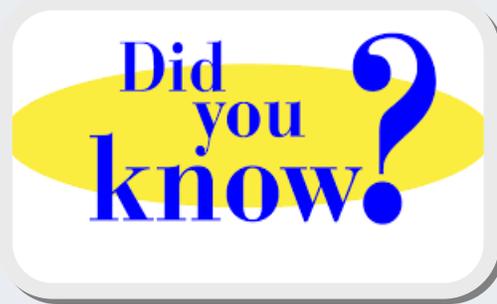
## COJ ADMINISTRATIVE SUPPORT

In support of the OIG, the Mayor has issued a Reporting Policy stating the following:

“City Employees shall report any fraud, theft, bribery, contract mismanagement (misuse or loss exceeding \$5,000), or other violations of law, which appear to

fall under the jurisdiction of the OIG on matters related to City business ... All officials and employees are expected to fully cooperate with the OIG in the exercise of the OIG's functions, authority and powers. Such cooperation shall include, but not limited to, providing statements, documents, records, and other information.”

Please refer to Appendix 4 to see the entire Reporting Policy.



## WHISTLE-BLOWER'S ACT

The State of Florida has enacted a comprehensive Whistle-blower Protection Act (Act) in Sections 112.3187 – 112.31892 of the Florida Statutes. The Act protects employees from retaliatory acts associated with the disclosure of (1) any violation or suspected violation of any federal, state, or local law, rule, or regulation committed by an employee or agent of an agency or independent contractor which creates and presents a substantial and specific danger to the public's health, safety, or welfare; or (2) any act or suspected act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, suspected or actual Medicaid fraud or abuse, or gross neglect of duty committed by an employee or agent of an agency or independent contractor. The City

of Jacksonville supplemented the above protections in Part 5, Chapter 602, *Ordinance Code*.

The OIG, in addition to investigating whistle-blower allegations of fraud, waste, and abuse, is charged, as the “Whistleblower Official,” with the responsibility of reviewing the allegations of persons seeking whistle-blower protection and granting or denying whistle-blower status.



# OIG Outreach Efforts

Towards the end of FY 2017, the OIG implemented an aggressive outreach program. The OIG plans to build on these outreach efforts in FY 2018 in order to continue educating the citizens and employees of the Consolidated Government on the OIG and its mission.

**OFFICE OF INSPECTOR GENERAL**  
City of Jacksonville

**Needs Your Help in Detecting ...**

**FRAUD,  
& WASTE  
ABUSE**

*Report Fraud, Waste, Abuse, Mismanagement, and Misconduct by an employee or contractor of the consolidated government.*

**HOTLINE**  
Office of Inspector General  
904.630.8000 | [www.coj.net/OIG](http://www.coj.net/OIG)  
Email: [InspectorGeneral@coj.net](mailto:InspectorGeneral@coj.net)  
PO Box 43586, Jacksonville, FL 32203

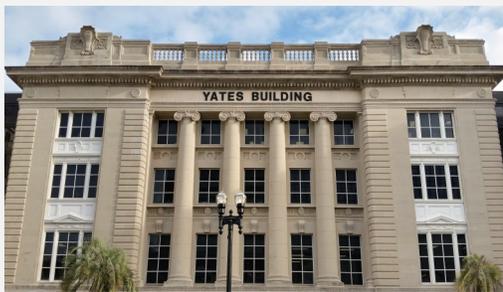


The OIG developed materials to create awareness of the office. These materials include a poster advertising the office and our hotline number for posting in the break rooms throughout the various offices and agencies subject to OIG jurisdiction.



The OIG created a pamphlet to hand out at various training and education presentations and community events. The pamphlet discusses the OIG and its mission.

The OIG, through the support of the Duval County Tax Collector, published its hotline and webpage information on the electronic bulletin boards located within the various Tax Collector Offices.



The IG has presented at various boards and commissions, including the Ethics Commission, to discuss the office and its mission.



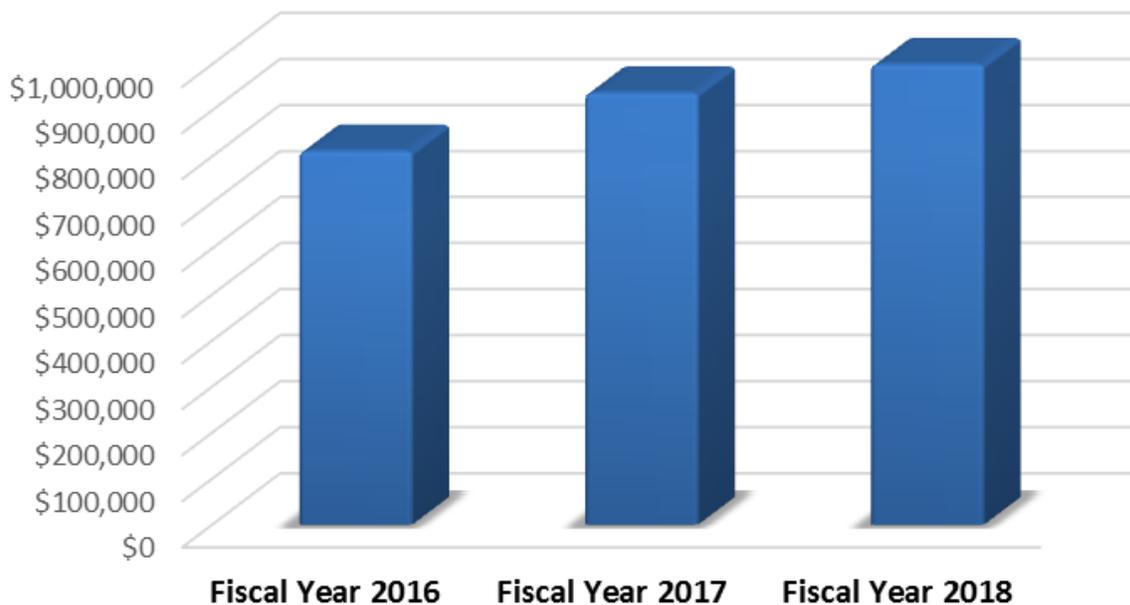
In order to help focus the OIG's outreach efforts in FY 2017 and into the future, the OIG developed a web-based survey seeking input from citizens, employees, and contractors. The OIG will use the survey results to focus its outreach efforts in order to increase awareness about the OIG. All are encouraged to provide their feedback.

[www.surveymonkey.com/r/COJOIG](http://www.surveymonkey.com/r/COJOIG)

# Fiscal Year Funding

The OIG was initially funded in FY 2015 with \$206,319. This budget represented funding to support hiring four employees on a staggered basis throughout FY 2015. In FY 2016, the OIG's budget would reflect full fiscal year funding for the 4 approved positions from FY 2015 and three additional positions. In FY 2016, the OIG's budget grew to \$811,371. With contributions supporting responsible government oversight from JEA, JPA, JAA, and JTA, the OIG's FY 2017 budget grew modestly to \$937,767, which included the addition of one full-time investigator and one part-time executive assistant.

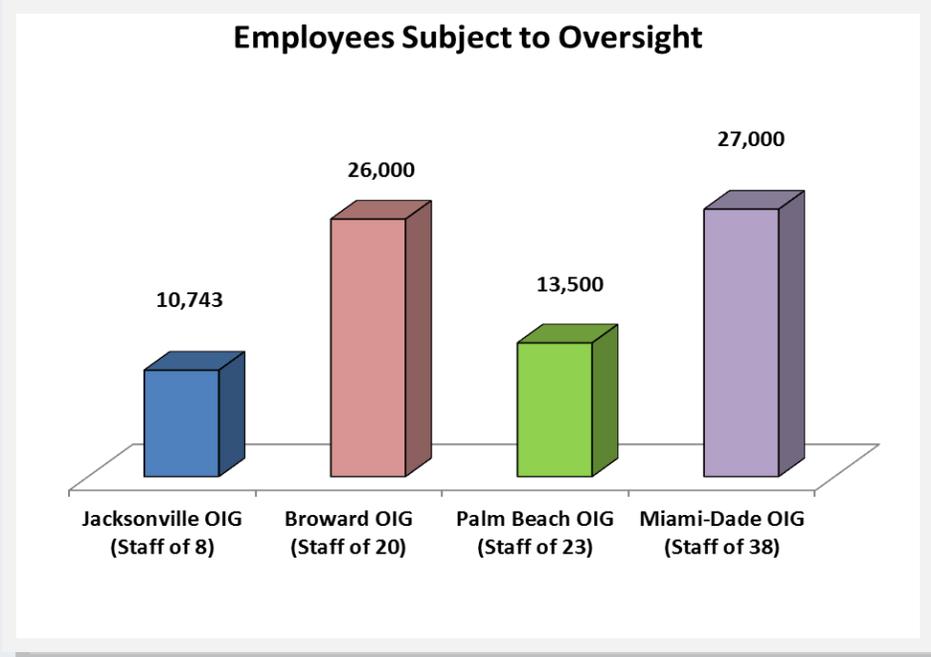
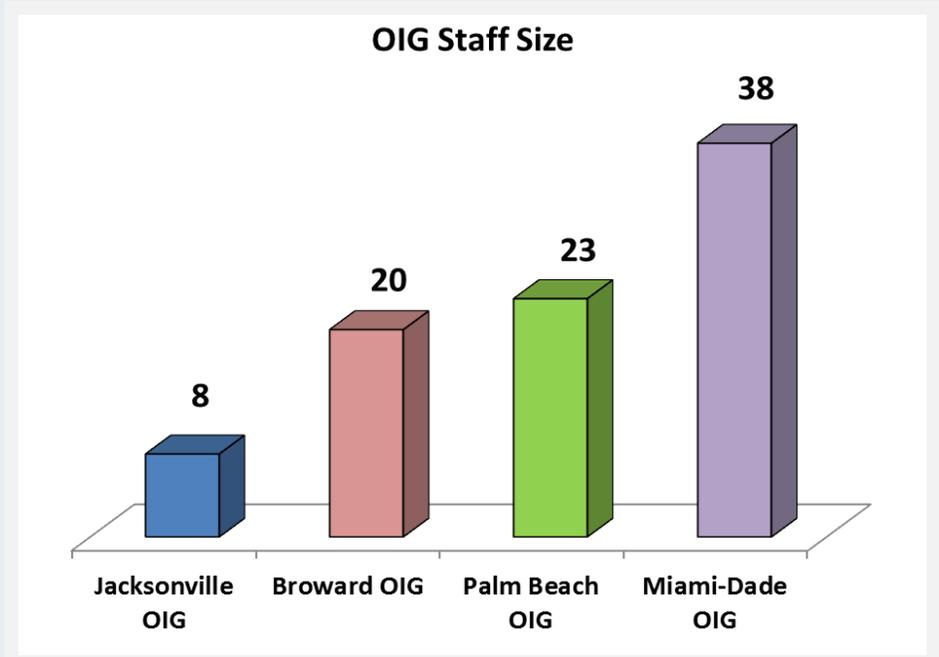
### OIG Budgets Through the Years



