DIVISION OF INSPECTOR GENERAL

Audit Services & Public Integrity Unit

2009 ANNUAL REPORT

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

JUNE 10, 2010
June 10, 2010

The Honorable Ken Burke  
Clerk of the Circuit Court

The Honorable Chairman and Members
of the Board of County Commissioners

On behalf of the newly Accredited Office of Inspector General, I am pleased to present the Division’s 2009 Annual Report. The International Standards for the Professional Practice of Internal Auditing of The Institute of Internal Auditors (IIA), Standard Number 2060 – Reporting to Senior Management and the Board (2009), requires the issuance of a report periodically on the audit activity’s purpose, authority, responsibility and performance relative to its plan.

This report summarizes the objectives and accomplishments of the Division of Inspector General for the Fiscal Year ended September 30, 2009.

We would also like to thank you for contributing your suggestions and concerns for our 2009/2010 Annual Audit Plan. We want to ensure that you are satisfied with any audit or investigative services you requested to be reviewed. We strive to ensure that your resolutions, directives, policies, procedures and internal controls are being followed. This Annual Report is also designed to be a helpful guide for County management in developing recommendations for the annual audit plan that is completed every September for the IG Division. Please feel free to contact us anytime to request a review of an area or function that in your view could be improved.

The Division of Inspector General staff takes pride in their contribution to making the County operate as efficiently and effectively as possible. The staff of the entire Division deserves credit for their accomplishments and the production of this Annual Report.

Respectfully Submitted,

Hector Collazo, Jr., Director  
Inspector General/Chief Audit Executive  
Division of Inspector General
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>4</td>
</tr>
<tr>
<td>Summary of Performance</td>
<td>4</td>
</tr>
<tr>
<td>Background</td>
<td>5</td>
</tr>
<tr>
<td>Operations</td>
<td>6</td>
</tr>
<tr>
<td>Professional Development</td>
<td>7</td>
</tr>
<tr>
<td>Budget</td>
<td>9</td>
</tr>
<tr>
<td>Audit Selection Process</td>
<td>9</td>
</tr>
<tr>
<td>Communication</td>
<td>11</td>
</tr>
<tr>
<td>Division’s Continuous Improvement</td>
<td>11</td>
</tr>
<tr>
<td>Performance Results</td>
<td>13</td>
</tr>
<tr>
<td>Productivity</td>
<td>13</td>
</tr>
<tr>
<td>Dollar Recoveries And Cost Avoidance</td>
<td>22</td>
</tr>
<tr>
<td>Division of Inspector General – A Good Investment</td>
<td>22</td>
</tr>
<tr>
<td>Highlights of Audit Findings</td>
<td>23</td>
</tr>
<tr>
<td>Appendix</td>
<td>28</td>
</tr>
<tr>
<td>Appendix A</td>
<td>28</td>
</tr>
<tr>
<td>Professional Staff Biographies</td>
<td></td>
</tr>
<tr>
<td>Appendix B</td>
<td>34</td>
</tr>
<tr>
<td>Fraud, Waste And Abuse Policy, Office Of The Clerk Of The Circuit Court</td>
<td></td>
</tr>
<tr>
<td>Appendix C</td>
<td>38</td>
</tr>
<tr>
<td>Fraud, Waste &amp; Abuse Posters Examples</td>
<td></td>
</tr>
<tr>
<td>Appendix D</td>
<td>40</td>
</tr>
<tr>
<td>Fiscal Year 2009-2010 Annual Audit Plan</td>
<td></td>
</tr>
<tr>
<td>Appendix E</td>
<td>42</td>
</tr>
<tr>
<td>Professional Organizational Affiliations</td>
<td></td>
</tr>
</tbody>
</table>
INTRODUCTION

Summary of Performance

The year ending September 30, 2009 was a period of continued productivity for the Division of Inspector General amid significant organizational changes and budget cuts. We appreciate the Clerk of the Circuit Court, Board of County Commissioners (BCC) and County Administration for their support of the County’s Inspector General function.

During 2009, the Division issued 22 County Government related reports, which include Audits, Follow-Up Audits and Investigations with:

- 49 Opportunities For Improvement
  - Containing 93 Recommendations

Those recommendations contained $3.1 million of potential recoveries, savings, cost avoidance or other economic impact to the County and an additional $22 million to $53 million potential cost savings to citizens. Departmental Management (Auditee) concurred with and committed to the implementation of 85% of our recommendations.

Our Public Integrity Unit’s (PIU) Investigative Section opened 17 investigations and made 359 referrals to Federal, State, County and City agencies.

Our PIU’s Guardianship Section issued 55 Court related Guardianship Audit reports which resulted in:

- $328,000 reimbursements to Guardianships
- Removal of four Guardians
- One Guardian conviction
- Identifying approximately $2,800,000 in questionable expenditures

An Inspector General function strengthens Pinellas County Government by promoting strong internal controls, deterring fraud, and finding cost savings.

