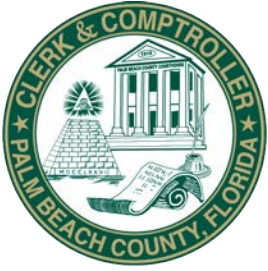


Division of Inspector General

# Annual Report

Fiscal Year Ended September 30, 2020



**SHARON R. BOCK**

Clerk & Comptroller  
Palm Beach County



An Accredited Office of  
Inspectors General

**Division of  
Inspector General**  
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West Palm Beach, FL 33401

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**Guardianship Fraud Hotline**  
561-355-FRAUD  
[fraud@mypalmbeachclerk.com](mailto:fraud@mypalmbeachclerk.com)

**Ethics Hotline**  
888-WARN-PBC

[www.mypalmbeachclerk.com](http://www.mypalmbeachclerk.com)

December 21, 2020

The Honorable Sharon R. Bock, Esq.  
Clerk & Comptroller – Palm Beach County, Florida

On behalf of the Division of Inspector General, I am pleased to present our 2019-2020 Annual Report. This report summarizes the objectives and accomplishments of the Division of Inspector General for the fiscal year that ended September 30, 2020.

I would like to extend my appreciation to the entire Clerk & Comptroller team for their assistance and cooperation throughout this past year.

We will continue to promote accountability and integrity within the Clerk & Comptroller office. We look forward to continuing to assist the organization to operate as efficiently and effectively as possible.

Finally, I would like to acknowledge and congratulate the Inspector General staff for their professional support and accomplishments during this past year!

Respectfully submitted,

Roger Trca, CIG, CPA, CIA  
Inspector General  
Clerk & Comptroller Office  
Palm Beach County, Florida

# TABLE OF CONTENTS

	<i>Page</i>
<b>Introduction</b>	<b>4</b>
<b>Executive Summary</b>	<b>4</b>
<b>What's New?</b>	<b>5</b>
<b>Background</b>	<b>5</b>
<b>Staffing, Organization and Training</b>	<b>6</b>
<b>IG's Accreditation &amp; Adherence to Professional Standards</b>	<b>8</b>
<b>Operations</b>	<b>9</b>
<b>Performance Results</b>	<b>10</b>
<b>Audits &amp; Reviews</b>	<b>10</b>
<b>Investigations</b>	<b>11</b>
<b>Guardianship Program</b>	<b>13</b>
<b>Financial Impacts Identified</b>	<b>23</b>
<b>Highlights of Audit Findings</b>	<b>23</b>

# INTRODUCTION

## *Executive Summary*

The mission of the Division of Inspector General (IG) of the Clerk & Comptroller's office of Palm Beach County is to provide independent, objective auditing and investigative services designed to add value, improve the Clerk & Comptroller operations and preserve public trust. The IG office includes the Audit Services and Public Integrity Units.

The fiscal year ending September 30, 2020 was a period of continued productivity for the IG office, issuing a total of 45 reports and memos, summarized below, which included audits, reviews and investigations. These reports identified \$1,255,985 in unverifiable and questionable guardianship expenditures and misreported assets.

- The Audit Services Unit (ASU) issued one audit report, with three additional audits in progress.
- The Public Integrity Unit (PIU) issued four investigative reports based on 27 tips received from our Ethics Hotline and a variety of other sources.
- The PIU Guardianship Section issued nine guardianship audit reports and nine memos to the Fifteenth Judicial Circuit while investigating claims of fraud, waste and financial mismanagement involving the County's most vulnerable residents: the elderly, minor children and incapacitated individuals in guardianships.
- The PIU Guardianship Section continued to act in the role of Administrative Coordinator of the Memorandum of Understanding (MOU) with the Florida Department of Elder Affairs, Office of Public and Professional Guardians (OPPG). In conjunction with five other Clerk offices, our IG office conducted investigations of complaints involving public and professional guardians. In this role, our IG office issued 22 investigative reports to OPPG. Our IG office also assisted the five other Clerk offices in issuing 47 additional investigative reports.
- The IG office referred nine cases to other Clerk's office departments and various law enforcement agencies.

The IG office is accredited by the Commission for Florida Law Enforcement Accreditation, Inc., which demonstrates the team's level of professionalism and commitment to continuing compliance with investigative standards and processes. Furthermore, the Audit Services Unit adheres to the professional audit standards and Code of Ethics promulgated by The Institute of Internal Auditors.

# What's New?

The Division of Inspector General was awarded re-accreditation by the Commission for Florida Law Enforcement Accreditation (CFA) on February 20, 2020. The CFA requires re-accreditation every three years to ensure ongoing compliance with the investigative standards, which involves a thorough on-site evaluation of our investigative policies and procedures, completed investigations, and operations.

## Background

The Clerk & Comptroller is an elected constitutional officer who derives her authority and responsibilities from constitutional and statutory provisions.

*The Constitution of the State of Florida, Article VIII, Section 1.(d), 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, State Constitution, also specifies that the Clerk shall have the duties quoted above. One of the Clerk's responsibilities enumerated in law is to act in the capacity of Auditor.*

According to the legal authority and responsibility cited above, the Clerk & Comptroller established the Audit Services Division as an independent unit to fulfill the responsibilities of the office as they relate to auditing functions.