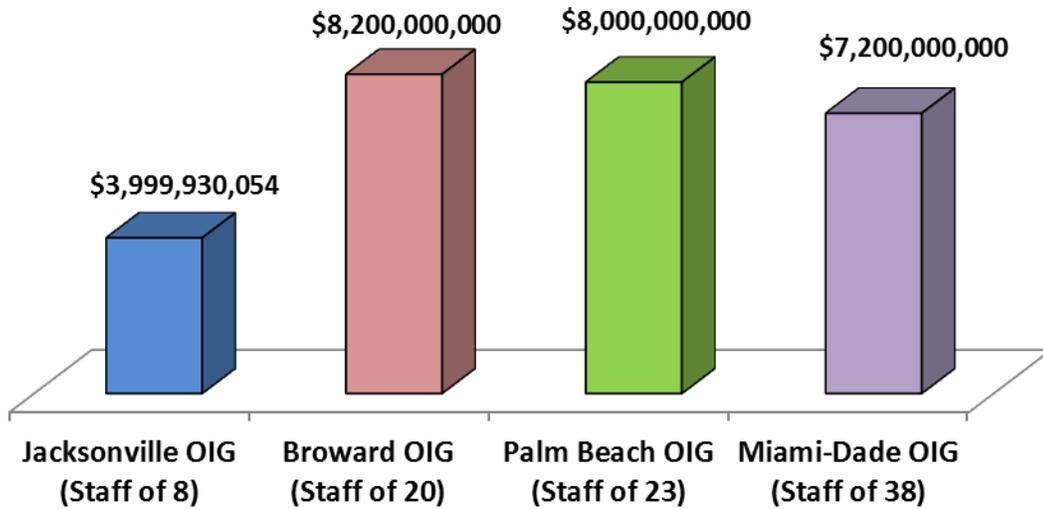
*The FY 2018 budget of \$999,768 represents an approximate 7% net increase, primarily as a result of pension reform.*

# OIG Comparisons

The following charts represent a comparison of staffing and oversight responsibility between the City of Jacksonville's OIG and local OIGs in Florida. The comparison includes the Broward County OIG, the Palm Beach County OIG, and the Miami-Dade County OIG.

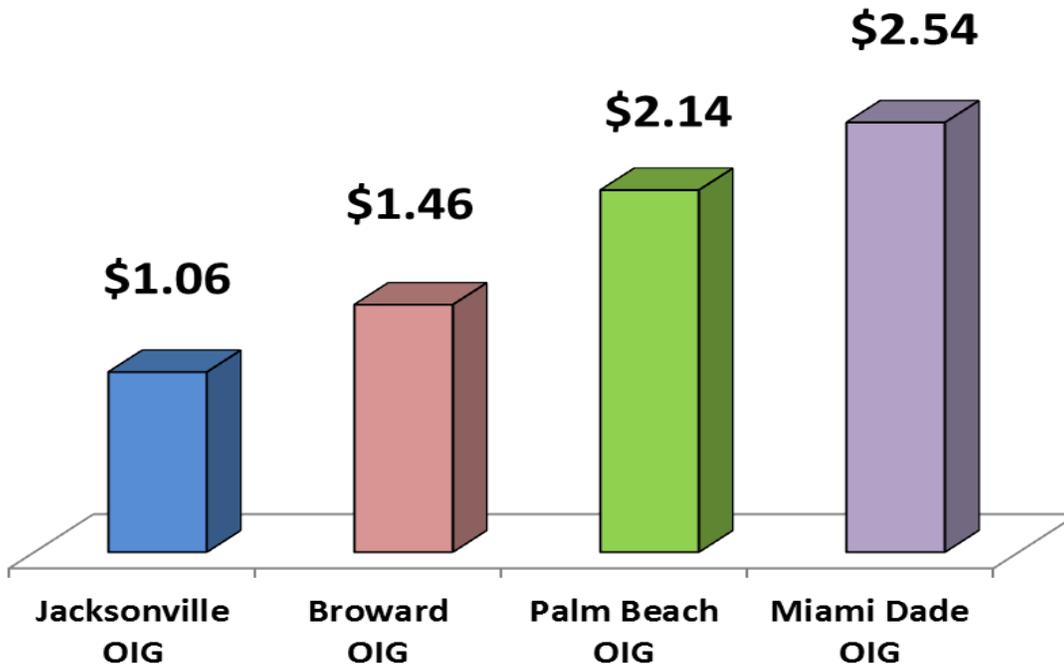


### Agency Dollars Subject to Oversight



*Notes: Agency dollars represent FY 2017 budgets, with the exception of Broward County OIG whose figures represent FY 2016. For the sake of consistency, this report does not include Duval County School Board dollars and employees subject to oversight.*

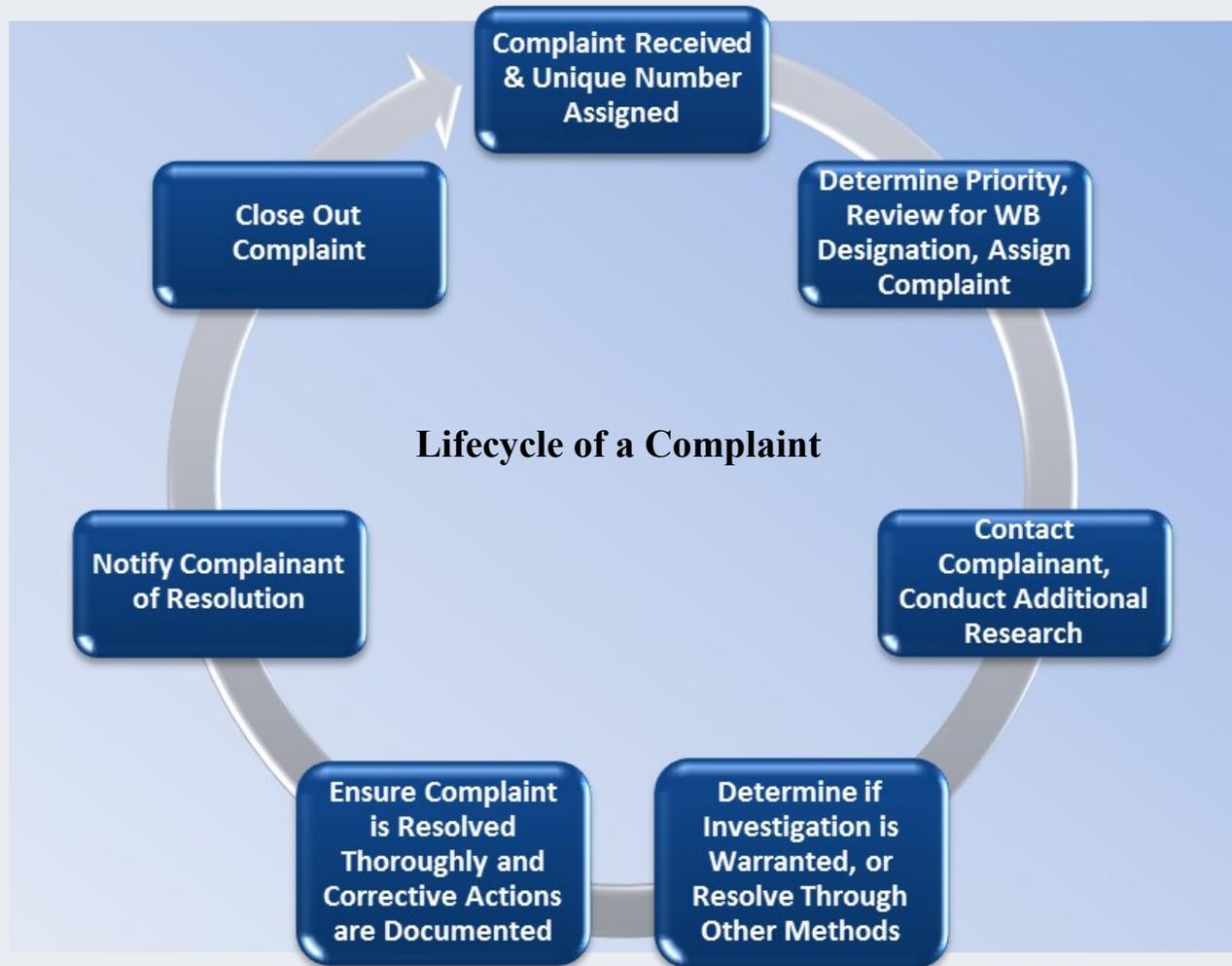
### COST PER CITIZEN\*



*\*Cost per year based on 2015/2016 OIG Budgets, the latest consistent data available.*