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

The mission of the Division of Inspector General is to improve government and preserve the public trust by providing independent, comprehensive audits and investigations designed to add value and improve the County’s operations and contracts.
Background

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

- Clerk of the Circuit Court
- Property Appraiser
- Sheriff
- Supervisor of Elections
- Tax Collector

The Clerk of the Circuit Court is a Constitutional Officer who derives his authority and responsibilities from constitutional and statutory provisions.

Section 1.(d), Article VIII, State Constitution, provides for the election of certain County Officers including a Clerk of the Circuit Court (Clerk). The latter part of this section specifies that, "... the clerk of the circuit court shall be ex officio clerk of the board of county commissioners, auditor, recorder and custodian of all county funds." Section 16, Article V, State Constitution, also specifies that the Clerk shall have the duties quoted above. One of the Clerk’s responsibility enumerated in law is to act in the capacity of Auditor.

According to the legal authority and responsibility cited above, the Clerk established the Internal Audit Division as an independent agency in 1983 to fulfill the responsibilities of the Office as they relate to auditing and functions. One of the most significant roles of the Division of Inspector General is to serve as public watchdog over taxpayer dollars. The Division adopted the Institute of Internal Auditor's International Standards for the Professional Practice of Internal Auditing and had its first Quality Assurance Review conducted in 1991. The most recent Quality Assurance Review was completed in August 2006 and the next Quality Assurance Review is scheduled for 2011.

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

In November 2003, the Division, through authorization by the Fraud, Waste and Abuse Policy, established the Public Integrity Unit (PIU) within the Division. The PIU conducts investigations.
into County affairs, and for that purpose makes such inquiries as necessary, administers oaths, compels the production of books and papers and implements appropriate investigative techniques. (Please see Appendix B to review the Fraud, Waste and Abuse Policy).

In June 2009, the Clerk of the Circuit Court’s Audit Charter was amended to the Inspector General Charter resulting in a title change from the Internal Audit Division to Division of Inspector General (IG). The purpose of the change was to increase the credibility of the Division by increasing the Quality Assurance Review of the IG activities.

To provide for the independence of the Inspector General activity, staff report to the Director (Inspector General/Chief Audit Executive), who reports functionally and administratively to the Clerk. The Clerk is an elected Constitutional Officer, and thus responsible to the citizens and taxpayers of Pinellas County. The Clerk is considered to be independent. The Division has no direct responsibility to or authority over, any area subject to its audit, review and investigation. Therefore, the Division is organizationally independent from those areas that it will be auditing, reviewing and investigating. The Director, as Inspector General and Chief Audit Executive, has the authority and responsibility to conduct audits/investigations of all agencies funded by the Clerk and the Board of County Commissioners departments under the County Administrator and to issue reports.

Operations

The Division of Inspector General is comprised of 12 staff positions. (Please see Appendix A for staff biographies.)
The Division is subdivided into:

- Audit Services
- Public Integrity Unit, which includes the:
  - Investigative Section
  - Guardianship Section

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

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

These standards collectively prescribe how our audits and investigations are performed. There is an external Quality Assurance Review of our audits, investigations and processes by an independent agency.

**Professional Development**

The Division of Inspector General recognizes that the quality and effectiveness of its products are dependent upon a professionally trained staff. To this end, the Division allocates a portion of its resources to ensure continuing professional education as a key requirement of the aforementioned Standards. The Division utilized 4.7% of its time in FY 2009 for staff training which includes activities sponsored by:

- The Association of Local Government Auditors
- Institute of Internal Auditors
- Florida Audit Forum
- Association of Inspectors General
- Association of Certified Fraud Examiners
- Information Systems Audit and Control Association
- Florida Government Finance Officers Association
- Guardian Association of Pinellas County
- National White Collar Crime Center

Training hours by subject area in FY 2009 are shown in the following chart:
The subject areas in the chart above include:

- **Accounting & Auditing** – includes subjects such as:
  - Authoritative accounting literature
  - Audit applications to computers and information systems
  - Financial accounting and reporting
  - General auditing theory and practice
  - Internal controls
  - Fraud, Waste & Abuse
  - Risk Assessments

- **Behavioral** – includes subjects such as:
  - Behavioral sciences
  - Oral and written communications
  - Managerial effectiveness
  - Social environment of business

- **Technical Business** – includes subjects such as:
  - Budgeting
  - Business law
  - Computers and information systems
  - Economics
  - Financial planning
  - Legislative changes
  - Management advisory services
  - Taxation

The Staff Continuing Professional Education Time By Subject chart is as follows:

- **Accounting & Auditing**: 61%
- **Behavioral**: 9%
- **Technical Business**: 25%
- **Other**: 5%
• Other – includes subjects such as:
  o Ethics
  o Guardianship related areas
  o Investigative related areas

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

**Budget**

The Division is funded by the Clerk of the Circuit Court General Fund budget received from the Board of County Commissioners. The following represents the FY 2009 Division of Inspector General budget verses actual.