In 2009, the Audit Services Division expanded its roles and responsibilities. The Charter was revised to add a Public Integrity Unit (PIU). The PIU and Audit Services joined to form the Division of Inspector General (IG). The PIU conducts investigations into the Clerk & Comptroller's office affairs and for that purpose makes inquiries as necessary, compels the production of books and papers, and implements appropriate investigative techniques.

## Independence

As specified in the IG office Charter, to provide for independence, the Inspector General reports functionally and administratively to the Clerk & Comptroller. As an independent elected official, the Clerk & Comptroller is directly responsible to the citizens and taxpayers of Palm Beach County. The IG office has no direct responsibility or authority over any area subject to its audit, review and investigation. Therefore, the IG office is organizationally independent from those areas within the Clerk & Comptroller's office. Employees in the IG office report to the Inspector General.

## Staffing, Organization and Training

As of September 30, 2020, the Division of Inspector General (IG) was comprised of the following team members:

- Roger Trca CPA, CIG, CIA, MBA - Inspector General
- Anthony Palmieri CIG, CIGI, CIGA, CIA, CCSA, JD – Deputy Inspector General
- Monica Alvarenga CIGI, CFE, CICA, MBA – Inspector General, Senior
- Danielle Hanson CIGI, CIA, CISA, CFE, FCCA, MBA – Inspector General, Senior
- Jenna Murphy CIGI – Inspector General, Associate II
- Melissa Duralia – Administrative Assistant, Senior

The IG office is subdivided into the following units:

- Audit Services Unit (ASU)
- Public Integrity Unit (PIU), which includes the:
  - Investigations Section
  - Guardianship Section

The IG office conducts audits, reviews, investigations and other projects. In fulfilling our responsibilities, we comply with the following auditing and investigative standards:

- *International Standards for the Professional Practice of Internal Auditing* of The Institute of Internal Auditors (IIA).
- *Principles and Standards for Offices of Inspector General* of The Association of Inspectors General (AIG).

These standards collectively prescribe how our audits and investigations are performed.

## **Professional Certifications**

Staff members of the Division of Inspector General held the following professional certifications:

- Certified Inspector General – CIG (2);
- Certified Inspector General Auditor - CIGA (1);
- Certified Inspector General Investigator – CIGI (4);
- Certified Fraud Examiner – CFE (2);
- Certified Internal Auditor - CIA (3);
- Certified Information System Auditor – CISA (1);
- Certified Public Accountant - CPA (1);
- Fellow Certified Chartered Accountant – FCCA (1);
- Certified Internal Controls Auditor - CICA (1); and,
- Certification in Control Self-Assessment - CCSA (1).

## **Professional Development & Training**

The Division of Inspector General (IG) recognizes that the quality and effectiveness of its work products are dependent upon a professionally trained staff. To this end, the IG office allocates a portion of its resources to provide continuing professional education as a key requirement of the aforementioned audit and investigation standards. The IG office devoted 3% of its time in FY 2019-2020 to staff training, which included activities sponsored by The Association of Inspectors General and various other organizations.

Training is vital to our function as it keeps us currently abreast professionally on auditing techniques, risk assessment, internal controls, information technology, investigative techniques, and best practices. The training provides an added benefit of satisfying the required continuing education credits to maintain the staff's professional certifications.

## **Professional Organization Affiliations**

Staff members of the Division of Inspector General are affiliated with the following professional organizations:

- The Association of Inspectors General;
- Florida Chapter of The Association of Inspectors General;
- The Institute of Internal Auditors;

- Palm Beach County Chapter of Internal Auditors;
- The Association of Certified Fraud Examiners;
- Association of Local Government Auditors;
- The Florida Institute of Certified Public Accountants; and,
- Various national, state and Palm Beach County guardianship associations.

## *IG's Accreditation and Adherence to Professional Standards*

“Who inspects auditors and investigators?” is a common question asked of IG staff. To ensure ongoing adherence to professional standards for its audit and investigative activities, the Division of Inspector General (IG) voluntarily is subject to periodic assessments of its operations by independent external quality assurance review teams. This demonstrates the highest commitment to quality, professionalism and best practices.

On February 3, 2011, the IG became the second Clerk’s office in the state of Florida to be awarded status as an Accredited Office of Inspector General by the Commission for Florida Law Enforcement Accreditation (CFA). Being an accredited agency signifies that the work product meets or exceeds the highest professional investigative standards promulgated for Offices of Inspector General. The benefits of accreditation include improved agency transparency, enhanced consistency and quality of investigations, improved accountability, and statewide recognition that our office has achieved its accreditation status. Having an accredited IG team within the Clerk’s office provides another layer of protection for the public – ensuring taxpayer dollars are protected.

The CFA requires re-accreditation every three years to ensure ongoing compliance, which involves a thorough on-site evaluation of our investigative policies and procedures, completed investigations, management, and operations. The most recent CFA assessment was performed in November 2019. The CFA determined the IG office was 100% compliant with the CFA standards and reaccreditation was awarded on February 20, 2020. The IG office was commended for its *“continued diligence, professionalism, and commitment in maintaining the highest recognition among Florida’s Inspector General community”*.