# Complaint Intake

## COMPLAINT INTAKE PROCESS



## COMPLAINT PROCESSING

- |  |   |  |
|--|---|--|
| <ol style="list-style-type: none"> <li>1) Complaint received</li> <li>2) Unique number assigned</li> <li>3) Determine priority</li> <li>4) Review for Whistle-blower designation</li> <li>5) Assign for preliminary review</li> <li>6) Contact complainant (if known)</li> </ol> | <ol style="list-style-type: none"> <li>7) Research &amp; analyze allegations</li> <li>8) Determine if investigation warranted</li> <li>9) If investigation is not warranted, resolve through other methods (i.e. management referral, management inquiry, refer to</li> </ol> | <ol style="list-style-type: none"> <li>outside agency, or handle/ close within OIG)</li> <li>10) Ensure complaint is addressed, corrective actions are documented</li> <li>11) Notify complainant of findings or resolution (if known)</li> <li>12) Close out complaint</li> </ol> |
|--|---|--|

## COMPLAINT PROCESSING, CONTINUED

Each complaint regardless of source, issue or magnitude follows the same process and is given the same due diligence. The OIG receives complaints from many sources to include: (1) employees of the Consolidated Government; (2) private citizens, and/or (3) contractors doing business with the Consolidated Government. The OIG receives complaints from telephone calls to the OIG Hotline, in-person visits to the OIG, and/or letters or emails. The Finance and Intake Unit Manager is responsible for maintaining the accuracy and continuity of all intake matters from initial receipt to final disposition.

In order to ensure each complaint receives adequate due diligence, the OIG review of each complaint may range from one day to several months. Complaints involving general questions regarding City services are often completed in one business day through a management referral to the City's centralized customer support center (commonly known as 630-CITY). Complaints received by the OIG under the jurisdiction of another local, state or federal agency are forwarded within a few business days to the

appropriate agency for review and handling. Complaints raising allegations of a criminal nature are forwarded to the SAO for initial review pursuant to the *Ordinance Code*. If the SAO declines prosecution, the complaint is returned to the OIG for further review and investigation, if warranted.

Those complaints not forwarded, as discussed above, will receive a preliminary review by the Investigations Unit. The vast majority of complaints received will go through a preliminary review. Often a preliminary review involves numerous hours of research by an OIG employee(s) before the OIG is able to decide if a full investigation is warranted. During FY 2017, several preliminary reviews required in excess of 40 work hours. This time commitment is necessary to gather voluminous records and conduct multiple interviews. The preliminary review process takes into consideration the urgency, complexity, competing priorities, and available resources.

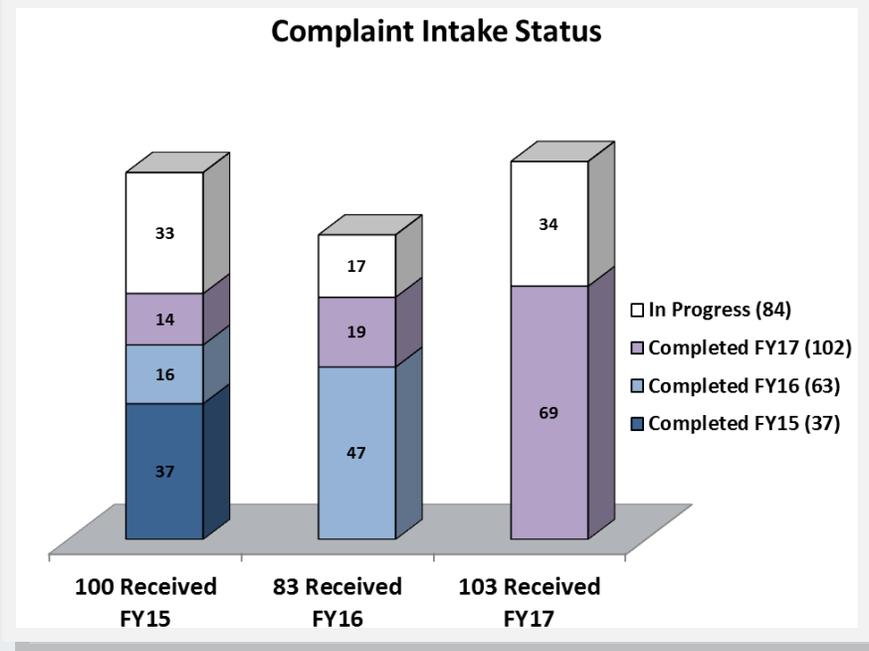
Once a preliminary review is completed, all complaints are processed and categorized through one of the following methods:

<p><b>Handled/Closed:</b> Complaints reviewed by the Investigations Unit requiring minimal or no action, lacking substantive information, or not falling within any of the other categories.</p>	<p><b>Investigations Unit Activity:</b> Complaints assigned to the Investigations Unit for further review and/or investigation.</p>
<p><b>Management Referral:</b> Complaints referred to management for handling. No response to the OIG is required. Corrective action may result from the referral.</p>	<p><b>OIG Audit or Contract Oversight Referral:</b> Complaints referred within OIG to either the Audit Unit or Contract Oversight Unit for further review and/or handling.</p>
<p><b>Management Inquiry:</b> Complaints referred to management for handling, but requiring a response to OIG. Corrective action may result from the inquiry.</p>	<p><b>Outside Agency Referral:</b> Complaints falling under OIG's jurisdiction but referred to local, state, or federal government entities for review and consideration (including those alleging criminal violations). These complaints may be returned to OIG for subsequent administrative action.</p>
<p><b>Corrective Action Memo:</b> A written memorandum to management requiring immediate consideration for corrective action, i.e., the revision or addition of policies and/or procedures.</p>	<p><b>Non-Jurisdictional Referral:</b> Complaints dealing with matters outside of the OIG's jurisdiction and referred to local, state, or federal government entities for review and handling.</p>

Once the complaint has been addressed by one of the methods listed above, the OIG notifies any known complainant regarding the outcome of the complaint. The complaint is closed once all actions relating to the complaint have been thoroughly addressed.

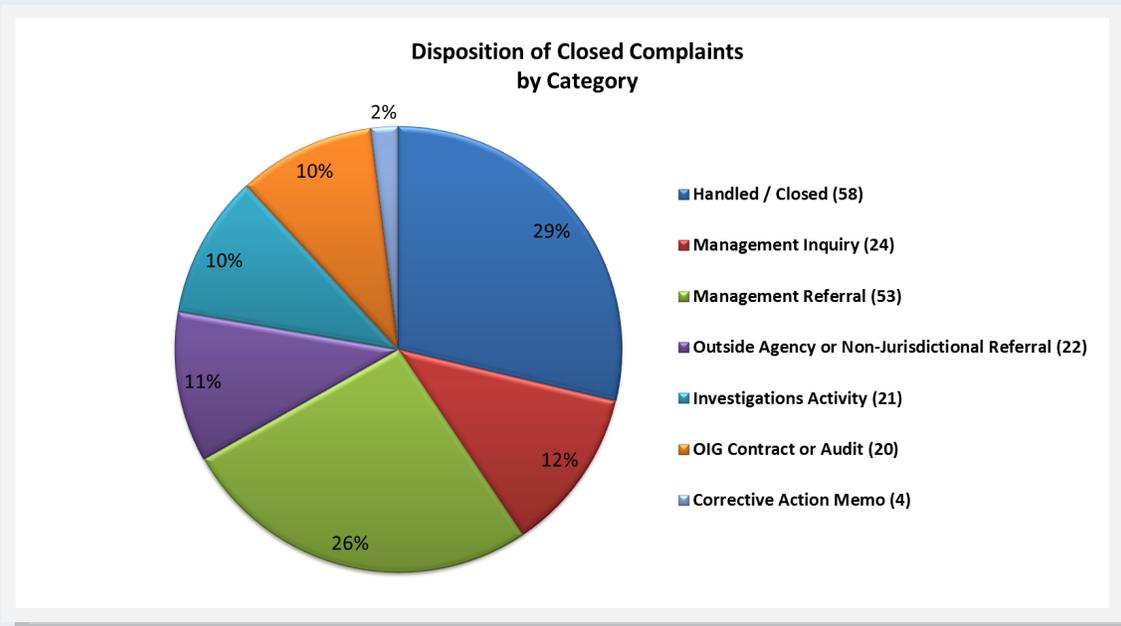
### COMPLAINT INTAKE STATUS

The OIG received 103 new complaints during FY 2017. Each complaint received was assigned a unique correspondence number and reviewed for disposition. The below chart represents the status of all 286 complaints received and processed during FY 2015, FY 2016, and FY 2017.