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>$1,327,950</td>
<td>$1,315,654</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>128,020</td>
<td>121,140</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,455,970</strong></td>
<td><strong>$1,436,794</strong></td>
</tr>
</tbody>
</table>

**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 to identify planned audits and the basis for their selection. Because of the large number of possible areas to audit throughout the County 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 county operations for the purpose of indicating the need for audit.

As a part of the audit selection process, we solicit input from the:

- Clerk’s Office and Management
- Board of County Commissioners,
- County Administration,
- Other Constitutional Officers,
- The Fraud, Waste and Abuse Hotline

Based on the estimated available hours for the IG staff in FY 2009, the FY 2009 Annual Audit Plan is broken down by project type in the following chart. Please see the status of all audits on the Annual Audit Plan for the past three fiscal years (FYs 2007 – 2009) beginning on page 15 under the heading, “Audits.” (Please see Appendix D for the 2010 Annual Audit Plan.)
The sources for the project types shown in the prior chart are identified in the following chart:

**FY 2009 Audit Plan Hours By Project Type**

- Audits - 42%
- Continuous Audits - 3%
- Investigations - 13%
- Guardianships - 16%
- Consulting - 8%
- Follow-Ups - 1%
- External Auditor Assistance - 3%
- Inventory - 3%
- Quality Assurance - 3%
- Internal Requirements - 8%

**FY 2009 Audit Plan Projects By Source**

- Previous Year Risk Analysis - 22%
- Requests - 3%
- Risk Analysis - 14%
- Internal Requirements - 21%
- New Functions - 3%
- Fraud, Waste & Abuse Hotline - 13%
- Guardianships - 16%
- County Management - 8%
Communication

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

- Division’s website at [www.mypinellasclerk.org](http://www.mypinellasclerk.org); click on “Division of Inspector General” on the left-side menu
- Brochures distributed throughout the County and available in some County facilities
- Fraud posters displayed at many County Departments
- Fraud Hotline
- Pinellas County Connection TV (PCC TV)
  - Bright House 622
  - Knology 18
  - Verizon 44
- Fraud notices on employee pay advices
- Internal Controls/Fraud Hotline class offered through Human Resources Training & Development
- Presentations made at various professional organizations

(Please see Appendix C for examples of fraud, waste and abuse posters displayed and available throughout the County.)

Division’s Continuous Improvement

“Who audits the auditors?” is the most common question asked of auditors. The Division’s activities are audited by an independent external Quality Assurance Review team based on the following recognized organizations. After you read the Division’s Continuous Improvement section, you will have a better understanding of “Who audits the auditors?”

During FY 2009, the Division undertook several initiatives to improve our operations. Most notably, the Division became the first local government agency in the nation to be awarded status as an Accredited Office of Inspector General by the Commission for Florida Law Enforcement Accreditation (CFA) after a rigorous evaluation process. This initiative encompassed an update to the Division’s investigative manual to reflect the process and the professional standards, updates to our investigative management system to streamline and enhance the investigation process. It also included a thorough review and assessment by CFA of all aspects of the Division’s policies and procedures, management, operations and support services to determine compliance with the recognized Inspector General Standards of excellence.

The entire professional staff of the Division has earned the Certified Inspector General Auditor designation and the Director earned the Certified Inspector General designation at the Association of Inspector General Institute. The Division is planning on sending several staff members to the Certified Inspector General Investigator Institute in the fall.
In accordance with the Institute of Internal Auditors (IIA) standards, an external quality assurance review was performed in August 2006 on the Division’s Audit Services functions. Such reviews are required every five years. The principal objectives of the quality assurance review were to assess the Division’s conformity to the IIA’s *International Standards for the Professional Practice of Internal Auditing (Standards)*, evaluate the Division’s effectiveness in carrying out its mission and identify opportunities to enhance its management and work processes. Our operation was issued a “generally conforms to the Standards and Code of Ethics,” which is the highest affirmation, having met all of the International Standards for the Professional Practice of Internal Auditing of The Institute of Internal Auditors Standards and the Code of Ethics. The next external review is scheduled for October 2011.

In accordance with the *Principles and Standards for Offices of Inspector General*, an external quality assurance review will be conducted on the investigative functions of the Division’s Public Integrity Unit in conjunction with the October 2011 external review on the Division’s Audit Services functions. The *Principles and Standards for Offices of Inspector General* does not require such a review. However, the Association of Inspectors General recommends, and we concur, that Offices of Inspector General periodically invite external reviewers to review the Division’s adherence to the professional standards adopted.
PERFORMANCE RESULTS

Productivity

All reports issued by the Division fall into four key categories – audits, follow-ups, guardianships and investigations. Below is a listing of these categories along with their respective number of reports for the years 2009, 2008 and 2007.