In accordance with The Institute of Internal Auditors (IIA) standards, an external quality assurance review was last performed of the Audit Services Unit during the week of September 5, 2018. The IIA requires re-evaluation by an external reviewer every five years. The objective of the external review was to assess the Division's compliance with the IIA's *International Standards for the Professional Practice of Internal Auditing* (IIA Standards). The external review team determined the Audit Services Unit met all relevant IIA Standards, which is the highest affirmation. The IG office was commended for its credentialed and well-trained staff, professionalism and collaborative relationships with stakeholders.



## *Operations*

### **Audit Selection Process**

To ensure the most efficient and effective utilization of resources, it is essential that areas selected for audit be carefully considered. An annual audit plan is prepared by the Division of Inspector General (IG) to identify planned audits. Because of the large number of possible areas to audit and limited staff resources to audit them, a strategic risk-based audit selection process is in place. The audit plan is the result of the development of a risk model to assess risks of various operations for the purpose of indicating the need for audit. As a part of the audit selection process, we also solicit input from the Clerk & Comptroller, Clerk's officers and management.

In addition to executing the audit plan, the available hours of the IG staff were used to conduct investigations, provide support to the IG's Guardianship Program and Office of Public and Professional Guardians (OPPG) Memorandum of Understanding (MOU), manage tips received from the two hotlines in place (Ethics Hotline and Guardianship Fraud Hotline) and various other activities. Performance results are detailed in the following section.

# PERFORMANCE RESULTS

## *Audits & Reviews*

The objective of these projects within the Audit Services Unit (ASU) 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. Opportunities for improvement represent our philosophy to work with management to improve the delivery of government service to citizens.

During FY 2019-2020, the IG office issued one audit report with seven opportunities for improvement containing seven recommendations. In addition, three other audits were initiated during the year and remained in progress at fiscal year-end.

Recommendations are an integral part of our audits and reviews, as this is where an opportunity for change or improvement takes place. Management has proactively committed to implementing the agreed upon actions to address the recommendations provided. We monitor management responses to our recommendations and track the responses to ensure final completion and closure. Management concurred with and committed to implement 100% of the recommendations included in the audit report issued this year. For the audit reports previously issued, eight recommendations remained open and in various stages of implementation at fiscal year-end.

The following chart shows the status of all audits on the Annual Audit Plan for FY 2019-2020. Each audit falls into one of four status categories:

- **Completed** – audit completed and report issued.
- **In Progress** – audit is in progress and the 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, which causes a change in the current year's audit plan.
- **Rescheduled** – audit was rescheduled to a future fiscal year.

AUDIT / REVIEW	STATUS	REPORT ISSUED
FDLE Criminal Justice Information System (CJIS) Terminal Audit	Completed	9/18/20
CARES Act Audit	In Progress	
Official Records System Replacement Pre-Implementation Review	In Progress	
Finance Advantage System Access Audit	In Progress	
HR Recruiting & Hiring	Rescheduled	
Courts & Official Records Daily Receipts Closeout & Reconciliation Process	Rescheduled	

Refer to the Highlights of Audit Findings section (page 23) for details of the audits and reviews issued by the Division of Inspector General during this fiscal year.

## *Investigations*

The objective of these projects within the IG’s Public Integrity Unit (PIU) is to determine whether allegations of fraud, waste, abuse and ethical misconduct can be substantiated. Projects that uncover administrative wrongdoing typically identify violations of policies or regulations. These investigations also identify the individuals responsible for the violations and we make recommendations for administrative action. Equally important to the investigative process is the identification of internal control weaknesses.

Therefore, the reports frequently make specific recommendations to:

- Correct the identified deficiencies;
- Provide guidance on the applicable laws and regulations; and
- Strengthen the internal control environment.

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

The investigation will reach one of the following three conclusions of fact for each allegation deemed legally sufficient:

- **Substantiated:** There is sufficient information to justify a reasonable conclusion that the allegation is true. A report is prepared.
- **Unfounded:** There is sufficient information to justify a reasonable conclusion that the allegation is false. A report is generally prepared.
- **Unsubstantiated:** There is insufficient information to prove or disprove the allegation. A report is generally prepared.

The IG office implemented the Ethics Hotline to fight against fraud, waste, abuse and ethical misconduct and to promote honesty and efficiency in our governmental agency. The hotline is managed by an independent third-party agency – Ethical Advocate. Reports may be made in several convenient ways, anonymously if desired:

1. **Online:** Create a report at [www.mypalmbeachclerk.com/public-funds/division-of-inspector-general](http://www.mypalmbeachclerk.com/public-funds/division-of-inspector-general)
2. **Phone:** Dial 1-888-WARN-PBC
3. **Mail:** 205 North Dixie Highway, West Palm Beach, Florida 33401

When reporting online, the third-party application prompts the reporter to create a secure username and password so that the individual can remain anonymous and check the status as desired. In addition, this feature provides a means of ongoing communication with the anonymous complainant to enable our office to obtain any further details required to perform the investigation in a confidential and secure manner. In addition, the hotline provides 24 x 7 accessibility and multi-lingual communication capabilities. Investigations are initiated upon the receipt of credible information alleging an act of fraud, waste, abuse or ethical misconduct that falls within the IG’s jurisdiction and is deemed legally sufficient.