### DISPOSITION OF CLOSED COMPLAINTS

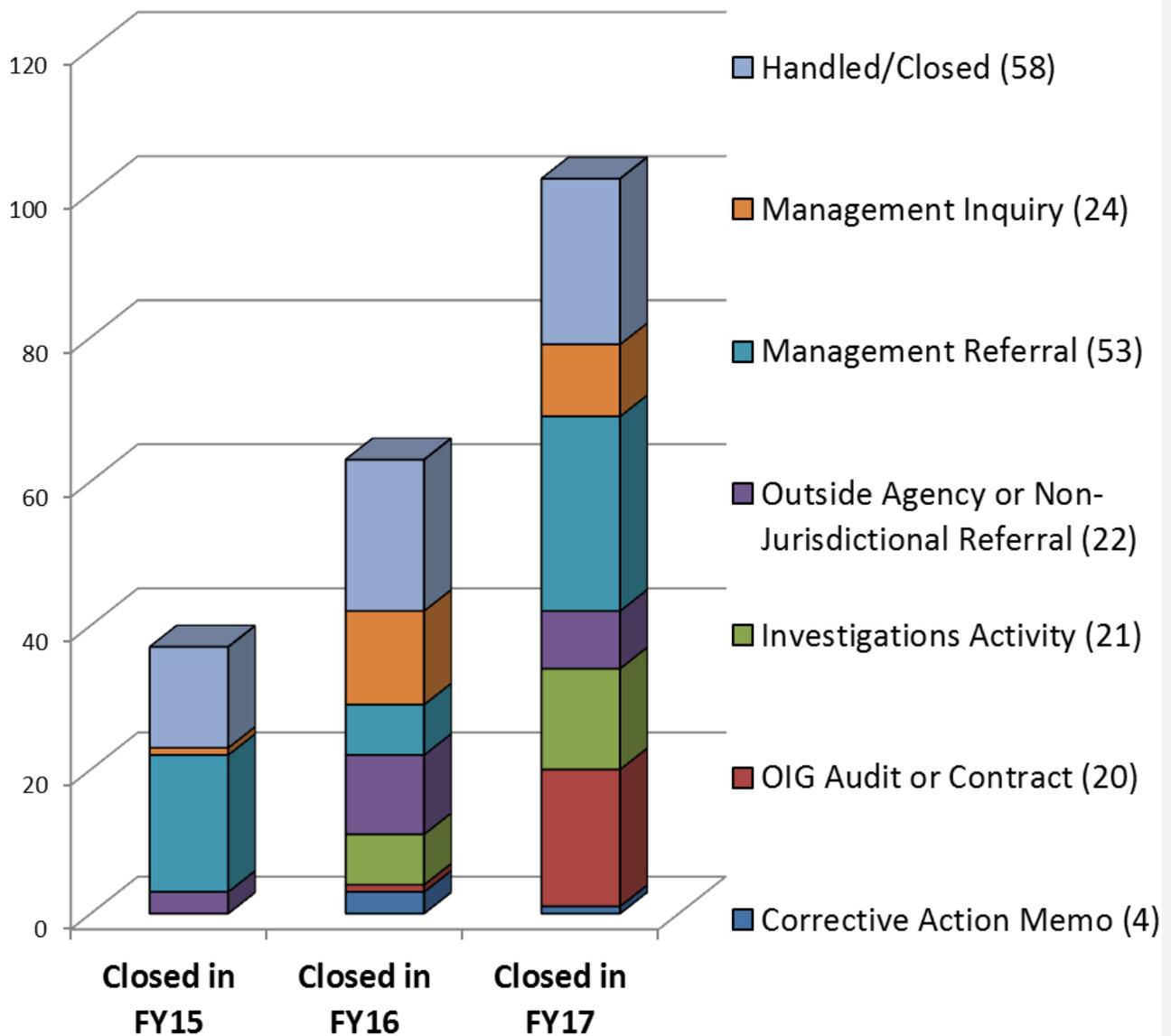
The below chart represents the disposition by category of all closed complaints from FY 2015 through FY 2017:



### DISPOSITION OF CLOSED COMPLAINTS, CONTINUED

The below chart represents the disposition of all closed complaints from FY 2015 through FY 2017:

### Disposition of Closed Complaints (Fiscal Year)



# Operational Unit Accomplishments

## AUDIT UNIT ACCOMPLISHMENTS

In FY 2017, the Audit Unit continued its ambitious three-year projected Audit Plan (Plan) by completing two audits and one audit inquiry. The Audit Unit released two final audit reports: (1) *Cellphone Inventory Audit*; and (2) *Fleet Supplemental Audit*. In addition, the Unit completed an audit inquiry on *Open Capital Projects* for the Planning and Development and Public Works Divisions. The information gained from the inquiry was provided to the Administration to assist them in identifying open capital projects.

Finally, the Audit Unit completed the fieldwork portion of the *Office of Sports and Entertainment Audit*. The Audit Unit anticipates releasing the final report of this audit in early FY 2018. At the end of FY 2017, the Audit Unit was in the process of conducting an audit of Payroll and Timekeeping as well as conducting prior year audit follow ups.

The following are highlights of the audit reports issued:

### Cellphone Inventory Audit Audit No. 2016-AR-0005

The purpose of this audit was to determine whether controls were adequate over the issuance, usage, return, billing, and invoice payments for City-issued cellphones and other wireless devices. (*Note:* other wireless devices includes data usage associated with tablets, data cards, data modems, and tabulator modems).

**Results:** OIG identified potential cost savings of \$89,661 associated with cellphones or other wireless devices with little or no activity, cost overages, and wireless devices associated with terminated employees. Management agreed to **\$40,811** of the \$89,661 as cost savings.

### Fleet Supplemental Audit Audit No. 2016-AR-0006

The Audit Unit completed a supplemental audit to the Fleet Management Division audit completed in FY 2016. The purpose of this supplemental audit was to determine whether all City-owned vehicles managed by the Fleet Management Division were accurately reflected in the City's Capital Asset (CA) Subsystem. OIG attempted to reconcile Fleet Management and Accounting inventory databases using the Microsoft Access query function. During the initial attempt, the Audit Unit was unable to match 12% of the vehicles on the CA Subsystem listing to the listing maintained by the Fleet Management Division. Additionally, the Audit Unit was unable to trace 18% of the 3,636 vehicles listed on the vehicle inventory provided by the Fleet Management Division to the listing from the CA Subsystem.

**Results:** A subsequent review by Accounting and the Fleet Management Division revealed the differences between the CA Subsystem and the Fleet Management Division vehicle inventory were due to several issues, to include: (1) timing differences in posting dates; (2) Accounting clerical input errors; (3) differences in asset classification; and (4) the failure of the Fleet Management Division to notify Accounting of vehicle status changes. After identifying the causes of the discrepancies and updating the CA Subsystem, the Audit Unit determined the discrepancies were not material.

### Capital Projects Open Projects Inquiry Audit No. 2017-AI-0001

The Audit Unit completed an inquiry into open capital projects in the Planning and Development and the Public Works Departments to determine whether projects remained open and active for an extended period of time with residual balances and/or little or no activity.

**Results:** Prior to the commencement of the inquiry, the Administration implemented procedures to start closing inactive projects. The open status of 33 Public Works and 6 Planning and Development projects were adequately justified or the projects were closed with the funds transferred to active projects. Therefore, no report was issued.

## CONTRACT OVERSIGHT UNIT ACCOMPLISHMENTS



In FY 2017, the Contract Oversight Unit reviewed 15 new complaints and closed 23 total complaints. The 23 total complaints closed in FY 2017 represents the most handled in any one fiscal year since the office opened in FY 2015.

Five of the closed complaints were addressed in a Contract Oversight Observation, an informational report written in response to a specific allegation of fraud, waste, or abuse. The written Observation is designed to address not only the specific allegation, but also, when necessary, make recommendations to improve procurement or contract policy or procedures based on best practices.

The following is a brief synopsis of the Contract Oversight Observations issued in FY 2017:

### **Allegation of Multiple Violations of Procurement Code by the City of Jacksonville Observation No. 2015-04-0005**

The OIG received an allegation the City violated the Procurement Code and several Florida Statutes through improper communication between the Procurement Division and the Downtown Investment Authority, providing insufficient notice of a Request for Proposal and improperly combining professional services for the purpose of excluding smaller vendors.

**Results:** The Contract Oversight Unit found no improper conduct by Procurement or the Downtown Investment Authority, no violation of Florida Statutes, and no evidence of a practice of combining smaller projects for the purpose of excluding smaller vendors from the COJ procurement process.

### **Allegation of Improper Influence and Misappropriation of Public Funds Observation No. 2015-08-0014**

The OIG received an allegation the Trails Community Development District (Trails) was wrongfully controlled or influenced by the Community Developer whose attorney was a Trails board member.

**Results:** The Contract Oversight Unit review concluded the Developer’s attorney, being a member of the Trails’ Board of Supervisors, did not violate the *Ordinance Code* or Florida Statutes. Based on the current language in the *Ordinance Code*, the Contract Oversight Unit recommended a review of the relevant section to determine if the current language should be revised.

### **Allegation of Favoritism in the Award of a JEA Contract Observation No. 2016-10-0008**

The OIG received an allegation the Solicitation for Participation relating to the repair and installation of video surveillance systems would favor one particular vendor.

**Results:** The Contract Oversight Unit review found no evidence to support the allegation.

### **Allegation of Private Business Encroaching on COJ Right of Way (RoW) Observation No. 2017-10-0006**

The OIG received an allegation a business was operating within a COJ RoW.

**Results:** The Contract Oversight Unit determined the Public Works Department was aware of the RoW issue. The Public Works Department did not believe the business was operating or interfering within the RoW. Based on the recommendation of the Contract Oversight Unit, the Public Works Department issued a revocable permit pursuant to § 744.110(e), *Ordinance Code* to clarify that the business was in fact not interfering with the RoW.