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audits</td>
<td>15</td>
<td>14</td>
<td>16</td>
</tr>
<tr>
<td>Follow-ups</td>
<td>4</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>*Guardianships</td>
<td>55</td>
<td>47</td>
<td>36</td>
</tr>
<tr>
<td>Investigations</td>
<td>3</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>Total Reports</td>
<td>77</td>
<td>67</td>
<td>61</td>
</tr>
</tbody>
</table>

During 2009, the Division issued 22 reports, which include Audits, Follow-Up Audits and Investigations. Our Public Integrity Unit’s Guardianship Section issued 55 confidential audit reports.

For more detailed information, please refer to the applicable highlights starting on page 23 under the Highlighted Audit Findings heading or view the entire report located on our website at [www.mypinellasclerk.org](http://www.mypinellasclerk.org); click on “Division of Inspector General” on the left-side menu.

*Guardianship audit reports are not available to the public. Florida Statute §744.3701, Inspection of report, states:

1. Unless otherwise ordered by the court, any initial, annual, or final guardianship report or amendment thereto is subject to inspection only by the court, the clerk or the clerk's representative, the guardian and the guardian's attorney, and the ward, unless he or she is a minor or has been determined to be totally incapacitated, and the ward’s attorney.

2. The court may direct disclosure and recording of parts of an initial, annual, or final report in connection with any real property transaction or for such other purpose as the court allows, in its discretion.

Audits

The objective of these projects is to provide auditees with an independent appraisal of whether desired results and objectives are achieved economically, efficiently and in accordance with prescribed laws, regulations, and policies and procedures. Our Opportunities for Improvement represent our philosophy to work with management to make our government better serve its citizens.
During 2009, the Division issued 15 audit reports with:

- 49 Opportunities For Improvement containing,
  - 93 recommendations, which
    - Identified over $3.1 million in potential cost savings and revenue enhancements to the County, and
    - Between $22 million and $53 million in potential cost savings to citizens.

The following chart shows Opportunity for Improvement recommendations by type:

```
2009 Opportunity for Improvement Recommendation Types

- Potential Cost Saving - 16%
- Potential Cost Avoidance - 21%
- No Internal Controls - 4%
- Weak Internal Controls - 10%
- Efficiency & Effectiveness - 27%
- Compliance With Legal Regulations - 18%
- Service Delivery Issues - 4%
```

Recommendations are an integral part of our audits, as this is where an opportunity for change or improvement takes place. We presented a total of 308 recommendations in 2007, 2008 and 2009, of which 263 (85%) were concurred to by the management of the audited department. The table below presents the report year and recommendation statistics:

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NUMBER OF RECOMMENDATIONS</th>
<th>Concurred To By Management</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>NUMBER</td>
</tr>
<tr>
<td>2009</td>
<td>93</td>
<td>79</td>
</tr>
<tr>
<td>2008</td>
<td>81</td>
<td>73</td>
</tr>
<tr>
<td>2007</td>
<td>134</td>
<td>111</td>
</tr>
<tr>
<td>TOTAL</td>
<td>308</td>
<td>263</td>
</tr>
</tbody>
</table>
The following chart shows the status of all audits on the Annual Audit Plan for the past three Fiscal Years (FY 2007, 2008 and 2009). The audit falls into one of four status categories:

- **Completed** – audit completed and report issued.
- **In Progress** – audit is in-progress and report will be issued.
- **Risk Reassessed** – As part of our continuous monitoring of the annual audit plan, some scheduled audits may have risk factors re-evaluated causing a change in the current year’s audit plan.
- **Rescheduled** – audit was rescheduled to a future fiscal year.