During FY 2019-2020, the IG office handled 27 tips involving allegations from a variety of sources including the Ethics Hotline, citizens, and Clerk management. These tips resulted in the completion of four investigative reports, five additional investigations in progress, as well as the referral of four cases to various law enforcement agencies and other Clerk departments.

For the four completed investigations, the allegations in each case and final conclusions are summarized below.

- A complaint was received by the South County Branch Manager from a customer that alleged that someone shared her personal confidential information to her

fiancée. The complainant was unsure whether the person responsible was an employee of the Clerk's office or another agency. The investigation of information related to the complainant that was available within the various systems used and searched by Clerk's office employees determined the allegation to be unsubstantiated. The complainant had also contacted and reported the allegation to the Florida Department of Highway Safety and Motor Vehicles and Palm Beach County Tax Collector's Office.

- Allegations from an anonymous complainant that the Clerk's office was not fulfilling public records requests in a timely manner and delaying or withholding employment verification requests were determined to be unsubstantiated. The anonymous nature of the complaint created challenges in performing more detailed investigative procedures (such as persons impacted or time periods involved).
- An allegation from a complainant that a Clerk's office employee created a fake police report and utilized a fake Clerk's seal in order to incriminate the complainant in a Petition for Injunction for Protection Against Stalking, in which the complainant was the respondent to the case, was determined to be unfounded.
- Allegations from a complainant that Clerk's office employees appeared to be altering and concealing documents in collusion with opposing legal counsel, refusing to abide by Sections 57.081 and 57.082, Florida Statutes (relating to indigent individuals), and mistreating her were determined to be either unfounded or unsubstantiated.

## *Guardianship Program*

We continued our efforts to investigate allegations or indications of fraud, waste and financial mismanagement by anyone exploiting the County's most vulnerable residents: elderly, minor children and incapacitated individuals who are served by Florida Guardianship Law. This program supplements the Clerk of the Circuit Court's monitoring role with supporting the Court's oversight process applicable to the protection of wards' health, welfare, and safety according to Chapter 744 of the Florida Statutes and the related Administrative Order of the Fifteenth Judicial Circuit (No.: 6.306-

12/10). There are more than 2,800 open guardianship cases in Palm Beach County, and guardians control in excess of an estimated \$1 billion in assets.

The IG Public Integrity Unit (PIU) conducts varying levels of assessments, reviews, and audits to monitor guardianship activities, which may originate from a variety of sources including but not limited to the: Guardianship Fraud Hotline, Clerk Guardianship auditors, the Court or Court Administration, and IG office analyses. An assessment is the initial phase for all requests, reviews, and audits (though Level 1 audits as described below are handled separately). Upon completion of the assessment, the IG office may discontinue any further review, prepare a memo to the judiciary or proceed with a Level 2 or Level 3 audit.

**Level 1 Audit:**

A Level 1 audit consists of the IG office review of the Clerk’s Guardianship auditors’ desk worksheet review to ensure guardianship reports are prepared timely, completely and accurately. If significant discrepancies or concerns are identified, the IG staff review the documents and determine if a more detailed review (Level 2 or Level 3 audit) is warranted.

**Level 2 Audit:**

A Level 2 audit consists of an IG office 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 3 Audit:**

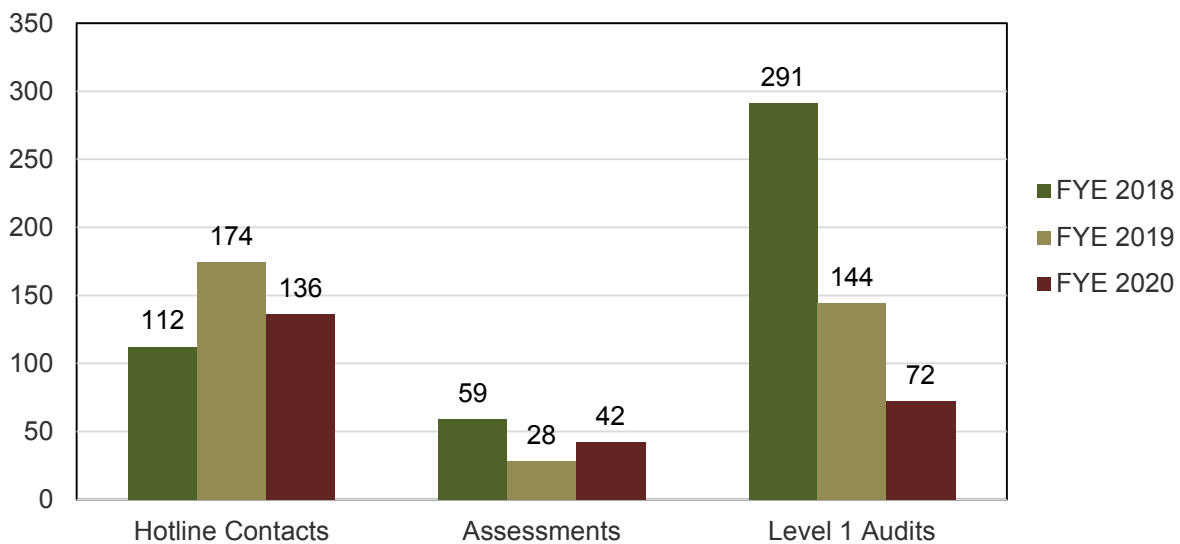
A Level 3 audit consists of an IG office comprehensive examination and attempted verification of all significant items pertinent to the guardianship report.