## CONTRACT OVERSIGHT UNIT ACCOMPLISHMENTS, CONTINUED

### **Allegation of Waste as to Contract for Maintenance of Building Cooling Systems Observation No. 2015-05-0007**

The OIG received an allegation the City was contracting out air-conditioning system maintenance to vendors. The complainant believed the work could be performed at a substantially lower cost by COJ employees.

**Results:** The Contract Oversight Unit found insufficient evidence to support the allegation. Based on a review of 2015 Public Buildings Division maintenance records, the Contract Oversight Unit found there may be cost savings, if COJ employees were able to adequately and expertly perform the routine annual maintenance and cleaning. The Contract Oversight Unit recommended the Public Buildings Division continue to monitor and review costs to determine whether cost savings could be realized by utilizing COJ employees for this type of work.

## INVESTIGATIONS UNIT ACCOMPLISHMENTS

In FY 2017, the Investigations Unit issued 10 management inquiries, 27 management referrals, one corrective action memorandum, and five reports of investigation. For the first time, the OIG conducted investigative oversight of JEA pursuant to a protocol agreed to between OIG and JEA. Through this protocol, the OIG worked closely with JEA Audit Services and the JEA Interagency Detective. Finally, in FY 2017 the Investigations Unit reached its authorized position cap for the first time with the hiring of a third investigator.

The recommendations made by the Investigations Unit in the reports of investigations, management inquiries, and management referrals resulted in actions by the Consolidated Government to update policies and procedures in order to increase internal controls. Additionally, the one corrective action memorandum resulted in immediate action by JEA to correct a deficiency noted by the Investigations Unit.

The following summarizes the highlights of the work conducted by the Investigations Unit in FY 2017:

### **Time & Attendance and Overtime Fraud/Former JEA Construction Inspector Charged With Grand Theft 2017-0008**

A former JEA employee was charged with grand theft after a criminal investigation by the JEA Interagency Detective disclosed the JEA employee did not regularly work a complete eight-hour workday despite receiving compensation from JEA for a full eight-hour workday. The investigation concluded the JEA employee made vehicle stops unrelated to JEA business during his work day. The JEA employee was arrested and charged with violations of Florida Statute §812.014, Theft; and §838.022(1) (a), Official Misconduct. The JEA employee signed a Felony Pretrial Intervention Program Deferred Prosecution Agreement. The agreement provided for deferred prosecution for a period of twelve (12) months, pending compliance with the agreement. Additionally, the agreement required the JEA employee to pay various monetary fines and administrative fees; provide proof of his resignation from JEA; and provide proof that he had satisfied the repayment of \$4,361.36.

The OIG conducted a subsequent investigation. The OIG investigation disclosed a lack of internal controls related to the ability of JEA management to verify the accuracy of time-keeping related matters (straight and overtime) of employees. As a result, JEA updated and issued new policy guidelines directed towards strengthening internal controls related to the monitoring of overtime and the proper use of JEA vehicles. Additionally, OIG verified the former JEA employee compensated and forfeited to JEA a total of \$10,117.71.

## INVESTIGATIONS UNIT ACCOMPLISHMENTS, CONTINUED

### **JEA Employee Used JEA Resources to Operate Personal Business Ventures/ Failed to Report Secondary Employment 2017-0007**

An OIG investigation substantiated allegations of violations of the JEA Secondary Employment Policy; JEA Acceptable Use Policy; and the JEA Security and Fire Prevention Policy by a JEA employee. As part of the investigation, JEA Audit Services conducted a two month records review, which disclosed that 35% of the e-mails in the JEA employee's JEA e-mail account were related to non-JEA business. The e-mails related to the employee's unreported secondary employment. As a result of the investigation, the JEA employee resigned. Additionally, JEA is updating the Acceptable Use Policy to include "business purpose" and "limited, or de minimus," use language. Further, JEA is in the process of developing a "General Security Practices" training course that will be required for all JEA employees.



### **COJ Employee Used COJ License Plate without Permission 2017-0001**

A COJ employee admitted to the improper and unauthorized use of a COJ license plate on a personal vehicle. The OIG concluded on two separate occasions the COJ employee drove a personal vehicle with a COJ plate attached to work. Additionally, the COJ employee's testimony to the OIG regarding the misuse of the COJ license plate was inconsistent with statements previously made to management.

Based on the OIG's belief the COJ employee had attempted to interfere with and/or obstruct the OIG investigation by being untruthful during his OIG interview, the OIG contacted the SAO for a review of potential perjury or obstruction allegations pursuant to §602.303(j), *Ordinance Code*. In lieu of pursuing an interference and/or obstruction charge, the SAO charged the COJ employee, as a result of the evidence obtained during the OIG investigation, with theft of the COJ plate, a violation of Florida Statute §812.014, Theft. The COJ employee was arrested for violations of Florida Statute § 812.014(3) (a), Petit Theft; and § 320.261, Attaching Tag Not Assigned, both second degree misdemeanor offenses.

The COJ employee signed a Pretrial Intervention Program Deferred Prosecution Agreement. The agreement deferred prosecution for a period of three months, and required the completion of 20 hours of community service and payment of \$650 in court costs. In addition, the COJ employee received a written reprimand for failing to be truthful during the OIG investigation.



**INVESTIGATIONS UNIT ACCOMPLISHMENTS, CONTINUED**

**COJ Employee Used COJ Resources to Operate Business Ventures  
2016-0010**

An appointed COJ employee admitted to using COJ resources in the operation of four separate personal businesses and failing to report secondary employment. The OIG investigation concluded that during a five-year period (2011-2016) the employee used COJ resources in order to promote four separate personal businesses in violation of the COJ Electronic Communications, Equipment and Media Policies. As a result of the OIG investigation, the appointed employee was allowed to resign from the COJ. In addition, the COJ reissued policies concerning secondary employment and electronic communications to management and directed management to discuss the policies with their employees.

**COJ Rewards and Recognition Gift Cards Accounted For/ Lack of Internal Controls at Onset of Program  
2016-0002**

The OIG conducted an investigation into the location of nine-hundred and seventy-five (975) gift cards for the COJ Rewards and Recognition Program (Program), valued at \$59,956.25 (face value and associated fees). The gift cards were purchased in 2013 and 2014 by the 2011-2015 Mayoral Administration. Through its investigation, the OIG accounted for all of the gift cards. The OIG investigation concluded the gift cards had not been removed from the possession of the City, or misappropriated.

**Office of Public Parking Management Inquiry  
2015-04-0003**

The OIG received an anonymous allegation the City of Jacksonville’s Office of Public Parking (OPP) was providing “free” daily parking passes (vouchers). In response to the management inquiry, the OPP established and issued a pre-paid voucher procedure to strengthen internal controls related to parking vouchers. Additionally, the Jacksonville Public Library revised their parking validation procedures for staff and official visitors as a result of this management inquiry.

**City Council Management Inquiry  
2017-12-0004**

The OIG received an anonymous allegation regarding time and attendance misconduct by a former City Council Executive Assistant. The management inquiry resulted in Ordinance 2017-449-E, which amended and clarified that Executive Council Assistants serve under the Appointed Officials and Employees Salary and Employment Plan.

**JEA – Secondary Employment Policy Corrective Action  
2016-02-0003**

The OIG issued a corrective action memorandum to JEA to ensure employees were familiar with the secondary employment policy. As a result, JEA instituted a policy to ensure the secondary employment policy is reviewed at hiring and on an annual basis after hiring.



**JFRD Emergency Preparedness Division Management Inquiry  
2017-10-0009**

The OIG received an allegation concerning FEMA emergency commodities being sold on eBay shortly after Hurricane Matthew (October 2016). The OIG conducted a preliminary review of the issue. The preliminary review determined the commodities for sale on eBay were legitimately obtained by a private business for resale. Due to issues identified by the preliminary review, the OIG issued a management inquiry. As a result, the Emergency Preparedness Division policies were updated in order to strengthen internal controls related to resource management of emergency commodities.

**Military Affairs and Veterans Department Management Inquiry  
2016-11-0004**

The OIG received an anonymous allegation of employee misconduct within the Military Affairs and Veterans Department (MAVD) relating to a lack of accountability of donated items. An OIG review determined the allegation was unsubstantiated. As a result of the management inquiry, MAVD implemented a new policy in order to strengthen internal controls related to the receipt and distribution of donated items.

# FY 2018 and Beyond

As the OIG finishes FY 2017, the entire office looks forward to the future. The OIG enters FY 2018 with all authorized positions filled, for the first time at the start of a fiscal year, by a team of dedicated, committed, and driven professionals. This stability and professionalism will ensure the OIG continues to move forward with accreditation and the closure of legacy complaints received during the initial years of the office's existence. The closing of these legacy complaints will allow the OIG to focus more proactively on opportunities to

improve the effectiveness and efficiency of the entire Consolidated Government. Additionally, the OIG looks to strengthen its relationship with the Independent Authorities and the Constitutional Officers to ensure we provide fair, effective, and efficient oversight to the entire Consolidated Government. Finally, our entire team will continue through various outreach efforts to educate the citizens of Jacksonville about our office and the value we bring to the Consolidated Government.

## *OUR VALUE IS IN OUR INDEPENDENCE*

“Oversight fosters positive change and makes government better. The critical and skeptical review of programs and operations, both by the Inspectors General ... conducted in full view of the public, acts as the ‘disinfectant of sunlight’ to ensure improved transparency, accountability, and efficiency in government.”