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>AUDIT</th>
<th>STATUS</th>
<th>REPORT NO.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>Purchasing-Sole Source Contracts Process</td>
<td>Completed</td>
<td>2007-17</td>
</tr>
<tr>
<td>2007</td>
<td>Capital Improvement Program</td>
<td>Completed</td>
<td>2008-07</td>
</tr>
<tr>
<td>2007</td>
<td>Telecom PBX/Phone</td>
<td>Completed</td>
<td>2008-8</td>
</tr>
<tr>
<td>2007</td>
<td>IT Operations &amp; Administration Production Operations</td>
<td>Risk Reassessed</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>IT-Logical Security ACF2</td>
<td>Completed</td>
<td>2008-11</td>
</tr>
<tr>
<td>2007</td>
<td>Sealed Court File Review</td>
<td>Rescheduled to 2008</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>Criminal Court-Cash Bond Process</td>
<td>Completed</td>
<td>2007-8</td>
</tr>
<tr>
<td>2007</td>
<td>Recording Department - Tax Deed Processing</td>
<td>Risk Reassessed</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>Civil Court-Court Registry</td>
<td>Risk Reassessed</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>EMS Ambulance Service Billings</td>
<td>Rescheduled to 2008</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>Judiciary Spending of County Funds</td>
<td>Completed</td>
<td>2009-5</td>
</tr>
<tr>
<td>2007</td>
<td>Personnel - Authorized Positions</td>
<td>Rescheduled to 2008</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>Public Works Construction Project</td>
<td>Rescheduled for 2010</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>Transportation Impact Fee</td>
<td>Completed</td>
<td>2008-5</td>
</tr>
<tr>
<td>2007</td>
<td>Facilities Management - Lease Management</td>
<td>Completed</td>
<td>2008-4</td>
</tr>
<tr>
<td>2007</td>
<td>Finance A/P County Travel Expenditures</td>
<td>Completed</td>
<td>2009-9</td>
</tr>
<tr>
<td>2007</td>
<td>Lealman Solid Waste Collection &amp; Disposal</td>
<td>Completed</td>
<td>2009-3</td>
</tr>
<tr>
<td>2007</td>
<td>Purchasing Property Disposition</td>
<td>Completed</td>
<td>2008-17</td>
</tr>
<tr>
<td>2007</td>
<td>Service Contract Audit</td>
<td>Risk Reassessed</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>Clerks Record Retention Operations</td>
<td>Rescheduled to 2008</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>Airco Golf</td>
<td>Completed</td>
<td>2008-13</td>
</tr>
<tr>
<td>2008</td>
<td>Sealed Court Files Review</td>
<td>Completed</td>
<td>2009-15</td>
</tr>
<tr>
<td>2008</td>
<td>Airport Concessionaires (Select One)</td>
<td>Completed</td>
<td>2009-13</td>
</tr>
<tr>
<td>2008</td>
<td>Metropolitan Planning Organization (MPO)</td>
<td>In Progress</td>
<td></td>
</tr>
<tr>
<td>FISCAL YEAR</td>
<td>AUDIT</td>
<td>STATUS</td>
<td>REPORT NO.</td>
</tr>
<tr>
<td>-------------</td>
<td>-----------------------------------------------</td>
<td>-------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>2008</td>
<td>EMS Fire Contracts</td>
<td>Completed</td>
<td>2009-2</td>
</tr>
<tr>
<td>2008</td>
<td>Parking Revenue</td>
<td>Completed</td>
<td>2008-6</td>
</tr>
<tr>
<td>2008</td>
<td>Third Party Traffic Ticket Revenue</td>
<td>Rescheduled for 2010</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>Clerk's Procurement Function</td>
<td>Completed</td>
<td>2008-14</td>
</tr>
<tr>
<td>2008</td>
<td>Clerk's Call Center</td>
<td>In Progress</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>Utilities Engineering Consultant Selection Process</td>
<td>Rescheduled to 2009</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>Construction Licensing Board</td>
<td>Completed</td>
<td>2009-10</td>
</tr>
<tr>
<td>2008</td>
<td>Human Services Outreach Programs</td>
<td>Completed</td>
<td>2009-8</td>
</tr>
<tr>
<td>2008</td>
<td>UHC Health Claims</td>
<td>Completed</td>
<td>2009-11</td>
</tr>
<tr>
<td>2008</td>
<td>Community Development Programs</td>
<td>In Progress</td>
<td>Interim Report issued 2009-6</td>
</tr>
<tr>
<td>2008</td>
<td>IT Internal Service Fund</td>
<td>Completed</td>
<td>2009-16</td>
</tr>
<tr>
<td>2008</td>
<td>Countywide Printing Services</td>
<td>Rescheduled to 2009</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>Countywide IT Services/Staffing</td>
<td>Risk Reassessed</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>Data Librarian Function</td>
<td>Risk Reassessed</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>County Authorized Positions</td>
<td>Completed</td>
<td>2008-09</td>
</tr>
<tr>
<td>2008</td>
<td>EMS Service Revenue</td>
<td>In Progress</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>Tangible Personal Property</td>
<td>In Progress</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>Record Retention Clerk Office</td>
<td>Completed</td>
<td>2009-7</td>
</tr>
<tr>
<td>2009</td>
<td>Information Systems Production-Ops/IC</td>
<td>Risk Reassessed</td>
<td>Interim Report issued 2009-14</td>
</tr>
<tr>
<td>2009</td>
<td>Countywide Printing Services</td>
<td>In Progress</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>Countywide IT Services/Staffing</td>
<td>Risk Reassessed</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>Belle Harbor Marina</td>
<td>Completed</td>
<td>2010-03</td>
</tr>
<tr>
<td>2009</td>
<td>Utilities Shallow Well Program</td>
<td>Completed</td>
<td>2009-12</td>
</tr>
<tr>
<td>2009</td>
<td>Solid Waste-Revenue Administration</td>
<td>In Progress</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>Capital Billings Review</td>
<td>Risk Reassessed</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>911 Phone System</td>
<td>Completed</td>
<td>2010-02</td>
</tr>
<tr>
<td>2009</td>
<td>Annual Budget Amendments</td>
<td>Risk Reassessed</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>Airport Revenue and Operating Enterprise Fund</td>
<td>Risk Reassessed</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>Juvenile Welfare Board</td>
<td>Rescheduled for 2010</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>Clerk Transition Pasco County</td>
<td>Completed</td>
<td>2009-4</td>
</tr>
<tr>
<td>2009</td>
<td>Probate Court Records</td>
<td>In Progress</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>Utilities Billing CIS Application</td>
<td>In Progress</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>Utilities Engineering Consulting Selection Process</td>
<td>In Progress</td>
<td></td>
</tr>
</tbody>
</table>

As shown above, based on the estimated available hours for the IG staff in Fiscal Years 2007 through 2009, the Division established a goal of working on 61 projects. The following was the status of those 61 projects at FY 2009 end:
• 31 audits were completed and a report issued.
• 10 audits were in progress at year-end.
• 11 were reassessed and based on risk were cancelled.
• 9 audits were rescheduled.