The IG PIU Guardianship Section prepares reports for Level 2 and Level 3 audits for the Court but does not issue reports for Level 1 audits. Assessments may result in the issuance of a memo to the Court, depending on the results. Some information in these audit reports and memos are not available to the public pursuant to Florida Statute (Section 744.3701) and Administrative Order of the Fifteenth Judicial Circuit Court (No.: 6.306-12/10). The reports are issued to the Court for their review and any actions deemed appropriate.

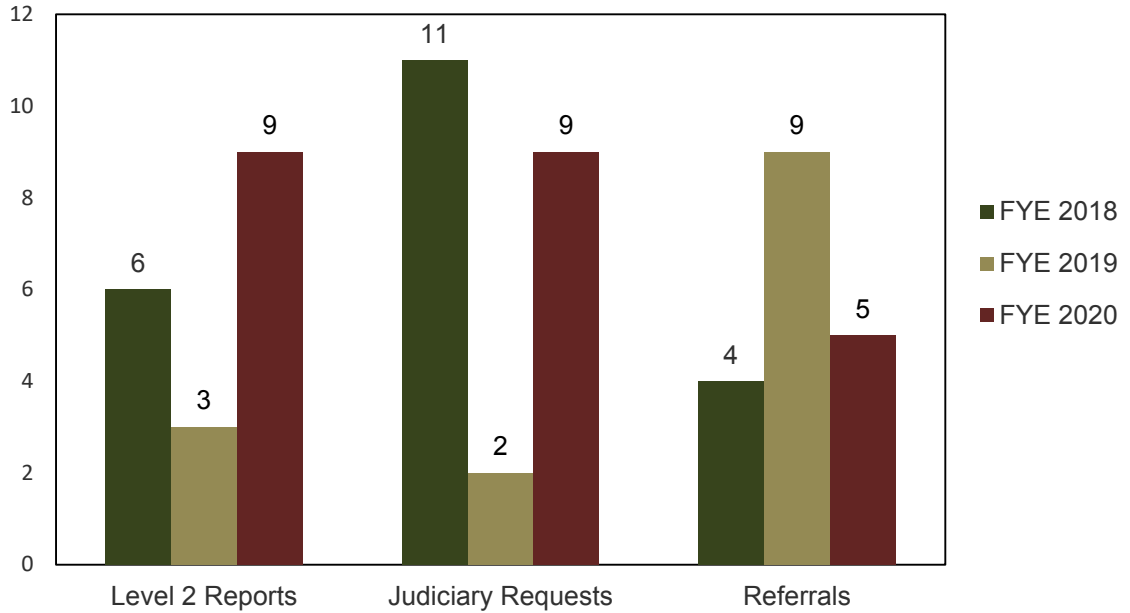
A Guardianship Fraud Hotline is in place to enable anyone suspecting fraud, waste or financial mismanagement of a ward’s property and assets to report such concerns, anonymously if desired. Reports may be made in several convenient ways.

1. **Online:** Create a report at [www.mypalmbeachclerk.com/fraud](http://www.mypalmbeachclerk.com/fraud). Click on “File a report now” in the middle of the page.
2. **Telephone:** Dial 561-355-FRAUD
3. **Email:** Send email to [fraud@mypalmbeachclerk.com](mailto:fraud@mypalmbeachclerk.com)
4. **Mail:** 205 North Dixie Highway, West Palm Beach, Florida 33401

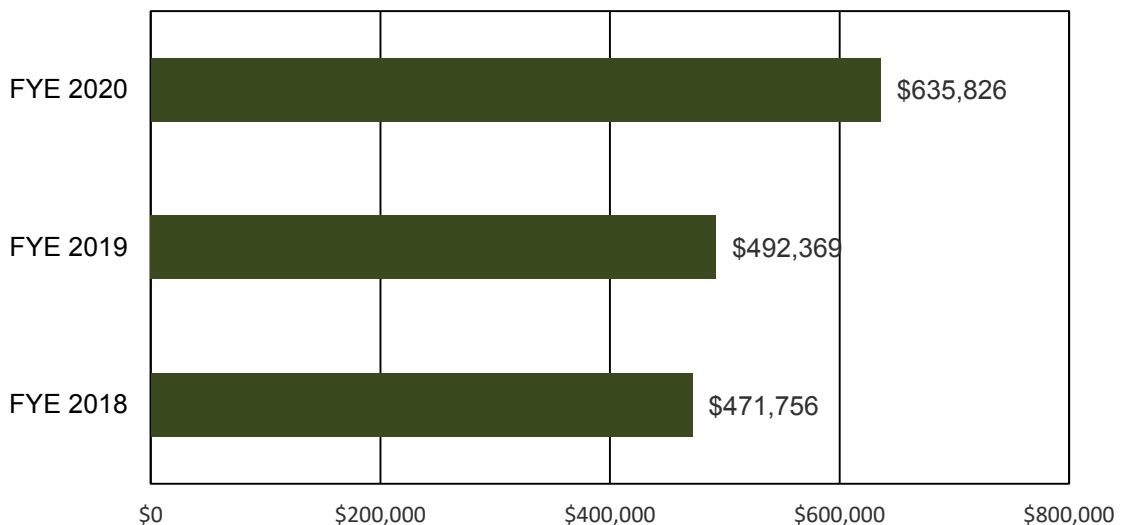
During FY 2019-2020, we received 136 Guardianship Fraud Hotline contacts, of which 40 contacts required further monitoring, review, or investigation. In addition, we conducted 42 assessments and 72 Level 1 audits. Trends over the past three fiscal years are presented below.