— A Federal Inspector General prior to his testimony before Congress

# Appendix 1

## OIG Charter Provisions

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### **ARTICLE 1 – GOVERNMENT AND ETHICS**

#### **CHAPTER 2 – ETHICS**

##### **Section 1.201. - Declaration of Ethics Policy.**

The proper operation of responsible government requires that public officials and employees be independent, impartial, and responsible to the people; that government decisions and policy be made in the best interests of the people, the community and the government; that public office not be used for personal gain, and that the public have confidence in the integrity of its government.

##### **Section 1.202. - Ethics code, ethics commission, inspector general.**

The City of Jacksonville, acting in its capacity as a county, shall enact an ethics code with jurisdiction over the officers and employees of the consolidated government of the City of Jacksonville, its constitutional officers, and independent agencies and districts, whether elected or appointed, paid or unpaid, and to the officers and employees of the school district. Jurisdiction shall include, but not be limited to the following: The Mayor, the Sheriff, the Supervisor of Elections, the Property Appraiser, the Clerk of the Courts, the Tax Collector, City Council, JEA, the Police and Fire Pension Fund, Jacksonville Aviation Authority, Jacksonville Port Authority, Jacksonville Housing Authority, Jacksonville Housing Finance Authority, Jacksonville Transportation Authority, and the Jacksonville Health Facilities Authority. The ethics code may, as allowed by law, supplement state ethics laws.

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##### **Section 1.203 - Ethics Oversight and Compliance office and Office of Inspector General.**

(a) The ethics code provided for in section 1.202 of the Charter shall include the establishment of an independent citywide Ethics Oversight and Compliance office and an independent Office of Inspector General, each with jurisdiction over the City of Jacksonville, its constitutional officers, and its independent agencies.

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# Appendix 1

## OIG Charter Provisions (*Cont'd*)

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- (c) The Office of Inspector General shall provide independent oversight of publicly funded activities and transactions and other local government operations. The office shall have jurisdiction to investigate, audit, and provide contract oversight, and to promote economies and efficiencies, improve agency operations, and prevent and deter waste, fraud and abuse.
- (d) The Ethics Oversight and Compliance Office and the Office of Inspector General shall, to the extent practicable and advisable, share resources, promote efficiencies and avoid duplications.

### **Section 1.204 - Administrative Support**

- (a) Appropriate support, as determined by City Council, shall be provided to the ethics commission and to the citywide Ethics Oversight and Compliance office and to the Inspector General to carry out each of their duties and responsibilities.
- (b) Subsection (a) support shall include a mechanism to obtain documents and testimony in connection with violations of the City's ethics code.
- (c) The City and the independent agencies may enter into agreements for purposes of providing funding and administrative support for ethics and inspector general activities.
- (d) Subject to available funding, the Inspector General may, appoint, employ or retain independent legal counsel to assist with the functions of the office.

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### **Section 1.206. - Professional Standards.**

Subject to practicality and available funding, the Office of Inspector General should apply for and pursue professional accreditations for the investigative functions of the office offered by the Florida Commission for Law Enforcement Accreditation.

### **Section 1.207. - Inspector General Independent Selection**

The City Council shall amend, enact, reenact, or recodify appropriate legislation to ensure that the hiring and removal of the inspector general shall be vested with an independent inspector general selection committee.

# Appendix 2

## OIG Ordinance Provisions

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### JACKSONVILLE ORDINANCE CODE

#### CHAPTER 602 – ETHICS CODE

##### PART 3. - INSPECTOR GENERAL

##### **Sec. 602.301. - Establishment; Office of Inspector General.**

There is created an Independent Office of Inspector General. The organization and administration of the Office shall be independent to assure that no interference or influence external to the Office adversely affects the independence and objectivity of the Inspector General.

##### **Sec. 602.302. - Purpose.**

The purpose of this Part is to establish a full-time Office of Inspector General in order to provide increased accountability, integrity, and oversight of the entire consolidated government, to assist in promoting economy and efficiency, improving agency operations, and deterring and identifying waste, fraud and abuse. This Part shall not apply to the Office of the State Attorney, and the Office of the Public Defender.

##### **Sec. 602.303. - Duties and Functions.**

The duties and functions of the Office of Inspector General shall include the authority, power and responsibility to:

- (a) Review and evaluate internal controls to protect the resources of the entire consolidated government against waste, fraud, inefficiency, mismanagement, misconduct, and other abuses;
- (b) Audit, evaluate, investigate and review past and present the activities, accounts, records, contracts, procurements, change orders, grants, agreements, and other programmatic and financial arrangements undertaken by any office, agency, department, or part of the entire consolidated government, and any other function, activity, process or operation conducted by any office, agency, department, or part of the entire consolidated government; its officials and employees, contractors, their subcontractors and lower tier subcontractors, and other parties doing business with any office, agency, department, or part of the entire consolidated government, or receiving funds from any office, agency, department, or part of the entire

## Appendix 2

# OIG Ordinance Provisions (*Cont'd*)

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consolidated government.

- (c) Conduct investigations, audits, contract oversight and reviews, issue reports, and make recommendations in accordance with applicable laws, rules, regulations, policies and past practices. Audits, investigations, inspections and reviews conducted by the Office of Inspector General will conform to professional standards for Offices of Inspector General such as those promulgated by the Association of Inspectors General; in accordance with current International Standards for the Professional Practice of Internal Auditing as published by the Institute of Internal Auditors, Inc., or where appropriate, in accordance with generally accepted governmental auditing standards. The Office of Inspector General shall develop and adhere to written policies in accordance with Florida accreditation standards for Inspector Generals.
- (d) Receive full and unrestricted access to the records of any and all officials and employees, contractors, including their subcontractors and lower tier subcontractors, of any office, agency, department, or part of the entire consolidated government and other parties doing business with any office, agency, department, or part of the entire consolidated government or receiving funds from any office, agency, department, or part of the entire consolidated government.
- (e) Receive, review, and investigate any complaints regarding projects, programs, contacts or transactions of any office, agency, department, or part of the entire consolidated government;
- (f) Establish a "hotline" to receive complaints, from either anonymous or identified persons.
- (g) Review referrals from the Director of the Office of Ethics Compliance and Oversight.
- (h) Require all officials, employees, and contractors, their subcontractors and lower tier subcontractors, and other parties doing business with any office, agency, department, or part of the entire consolidated government or receiving funds from any office, agency, department, or part of the entire consolidated government to provide statements; administer oaths; and, require the production of documents, records and other information. In the case of refusal by an official, employee or other person to obey a request by the Office for documents or for an interview, the inspector general shall have the power to subpoena witnesses, administer oaths, and require the production of documents.

## Appendix 2

# OIG Ordinance Provisions (*Cont'd*)

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- (i) In the case of refusal to obey a subpoena served to any person, the Inspector General may make application to any court of competent jurisdiction to order the witness to appear before the Inspector General and to produce evidence, or to give testimony relevant to the matter in question.
- (j) Where the Inspector General suspects a possible violation of any state, federal or local law, he or she shall notify the appropriate law enforcement agencies.
- (k) The Mayor and any and all Officials of any office, agency, department, or part of the entire consolidated government shall promptly notify the Inspector General of possible mismanagement of a contract (misuse or loss exceeding \$5,000 in public funds), fraud, theft, bribery, or other violation of law which appears to fall within the jurisdiction of the Inspector General, and may notify the Inspector General of any other conduct which may fall within the jurisdiction of the Inspector General.
- (l) Engage in prevention and outreach activities, including but not limited to: develop public awareness to inform government officials and employees, as well as the general public, of the authority and responsibility of the Office.
- (m) Recommend remedial actions to be taken by any office, agency, department, or part of the entire consolidated government to overcome or correct operating or maintenance deficiencies and inefficiencies that were identified by the Office.
- (n) Issue an annual report to the Ethics Commission, Mayor, the Council and deliver to the full City Council a verbal briefing on activities of the Office every six months.
- (o) Monitor implementation of the recommendations made by the Office.
- (p) Monitor, inspect and review, without limitation, the operations, activities, performance, and procurement processes including, but not limited to, bid specifications, bid submittals, activities of the contractor, their subcontractors and lower tier contractors, its officers, agents and employees, lobbyists, officials and staff of any office, agency, department, or part of the entire consolidated government, in order to ensure compliance with contract specifications and detect corruption and fraud.
- (q) Be notified in writing prior to any duly noticed public meeting of a procurement selection committee

## Appendix 2

# OIG Ordinance Provisions (*Cont'd*)

where any matter relating to the procurement of goods or services by any office, agency, department, or part of the entire consolidated government is to be discussed.

- (r) Establish and post policies and procedures to guide functions and processes conducted by the Office.
- (s) Reserved.
- (t) Exercise any of the powers contained in this chapter upon his or her own initiative.
- (u) The Office records related to active audits, investigations and reviews shall be confidential and exempt from disclosure, as provided by Section 112.3188(2) and Chapter 119, Florida Statutes.
- (v) The Inspector General is considered the "appropriate local official" of the City for purposes of whistleblower protection provided by Section 112.3188(1), Florida Statutes;
- (w) The Inspector General has the power to appoint, employ, and remove such other personnel as is deemed necessary for the efficient and effective administration of the activities of the office. All such appointees shall serve at the pleasure of the Inspector General and shall be exempt from civil service.
- (x) to enforce this chapter by all means provided by law, including seeking injunctive relief in the Fourth Judicial Circuit Court in and for Duval County.