Follow-Ups

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

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

During 2009, the Division performed four follow-ups with 22 findings and 28 recommendations. Management implemented 82% of our recommendations. The table below summarizes follow-up statistics for the past three years.

<table>
<thead>
<tr>
<th>Year</th>
<th>Number Of Follow-Up Audits</th>
<th>Number Of Opportunities For Improvement</th>
<th>Number Of Recommendations</th>
<th>Implemented</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>4</td>
<td>22</td>
<td>28</td>
<td>23</td>
</tr>
<tr>
<td>2008</td>
<td>4</td>
<td>24</td>
<td>40</td>
<td>34</td>
</tr>
<tr>
<td>2007</td>
<td>2</td>
<td>20</td>
<td>39</td>
<td>37</td>
</tr>
</tbody>
</table>

Investigations

The objective of these projects is to conduct investigations into allegations of fraud, waste and abuse directed against County government. Investigations that uncover administrative wrongdoing typically uncover violations of law, policy or regulations. They also identify the individuals responsible for the violations and make recommendations for administrative action.

Equally important to the investigative process is the identification of:

• Internal control weaknesses
• Contracting irregularities
• Other problems that place County Government at risk for fraud, waste and abuse
Therefore, the reports frequently make specific recommendations to:

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

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

During FY 2009, the Division handled 376 anonymous Hotline tips. Seventeen of these tips were investigated by the Division while the remaining calls were referred to the appropriate agency, including:

- County Departments
- Pinellas County Sheriff’s Office
- Local Police Departments
- State Attorney’s Office
- Florida Department of Revenue
- Internal Revenue Service
- Federal Bureau of Investigation

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

1. **Substantiated:**
   - The allegations are validated and there is sufficient evidence to justify a reasonable conclusion that the actions occurred and there were violations of law, policy, rule or contract. A report is prepared.

2. **Unsubstantiated:**
   - The allegations are not validated and there is no sufficient evidence to justify a reasonable conclusion that the actions occurred and there were violations of law, policy, rule or contract. A report may or may not be prepared.

3. **Unfounded:**
   - The allegations are not supported and there is insufficient evidence to prove or disprove the allegation. A report is not prepared.

<table>
<thead>
<tr>
<th>Total Number of Investigations</th>
<th>Substantiated</th>
<th>Unsubstantiated</th>
<th>Unfounded</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>17</td>
<td>1</td>
<td>15</td>
</tr>
<tr>
<td>2008</td>
<td>14</td>
<td>1</td>
<td>12</td>
</tr>
<tr>
<td>2007</td>
<td>10</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>41</strong></td>
<td><strong>9</strong></td>
<td><strong>28</strong></td>
</tr>
</tbody>
</table>
Usage of the Fraud, Waste and Abuse Hotline has steadily increased over the past three years as shown in the chart below. We attributed this increase to the extensive marketing efforts to County employees and citizens. See Appendix B and C respectively for the Pinellas County Fraud, Waste and Abuse Policy and examples of our marketing efforts.

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

Reports may be made in several convenient ways.

- Written complaints may be faxed to (727) 464-8386 or
- Mailed to 400 Cleveland Street, 4th Floor, Clearwater, Florida 33755.
- Phoned into the dedicated Hotline number, (727) 464-FRAUD (3728).
- Reported online at www.mypinellasclerk.org; Click on “Division of Inspector General” on the left-side menu.

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

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

The objective of these projects is to augment the Clerk of the Circuit Court Probate Records, Guardianship Section and the Probate, Guardianship and Mental Health Division of the Sixth Judicial Circuit Court in supporting the Court's oversight process applicable to the protection of Wards' assets according to Chapter 744 of the Florida Statutes and the related Administrative Orders of the Sixth Judicial Circuit. The Division of Inspector General conducts varying levels of audits and financial investigations of Guardianship activities.

During FY 2009, the IG Division Guardianship Section conducted 480 Level 1 Reviews and issued 55 Level II and III audit reports.

These audit reports are not available to the public per Florida Statute §744.3701 Inspection of Report; they are issued to the Courts for review and possible action. In addition, the Division handled 72 Guardianship Hotline calls of which 27 were referred to the Court. The Guardianship work performed during FY 2009 resulted in four guardians being removed, one guardian being convicted, $328,000 recovered from the removed guardians and approximately $2,800,000 in questionable expenditures identified and resolved. The table and accompanying chart below display guardianship statistics over the past three years.