During FY 2019-2020, we released nine Level 2 audit reports, which included nine recommendations. In addition, we issued nine other memos to the judiciary to provide time-sensitive updates on key issues and to satisfy research assistance requests. We also provided five referrals to law enforcement and other agencies (e.g., Palm Beach County Sheriff’s Office and Florida Attorney General Office) for further review of possible criminal charges on guardianship cases and other related matters. Trends over the past three fiscal years are presented on the following page.



The Level 2 audit reports and judiciary memos identified unverifiable and questionable expenditures as well as misreported assets totaling \$635,826 during FY 2019-2020 and a combined total of \$1,599,951 for guardianship audits over the last three years as shown in the below graph. While impossible to eliminate all fraud, the program’s biggest attribute is the deterrence of guardianship fraud and exploitation of guardianship assets.





## Education & Awareness

One of our goals is to educate the community and increase public awareness of guardianship fraud, waste, abuse and exploitation. Our team attends meetings and makes presentations to professional organizations and community groups. During the past year, our Palm Beach County Guardianship Program has been very proactive in sharing best practices and audit techniques at conferences and training programs hosted by various guardianship associations and related agencies at the national, state and local levels. For example, presentations were provided at the following venues:

- National Guardianship Association
- American College of Trust and Estate Counsel meetings
- Florida House of Representatives, Children, Families, and Seniors Subcommittee
- Florida Council on Aging
- Academy of Florida Elder Law Attorneys Elder Concert
- The Florida Bar Elder Law Section Annual Meeting
- The Florida Bar Real Property, Probate, and Trust Law Section CLE
- Florida Working Interdisciplinary Network of Guardianship Stakeholders (FL-WINGS)
- Florida Court Clerks & Comptrollers Conferences
- Statewide Investigation Alliance Training Symposium
- Florida State Guardianship Association Ethics Symposium
- Florida Public Guardian Coalition Symposium
- Alzheimer's Community Care Conference
- Office of the State Attorney for the Florida Fifteenth Judicial Circuit Court – Elder Exploitation Taskforce
- Palm Beach County and other chapter guardianship associations

The IG PIU Guardianship Section is committed to disseminating information through a variety of channels to shine the spotlight on guardianship awareness, such as:

- Coordinating efforts with the Clerk's Communications Department to accurately and rapidly respond to media requests (e.g., television, newspapers and magazines).
- Attending events sponsored by a variety of organizations dedicated to supporting guardianship programs.

## **Guardianship Inventory Reports & Accountings For Florida (GIRAFF)**

The Clerk's office is leading the charge to compile statistics that provide a comprehensive look at guardianships that will enable us to track trends, detect fraud, and make meaningful recommendations.

Subject matter experts throughout the Clerk's office continued the development of the innovative web-based program, the Guardianship Inventory Reports & Accountings For Florida (GIRAFF), which will allow our office to compile and track the first complete set of guardianship statistics for a county in Florida. GIRAFF is being designed in a scalable manner so that the program can be shared with Clerk's offices across Florida. The goal is to create the first-ever statewide system to monitor guardianships for signs of financial exploitation.

With the assistance of the Clerk's Information Technology (IT) Department and Project Management Office (PMO), demonstrations and training programs on navigating the GIRAFF program were provided to guardians and attorneys in Palm Beach County. Feedback received was very favorable and constructive, resulting in further enhancements to GIRAFF by the Clerk's PMO. Usage has continued to increase, as measured by guardianship reports submitted through GIRAFF, particularly by the large professional guardian agencies. The Clerk's PMO continues to refine the Walk-Me tutorial guides embedded in GIRAFF, which support guardians and attorneys real-time with specific instructions in completing and submitting guardianship reports. Efforts are underway to provide demonstrations to Florida state legislative groups to further pursue the goal of building upon the GIRAFF program to develop a statewide system to monitor guardianships for signs of financial exploitation.



## **Alliance with Department of Elder Affairs – Office of Public & Professional Guardians**

The Florida Department of Elder Affairs, Office of Public and Professional Guardians (OPPG) has the statutory authority to educate, regulate, and if necessary, discipline public and professional guardians under Chapter 744, Florida Statutes. Six Clerk’s Inspectors General (Clerk IG) offices have entered into a partnership through a Memorandum of Understanding (MOU) with OPPG, referred to as the Clerks’ Statewide Investigation Alliance (SIA) to investigate legally sufficient complaints about the conduct of state-registered professional guardians. The six Clerk’s IG offices conducting the investigations include: Palm Beach, Pinellas, Polk, Lee, Okaloosa and Sarasota. Our Palm Beach County IG office was designated as the administrative coordinator in the MOU. Investigations were initially referred to SIA IG offices in October 2016; however, the SIA was not fully operational until July 2017 when OPPG finalized and codified the rulemaking process.