### **Sec. 602.304. - Inspector General Established; Qualifications.**

The Inspector General shall head the Office of Inspector General and shall have a bachelor's degree or higher from an accredited college or university, and at least ten years of experience in government auditing, investigation, or prosecutorial or criminal justice administration, public administration or business administration. A master's degree or higher is preferred. Professional certifications such as certified inspector general, certified inspector general auditor or investigator, certified public accountant, certified internal auditor, or certified fraud examiner are recommended. The Inspector General shall not have been found guilty of or entered a plea of nolo contendere to any felony, or any misdemeanor involving the breach of public trust. Unless a certification is already held, the Inspector General shall be required to obtain certification within 24 months of becoming the Inspector General.

# Appendix 2

## OIG Ordinance Provisions (*Cont'd*)

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### **Sec. 602.305. - Selection, Term, Contract, Removal and Vacancy.**

(a) *Selection.* The responsibility for selecting the inspector general shall be vested with the Inspector General Selection and Retention Committee, hereinafter, the "Committee."

The Committee shall be composed of seven members selected as follows:

- (1) The President of the Jacksonville City Council or his or her designee;
- (2) The State Attorney of the Fourth Judicial Circuit or his or her designee;
- (3) The Chair of the Jacksonville Ethics Commission or his or her designee;
- (4) The Chair of the Jacksonville TRUE Commission or his or her designee;
- (5) The Public Defender of the Fourth Judicial Circuit or his or her designee;
- (6) The Chief Judge of the Fourth Judicial Circuit or his or her designee; and
- (7) The Mayor of the City of Jacksonville or his or her designee.

The members of the Committee shall elect a chairperson who shall serve until the Inspector General is confirmed by the City Council. The Committee shall select the Inspector General with no less than four members approving the appointment from a list of qualified candidates submitted by the Jacksonville Employee Services Department. The Committee's selection is subject to confirmation by City Council.

(b) *Term.* The Inspector General shall be appointed for a term of four years. The Committee shall convene at least six months prior to the end of the four-year contract term to determine whether to renew the contract of the Inspector General or to solicit new candidates.

(c) *Contract.* The Chair of the Committee, in coordination with the Office of General Counsel, shall negotiate a contract of employment with the Inspector General. The Inspector General shall be an appointed employee exempt from civil service and shall be entitled to all rights and benefits normally accorded to appointed employees.

(d) *Removal.* The Inspector General may be removed based on specified charges initiated by the Committee for the following: neglect of duty, abuse of power or authority, discrimination, or ethical misconduct. The Inspector General shall be provided sufficient advance notice of the reasons for

## Appendix 2

# OIG Ordinance Provisions (*Cont'd*)

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the possible removal, and shall be given an opportunity to be heard on the charges. A decision of the Committee to remove the Inspector General must be approved by a minimum of four members of the Committee and be confirmed by the City Council.

- (e) *Vacancy*. In the event of a vacancy in the position of Inspector General, the Committee shall appoint an interim Inspector General until such time as a successor Inspector General is selected and assumes office. The Interim Inspector General shall meet all qualifications provided herein for the Inspector General.

### **Sec. 602.306. - Records Disclosure.**

The Inspector General's final reports shall be public records to the extent that they do not include information that has been made confidential and exempt from release to the public by Florida or federal law.

### **Sec. 602.307. - Annual Budget.**

The Mayor shall establish in the annual budget a separate activity for the Inspector General's Office similar to the budget presentation of a department of the City of Jacksonville. A minimum funding base is hereby established at \$400,000 annually.

### **Sec. 602.308. - Coordination with City Council Auditor's Office.**

The Inspector General and the City Council Auditor shall mutually cooperate, subject to their respective standards on confidentiality, and where practicable, to avoid duplication of efforts in audit functions. The Inspector General and the Council Auditor shall obtain respective approval prior to an offer of employment of their respective employees.

### **Sec. 602.309. - Penalty Provisions.**

It shall be unlawful and up to a \$500 fine for:

- (1) Any person to retaliate, punish, threaten, harass, or penalize any person for assisting, communicating or cooperating with the Inspector General; or
- (2) Any person to knowingly interfere, obstruct, impede or attempt to interfere, obstruct, or impede any investigation conducted by the Inspector General.

# Appendix 3

## Fiscal Year 2018 Audit Plan

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### FISCAL YEAR 2018 RISK ASSESSMENT AND AUDIT PLAN

The Fiscal Year 2018 Audit Plan (Plan) lists audits carried over from Fiscal Year 2017 and the scheduled and unscheduled audits for the Office of Inspector General (OIG) for the period October 1, 2017, through September 2018. The Plan is a continuation of a three year audit plan developed in Fiscal Year 2016. The plan is based upon a risk assessment, elements of which included statistical information about the City of Jacksonville departments and divisions, Constitutional Officers, and Independent Authorities. The goal of the risk assessment process is to identify those areas with the most concern. During Fiscal Year 2018, the audit plan will be revised to include audit projects recommended by City Administration, Council Members, Constitutional Offices, Independent Authorities, and the public. The steps of the audit risk process are outlined below:

#### Steps in the Audit Risk Process

1. Meet with the Council Auditor to obtain a copy of the Council Auditor's audit plan.
2. Define the City's audit universe (all possible audit units).
  - Review an electronic copy of the budget
  - Review City department websites via coj.net
  - Review City organization charts
3. Define risk data.
  - Prior Fiscal Year Revenue
  - Prior Fiscal Year Expenditures
  - Number of Employees for the Prior Fiscal Year
  - Ratio of Expenditures to Employees
  - Assets under Management
  - Internal Audit Function Available
  - Recent or Future Audit to be conducted by Council Auditor
  - Media Coverage (rated High, Medium or Low)
  - Management Concern ( as noted in Council or committee minutes or directly brought to OIG attention)
  - Administrator surveys/ interviews

# Appendix 3

## FY 2018 Audit Plan (Cont'd)

4. Determine inherent risk, risk ratings and risk factors.
5. Calculate the risk rankings for each audit unit. Evaluate risk ranking and audit priorities, exercising professional audit judgment after considering the following factors:
  - Available resources (limitations and constraints);
  - Active OIG investigations or external audits;
  - Internal referrals or management concerns; and
  - Ability to execute audit in a timely manner given resource constraints

This Plan is not all-inclusive of the activities of the Audit Unit, which provides audit support to investigations, analyses, and to other projects that contribute to the mission of the OIG. This Plan is also not inflexible. The hours and dates for each audit are an estimate for planning purposes. The Audit Unit will adjust the scheduling and timing of planned audits to address other requested work and priority assignments.

Audit	Preliminary Objectives
Prior Audit Follow Up <b>Status:</b> In Progress	Conduct follow up testing to ensure deficiencies noted in prior year audits have been corrected.
<b>Project:</b> Audit of Sports and Entertainment <b>Division:</b> Office of Sports and Entertainment <b>Audit Unit:</b> Sports and Entertainment <b>Status:</b> In Progress	To review controls over fee collection, contract compliance, special event permitting, revenue and expense reporting, and procurement card purchases.
<b>Project:</b> Solid Waste <b>Division:</b> Public Works <b>Audit Unit:</b> Solid Waste <b>Status:</b> Postponed	To review controls and processes over the collection and processing of refuse from initial pick up to disposal in the Trail Ridge Landfill. To review controls and processes over monitoring and maintenance of the six closed landfills and the remediation of numerous former unlined dump sites throughout the county. To review controls and processes over the recycling program. To review controls and processes over fee collection.

# Appendix 3

## FY 2018 Audit Plan (Cont'd)

Audit	Preliminary Objectives
<p><b>Project:</b> Payroll and Timekeeping Controls  <b>Division:</b> Finance and Administration and Employee Services  <b>Audit Unit:</b> Payroll and Compensation and Benefits  <b>Status:</b> In Progress</p>	<p>To review controls and processes over the hiring and termination of employees. To review controls and procedures over overtime pay, comp time, and terminal payouts. Conduct a review for large and unusual payouts.</p>
<p><b>Project:</b> Audit of Disaster Preparedness  <b>Division:</b> Fire and Rescue  <b>Audit Unit:</b> Emergency Preparedness  <b>Status:</b> Not Scheduled</p>	<p>To review controls and procedures over the controls and procedures for disaster response and recovery, continuity of operations, shelter policies, and emergency response (fire, medical, etc.).</p>
<p><b>Project:</b> Audit of Recreation and Community Programming  <b>Division:</b> Parks, Recreation and Community Services  <b>Audit Unit:</b> Recreation and Community Programming  <b>Status:</b> Scheduled</p>	<p>To review controls and processes over public access, use, maintenance, and upkeep of recreational facilities and grounds. To review controls and processes over the fees and assessments from collection to deposit.</p>
<p><b>Project:</b> Procurement Card  <b>Division:</b> Finance and Administration  <b>Audit Unit:</b> Treasury  <b>Status:</b> Scheduled</p>	<p>To review controls and processes over the issuance of procurement cards, purchases on procurement cards, and procurement card payments.</p>
<p><b>Project:</b> Fee Collection and Remittance Processes  <b>Division:</b> Constitutional Officers and Independent Agencies  <b>Audit Unit:</b> Constitutional Officers and Independent Agencies  <b>Status:</b> Scheduled</p>	<p>This is a generic assignment that will be performed on selected entities. The estimated hours are per audit. To determine that processes and controls over fee collections are adequate to ensure accurate and timely collections and processing from the point of initial receipt, processing, and recording to bank deposit. To determine that fee structure, collection, and remittance controls and processes comply with contract terms.</p>
<p><b>Project:</b> 2019 Risk Assessment  <b>Division:</b> N/A  <b>Audit Unit:</b> N/A  <b>Status:</b> Scheduled</p>	<p>Conduct the risk assessment for the 2019 audit plan, expanded to include management interviews and surveys.</p>