- **IG Level I**
  - An IG Level I audit consists of the review of guardianship reports in conjunction with the supporting documentation which has been determined to have discrepancies by the Clerk’s Probate Guardianship Section.

- **Level II**
  - A Level II audit consists of the examination of the guardianship report and the attempted verification of selected questionable items. Limited inquiries and/or requests for supporting documentation may be necessary to resolve issues.

- **Level III**
  - A Level III audit consists of a comprehensive examination and attempted verification of all significant items pertinent to the guardianship report.

During FY 2009, the IG Division Guardianship Section issued 55 reports with:

- 69 Opportunities For Improvement
- Containing 111 Recommendations
The Guardianship Section also includes a Guardianship Training Program. The Division has a cooperative partnership with St. Petersburg College to provide training to family and professional guardians. The Division also has a cooperative partnership with the Guardianship Association of Pinellas County to provide training to association members and submit articles to the Association newsletter.

Support of County Functions

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

- Offering consulting services to management
- Participation on various boards such as the Security Panel and Technology Steering Committee
- Training County employees on internal controls and fraud through the Human Resources Department
- Assisting with the annual external financial audit
Dollar Recoveries and Cost Avoidance

The table below shows FY 2009 audit project recommendations that resulted in potential recoveries/savings, cost avoidance or other economic impact totaling $28.1 million conservatively.

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>REPORT NO.</th>
<th>POTENTIAL COUNTY IMPACT</th>
<th>POTENTIAL CITIZEN IMPACT</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMS/Fire Contracts</td>
<td>2009-02</td>
<td>$10M to 39.2M</td>
<td></td>
<td>Inefficient service structure</td>
</tr>
<tr>
<td>Lealman Solid Waste Collection and Disposal</td>
<td>2009-03</td>
<td>$12.3M to 14.3M annually</td>
<td></td>
<td>No competitive pricing</td>
</tr>
<tr>
<td>Community Development – County Connection Centers</td>
<td>2009-06</td>
<td>$789,000</td>
<td></td>
<td>Duplication of services</td>
</tr>
<tr>
<td>County Travel Expenditures – Finance Accounts Payable</td>
<td>2009-09</td>
<td>$219,000 annually</td>
<td></td>
<td>Excessive reimbursement rates</td>
</tr>
<tr>
<td>UHC Health Claims – Human Resources Department</td>
<td>2009-11</td>
<td>$549,845</td>
<td></td>
<td>Overpayment of claims</td>
</tr>
<tr>
<td>Hotline Investigation Study of Overtime Payments</td>
<td>No. 103</td>
<td>$1.5M annually</td>
<td></td>
<td>Improper overtime payments</td>
</tr>
<tr>
<td>Guardianships</td>
<td>Reports not publicly issued</td>
<td>$2,795,830</td>
<td></td>
<td>55 reports issued that resulted in 4 guardians removed, 1 guardian conviction and $328,000 of reimbursements.</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$3,057,845</td>
<td>$25M to $56.3M</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Division of Inspector General – A Good Investment

Not only is the expense of having an Inspector General Office cost effective, the Division’s importance extends beyond just the financial considerations. The impact of maintaining transparency and trust in local County government is invaluable. The Division staff’s vigilance ensures Pinellas County taxpayers get a fair and honest accounting of their funds. The Division is productive and cost-effective. Over the past three years, the Division has expended $4.3 million and identified $91.5 million of potential recoveries, savings, cost avoidance or other economic impact to the County and/or the Taxpayers during the same timeframe.
A well run audit and investigative function is an investment that benefits County Government, but most importantly, the citizens of Pinellas County.

**Highlights of Audit Findings**

The following are highlights of audits issued by the Division of Inspector General during 2009. If you would like to read the reports, please visit the Division’s website at [www.mypinellasclerk.org](http://www.mypinellasclerk.org); click on “Division of Inspector General” on the left-side menu.

**AUDIT OF EMS/FIRE CONTRACTS (REPORT NO. 2009-02)**

The present structure of the County Fire Service does not offer the most cost effective process to the taxpayers of Pinellas County. With Pinellas County’s multi-departmental fire service structure, the taxpayers are subject to inefficiencies that cost approximately $10 million to $39.2 million annually.
AUDIT OF LEALMAN SOLID WASTE COLLECTION & DISPOSAL (REPORT NO. 2009-03)

The residents of the unincorporated areas of Pinellas County are not receiving the pricing benefits of having solid waste services competitively bid to obtain the best pricing. At a minimum, we estimate the potential savings for the taxpayers of the unincorporated areas could range from $12.3 million to $14.3 million annually.

AUDIT OF JUDICIARY SPENDING OF COUNTY FUNDS (REPORT NO. 2009-05)

The adequacy of internal controls covering expenditures paid to the Judiciary by the County totaling $4 million for FY 2006 could not be determined due to denial of access to staff. The Judiciary was not cooperative in providing information for our audit of the expenditure of County funds. We did not receive adequate information from the Judiciary in the area of Personal Services costs funded by the County, and we were refused access to Judiciary Management to discuss and/or obtain information on the internal controls in place related to the spending of County funds.