OPPG receives complaints about the conduct of public and professional guardians on their hotline and determines whether each complaint is legally sufficient. OPPG forwards the complaints to our Palm Beach County IG administrative coordinator (AC). The AC logs the cases and independently verifies whether the complaint is legally sufficient. If legally sufficient, the AC initiates the investigative case and assigns the case to an SIA member based on geographic location, subject matter expertise, or other considerations. The SIA members conduct a thorough investigation and determine if any violations of Florida Statutes or standards of practice for professional guardians have occurred. The AC monitors the progress of each investigation, issues interim memos as needed, provides feedback on draft investigative reports prepared by SIA members, and issues the final investigative reports to OPPG. It should be noted that non-legally sufficient cases are forwarded by OPPG to the AC, which are then forwarded to the Clerk IG with jurisdiction for informational purposes and any actions deemed necessary.



Section 744.20041, Florida Statute, established the rulemaking authority for OPPG to adopt disciplinary guidelines, which specify a range of designated penalties based upon the severity and repetition of specific offenses. OPPG is responsible for making a final determination of the disciplinary actions for the guardians. OPPG will utilize, but is not limited to, the information provided in the Clerk IG’s reports.

Investigations by the SIA will reach one of the following four conclusions of fact for each allegation: substantiated, unfounded, unsubstantiated and legally not sufficient.

- **Substantiated** means there is sufficient information to justify a reasonable conclusion that the allegation is true.
- **Unfounded** means there is sufficient information to indicate the allegation is false.
- **Unsubstantiated** means there is insufficient information to either prove or disprove the allegation.
- **Legally Not Sufficient** means assuming the allegations are true, the conduct does not violate statute or standards, or allegations are outside of the SIA’s jurisdiction.

Significant work has been accomplished by the SIA during this fiscal year. The Palm Beach County Clerk IG administrative coordinator (AC) received a total of 65 cases from OPPG, of which 27 were assigned to our office; the other 38 cases were distributed to the other five Clerk IG SIA members. Below is a summary of the metrics for the cases received from OPPG that were handled by the entire SIA, as well as the cases that were assigned to our IG office for investigation for the fiscal year ending September 30, 2020.

KEY METRICS	SIA TOTAL	PALM BEACH COUNTY
New Cases Received	65	27
Open Cases at Year End	44	8
Investigative Final Reports Issued to OPPG	69	22
Number of Allegations Investigated	270	73
Number of Substantiated Allegations	35	25
Number of Unfounded Allegations	154	35
Number of Unsubstantiated Allegations	24	3
Number of Non-Legally Sufficient Allegations	57	10
Number of Additional Observations	46	43
Financial Impact in Final Reports *	\$1,137,641	\$1,136,777

*\* Financial impacts in four reports issued to OPPG totaling \$516,618 were duplicated in Level 2 audit reports previously issued to the Fifteenth Judicial Circuit Court in Palm Beach County (refer to page 16).*

Other key updates and accomplishments during this past fiscal year included the following.

- Based on the investigations performed and final reports issued by the SIA, OPPG was able to issue:
  - 75 close-out letters and 28 letters of concern to professional guardians, and
  - voluntary revocation (in four cases) of two professional guardian's state registrations in lieu of administrative complaints being filed with the Florida Division of Administrative Hearings, the voluntary revocations were tantamount to permanent revocations.
- The SIA referred various cases to law enforcement and state attorney offices to pursue prosecution of potential criminal conduct.
- The SIA held its third annual training symposium, with each of the six SIA offices participating. A diverse group of practitioners in the guardianship community throughout Florida presented a variety of topics to the SIA members and partners, enabling the SIA members to continue developing their awareness of issues and key challenges and enhancing their skills in conducting investigations.

## **Guardianship Legislation**

Since 1989, Florida's Clerks have been directed by state statute (Chapter 744) to audit guardianship reports and advise the court of their audit findings. In 2011, we initiated the current Guardianship Fraud Program, tailored after Pinellas County, to perform enhanced audits through an administrative order in partnership with the Chief Judge of the Fifteenth Judicial Circuit.

Legislation was passed in the State of Florida in 2014 and 2015 that broadened the definition of an audit to be more consistent with professional auditing standards and improved the transparency of guardianship court proceedings while protecting the due process rights of wards. Legislation passed in 2016 provided incremental oversight of public and professional guardians by the Department of Elder Affairs, Office of Public and Professional Guardians (OPPG). In 2017, additional legislation was passed that made information involving the person filing a complaint against public and professional guardians with the OPPG confidential and exempt from Florida's public records laws.

Also, legislation improved due process and provided additional protections to persons under guardianship with Emergency Temporary Guardianship procedures.