# Appendix 4

## City Reporting Policy



### CITY OF JACKSONVILLE

#### Reporting Policy

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- SUBJECT:** City Officials Reporting of Matters to the Office of Inspector General.
- REFERENCE:** The Office of the Inspector General, City of Jacksonville, Section 1.203, Part 3, Chapter 602 of the City of Jacksonville Code.
- PURPOSE:** The Office of Inspector General (OIG) has the responsibility for investigating possible instances of fraud, waste, mismanagement, misconduct and other abuses by a City official, employee, contractor or any other parties doing business or that have a financial relationship with the City. This directive establishes a policy and procedure for reporting such matters to the OIG.
- POLICY:** City Employees shall report any fraud, theft, bribery, contract mismanagement (misuse or loss exceeding \$5,000), or other violations of law, which appear to fall under the jurisdiction of the OIG on matters related to City business in accordance with the procedure established herein.
- PROCEDURE:** A. Method of Reporting to the OIG: An employee, who becomes aware of a matter that may be within the responsibility of the OIG, shall promptly report their concerns/information in any of the following ways:
1. Email to: [InspectorGeneral@coj.net](mailto:InspectorGeneral@coj.net); or
  2. Fax to: (904) 630-8003
  3. On line at [www.coj.com/OIG](http://www.coj.com/OIG) ; or
  4. U.S. Mail to the Office of Inspector General at P.O. Box 43586 Jacksonville, FL 32203; or
  5. OIG Office at (904) 630-8000.

# Appendix 4

## City Reporting Policy (Cont'd)

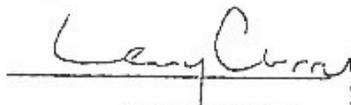
B. Whistle-blower Allegations: In accordance with this Code and the Florida Whistle-blower Act, if an employee reports any of the following directly and in writing to the Inspector General, he or she may be granted "whistle-blower" protection by the Inspector General:

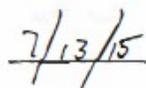
1. Any violation or suspected violation of any federal, state, or local law, rule, or regulation committed by an employee or agent of an agency or independent contractor which creates and presents a substantial and specific danger to the public's health, safety, or welfare.
2. Any act or suspected act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, suspected or actual Medicaid fraud or abuse, or gross neglect of duty committed by an employee or agent of an agency or independent contractor.

Employees should note that reporting a matter to the Inspector General pursuant to the Whistle-blower Act does not guarantee the employee "whistle-blower" protection under the Act. That is a determination which will only be made by the Inspector General after evaluation of the complaint.

C. Staff Cooperation: All officials and employees are expected to fully cooperate with the OIG in the exercise of the OIG's functions, authority and powers. Such cooperation shall include, but not limited to, providing statements, documents, records, and other information.

*This policy shall not prohibit or excuse an employee from making other required reports regarding any matter in accordance with any other applicable requirement or laws.*

  
\_\_\_\_\_  
Mayor Lenny Curry

  
\_\_\_\_\_  
Date

# Appendix 5

## Strategic Plan

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### Strategic Goals

To meet our mission and vision, we have established the following goals, strategies for reaching those goals, and performance measures by which we will evaluate our performance.

Goal 1: Focus on increasing the efficiency and effectiveness of government in an effort to ensure the consolidated government serves as a good steward of the funds provided by the citizens of Jacksonville.

Goal 2: Ensure effective and appropriate oversight of the procurement process throughout the consolidated government, from bid development through contract execution.

Goal 3: Conduct outreach to the consolidated government and the citizens of Jacksonville in order to solicit input on ways to increase the efficiency and effectiveness of the consolidated government while educating all stakeholders on our office.

Goal 4: Maintain a team of high performing experts in investigations, audits, and contract oversight through continuing education and professional certifications.

### Strategies for Goal 1

To achieve Goal 1: *Focus on increasing the efficiency and effectiveness of government in an effort to ensure the consolidated government serves as a good steward of the funds provided by the citizens of Jacksonville*, the OIG will:

- ◆ Conduct independent audits, investigations, reviews, and contract oversight activities that detect, deter, and prevent fraud, waste, mismanagement, misconduct, and other abuses;
- ◆ Continually assess internal processes and resources of the consolidated government in order to allocate OIG resources and efforts in areas having the greatest impact to the consolidated government with an emphasis on safeguarding public resources, strengthening contract processes, and improving internal controls;
- ◆ Examine policies and procedures and recommend improvements to increase the effectiveness and efficiency of the consolidated government;

# Appendix 5

## Strategic Plan (Cont'd)

- ◆ Work collaboratively with the Office of Ethics, Compliance and Oversight, the Office of the State Attorney for the Fourth Judicial Circuit, the Council Auditor, and other local, state and federal agencies to further the efficiency and effectiveness of the consolidated government;
- ◆ Ensure timely and effective implementation of OIG recommendations and corrective actions; and
- ◆ Examine the various offices, agencies, boards, and commissions of the consolidated government and make recommendations to eliminate duplicative or redundant functions.

### **Performance Measures for Goal 1**

OIG will measure its performance under Goal 1 by tracking the following:

- ◆ Number of audits, investigations, contract oversight reports, and other related products issued;
- ◆ Percentage of audits, investigations, and contract oversight reports completed within a specified timeframe;
- ◆ Percentage of OIG recommendations implemented by management;
- ◆ Percentage of OIG corrective actions implemented by management;
- ◆ Number of referrals to/from outside organizations to include the Office of Ethics, Compliance and Oversight, the Office of the State Attorney for the Fourth Judicial Circuit, the Council Auditor, and other local, state and federal agencies;
- ◆ Total dollar value of quantifiable cost savings to the consolidated government through OIG oversight activities and recommendations; and
- ◆ Total number of contacts the OIG has in a fiscal year.

### **Strategies for Goal 2**

To achieve Goal 2: *Ensure effective and appropriate oversight of the procurement process from bid development through contract execution by the entire consolidated government*, the OIG will:

- ◆ Attend procurement/contract administration meetings and boards to examine the process;
- ◆ Identify those procurement/contract administration processes susceptible to higher risk and make recommendations to reduce the risk;

# Appendix 5

## Strategic Plan (Cont'd)

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- ◆ Promote consistency and adherence to the procurement/contract administration process; and
- ◆ Enhance employee understanding on the procurement/contract administration process to include best practices, red flags, and lessons learned.

### **Performance Measures for Goal 2**

OIG will measure its performance under Goal 2 by tracking the following:

- ◆ Number of procurement meetings attended;
- ◆ Percentage of recommendations made compared to recommendations implemented;
- ◆ Total dollar value of quantifiable cost savings to the consolidated government through OIG contract oversight activities and recommendations;
- ◆ Number of policy changes implemented to procurement/contract administration law, regulation, or policy as a result of OIG recommendations or action; and
- ◆ Number of events attended or/and conducted in support of education or outreach.

### **Strategies for Goal 3**

To achieve Goal 3: *Conduct outreach to the consolidated government and the citizens of Jacksonville in order to solicit input on ways to increase the efficiency and effectiveness of the consolidated government while educating all stakeholders on our office*, the OIG will:

- ◆ Conduct outreach with various agencies within the consolidated government to solicit input on areas for assessment and review by the OIG;
- ◆ Conduct presentations at employee training sessions, new employee orientations, and various civic organizations;
- ◆ Develop a social media strategy to increase the use of social media to spread information about our office; and
- ◆ Develop opportunities to educate the consolidated government and community on the OIG and its mission.

# Appendix 5

## Strategic Plan (Cont'd)

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### **Performance Measures for Goal 3**

OIG will measure its performance under Goal 3 by tracking the following:

- ◆ Number of speeches, trainings, and presentations conducted;
- ◆ Feedback from employees and citizens;
- ◆ Total number of yearly contacts with the OIG; and
- ◆ Number of posters, pamphlets, and electronic media distributed.

### **Strategies for Goal 4**

To achieve Goal 4: *Maintain a team of high performing experts in investigations, audits, and contract oversight through continuing education and professional certifications*, the OIG will:

- ◆ Cross-train individuals within the office on other functions of OIG staff;
- ◆ Explore free or no-cost training opportunities with local, state, and federal law enforcement agencies and other OIG offices;
- ◆ Collaborate with other OIG offices in order to share and incorporate best practices and lessons learned;
- ◆ Maintain and increase professional certifications for OIG staff; and
- ◆ Establish a plan of action and milestones for accreditation by the Commission for Florida Law Enforcement Accreditation, Inc.

### **Performance Measures for Goal 4**

OIG will measure its performance under Goal 4 by tracking the following:

- ◆ Training opportunities attended in a year;
- ◆ Funds expended on training opportunities;
- ◆ Cross-training sessions conducted;
- ◆ Progress made on the plan of action and milestones in support of accreditation; and
- ◆ Recommendations made to/from other OIG offices that result in a process improvement.



**OFFICE OF INSPECTOR GENERAL**  
**City of Jacksonville**  
**231 East Forsyth Street**  
**Jacksonville, FL 32202**



**HOTLINE**

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**Email: [InspectorGeneral@coj.net](mailto:InspectorGeneral@coj.net)**

**PO Box 43586, Jacksonville, FL 32203**