In 2018, legislative changes to Chapter 744, Florida Statute, codified processes and procedures related to guardianships that were performed in many Clerks' offices. The additional provisions stipulated the following:

- Required records held by Clerks' offices to be provided to OPPG.
- Affirmed the Clerks' authority to conduct audits of initial and annual guardianship reports.
- Allowed the Clerk to disclose confidential information to the Department of Children and Families and law enforcement agencies.
- Authorized the guardian to provide confidential information to the Clerk and OPPG for investigations that arise.

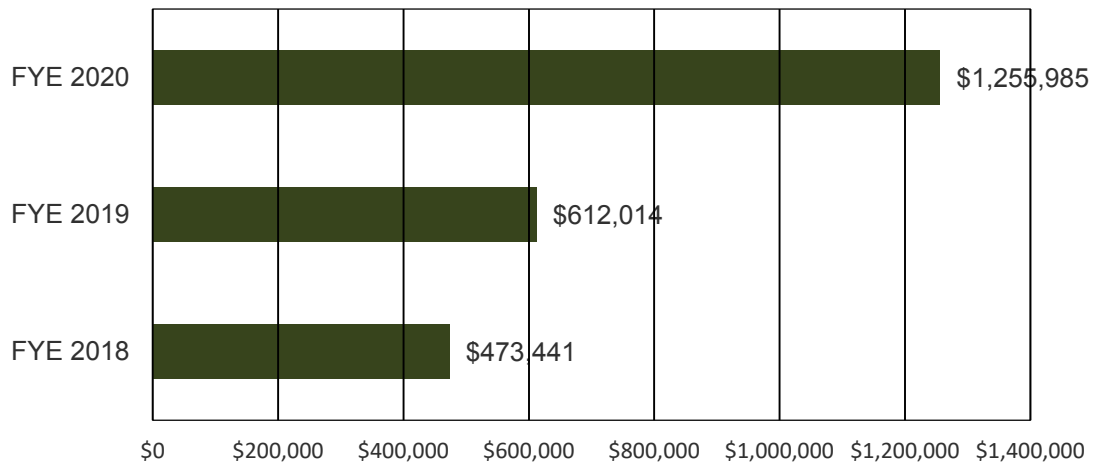
Our office provided support and subject matter expertise to legislators, legislative committees, organizers and various other stakeholders during the 2020 legislative session. The overriding desire is to enhance independent guardianship auditing practices to detect mismanagement or fraudulent use of the ward's assets.

## **Intern and Volunteer Support**

Volunteers as well as interns from local universities pursuing undergraduate and graduate degrees have provided significant support to the IG's Guardianship Fraud Program. During this past fiscal year, two individuals contributed a total of 146 hours in performing a variety of tasks, including conducting research and analysis of existing cases. We appreciate the valuable contributions from these individuals and hope to continue our strong partnership with the local universities to benefit our community.

# Financial Impacts Identified

During FY 2019-2020, as shown in the graph below, the Division of Inspector General identified \$1,255,985 in unverifiable and questionable expenditures and misreported assets within guardianship audits in the Clerk’s Office and OPPG investigations of public and professional guardians. Over the past three years, the Division of Inspector General has identified similar financial impacts totaling \$2.3 million.



The IG’s importance extends beyond just the financial considerations. The impact of maintaining transparency and preserving public trust in local county government is invaluable. The IG office strives to ensure taxpayers get a fair and honest accounting of their money.

# Highlights of Audit Findings

The following highlights are provided of select audits issued by the IG office during the fiscal year ending September 30, 2020. If you would like to read the entire reports, please visit the IG’s website at [www.mypalmbeachclerk.com](http://www.mypalmbeachclerk.com), and click on **Public Funds** and then on **Division of Inspector General**.

**Florida Department of Law Enforcement (FDLE) Criminal Justice Information System (CJIS) Terminal Audit (report issued September 18, 2020)**

The Clerk's office signed the Criminal Justice User Agreement (CJUA) with FDLE on July 2, 2010 (ORI FL050063J). The CJUA established the Clerk's office authority to access the information services provided on FDLE's Criminal Justice Network (CJNet). The Clerk's office accesses CJNet via the FDLE Terminal. Examples of databases available via CJNet include: Florida Crime Information Center (FCIC), Federal Bureau of Investigation (FBI) National Crime Information Center (NCIC), FBI NCIC Interstate Identification Index (III), International Justice and Public Safety Network (NLETS), and other Online Criminal Justice Information System (CJIS) systems.

The audit identified significantly more risks than benefits to the Clerk's office associated with access to the FDLE Terminal, indicating management should consider removing access. Specifically, we identified numerous potential risks associated with non-compliance with the extensive physical, logical and other security components of the Criminal Justice User Agreement (CJUA), FBI CJIS Security Policy, various other rules and regulations as well as Clerk's office policies and procedures. The main benefit of utilizing the FDLE Terminal was to conduct name-based background screening (e.g., name, social security number, date of birth), though the FDLE Terminal had not been used by the Clerk's office for this or any other purpose since March 2019. The audit provided considerations to management when assessing the removal of the FDLE Terminal as well as when ensuring proper compliance with FDLE agreements for Clerk's office employees handling criminal justice information. The audit also identified opportunities for improvement related to the physical and logical security of the FDLE Terminal as well as related policies and procedures.