INTERIM AUDIT REPORT FOR COMMUNITY DEVELOPMENT, COUNTY CONNECTION CENTERS (REPORT NO. 2009-06)

The $789,000 for Community Development North and South Connection Centers Duplicates Existing County Services. (The Centers have since been closed.)
Employee meal and mileage reimbursement rates should be reviewed. The County employee travel and entertainment reimbursement rates are not in the best interest of the County and taxpaying citizens of Pinellas County, and could be reduced, while still being equitable to County employees. County’s meal reimbursement policy appears to be generous if the County used rates paid by the State of Florida to its employees; Pinellas County could potentially save over $188,000 annually. County’s employee mileage reimbursement policy is higher than many other government agencies, including the State of Florida. If the County used mileage rates paid by the State of Florida to its employees, Pinellas County could potentially save over $31,000 annually.

Claims paid by United Health Care totaling $549,845 should be recovered. During the audit of claims paid by United Health Care (UHC), we found claims totaling $549,845 that we believe should not have been paid. UHC agrees with the conclusion on claims totaling $168,633, and disagrees on claims totaling $381,212. Overpayments, UHC agrees with, include miscalculation of charges, coordination of benefits, surgical assistant billing error and Medicare eligibility coordination. Recovery of these claims will result in a direct benefit to the County since the County is self-funded. (To date $150,000 has been repaid)
AUDIT OF AIRPORT CONCESSIONS (REPORT NO. 2009-13)

At the request of Airport Management, the Division conducted a review of selected Concession Agreements between the County and five car rental agencies, vehicle parking services, two restaurants and a hotel. Our audit confirmed the accuracy of these revenue payments received by the Airport for the audit period.

AUDIT OF RECORD RETENTION – CLERK’S OPERATION (REPORT NO. 2009-07)

The inefficient microfilming and destruction processes are affecting warehouse space availability at Records Management Services Department. Forty percent of the shelves at the 49th Street warehouse are occupied by court files that are not being microfilmed and destroyed in accordance with management’s internal policy. The process for microfilming court files is at least five years behind schedule.

AUDIT OF BUSINESS TECHNOLOGY SERVICES INTERNAL SERVICE FUND (REPORT NO. 2009-16)

The Business Technology Services methodology for billing County agencies does not provide the agencies with adequate information to make business decisions. The methodology has not been formally re-evaluated since it was adopted 30 years ago. As a result, time, effort and money are being wasted to create a document that serves no business purpose beyond recovering costs which could be accomplished in a more economical manner. The actual costs for providing specific services are not measured. (The methodology is being modified)
HOTLINE INVESTIGATIVE STUDY OF OVERTIME PAYMENTS (NO. 103)

Our investigation substantiated the allegations in the complaints that overtime is being paid for hours not being physically worked. Further, overtime expenditures could be reduced by approximately $1.5 million annually with a Unified Personnel System rule change on how overtime is paid. Change Personnel Rule XI by redefining overtime earned as time actually (physically) worked in excess of 40 hours during a workweek (a period of seven consecutive days) excluding Holidays, Annual Leave, Extended Illness Leave and Leave with Pay as time actually worked. (The policy has since been changed)

AUDIT OF CLERK TRANSITION – PASCO COUNTY (REPORT NO. 2009-04)

The Pasco County Clerk of the Circuit Court requested the Division to perform a Clerk of the Circuit Court and County Comptroller transition audit during 2009. The objectives of this audit were to determine that cash on hand, cash in bank, investments and financial papers were properly conveyed; the predecessor Clerk acknowledged cut-off and transfer of custody for court-related and other items; and tangible personal property and other items in the care or possession related to being an elected official were accounted for properly.
Professional Staff Biographies

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

Mr. Collazo has the following certifications:
- Certified Inspector General
- Certified Information Systems Auditor
- Certified Fraud Examiner
- Certified Fraud Specialist

He has a Bachelor of Arts in Psychology from the University of Texas at Dallas with over 25 years of professional experience in government and non-profit organizations with 18 years of auditing and investigating experience. Mr. Collazo joined the Pinellas County Clerk of Circuit Court Division of Inspector General in 2005. Mr. Collazo is a member of both National and Tampa Bay Chapters of the Association of Certified Fraud Examiners, the Institute of Internal Auditors, and the Information Systems Audit and Control Association, as well as memberships in the National Association of Certified Fraud Specialist, the National and Tallahassee Chapters of the Association of Inspectors General, the Association of Local Government Auditors, the Florida Audit Forum (Member of the Board), Florida Government Finance Officers Association, Florida Bar Association Grievance Committee Member “C” and National White Collar Crime Center (Voting Member). Mr. Collazo can be reached by phone at (727) 464-8371 or email at hcollazo@pinellascounty.org.

Linda Magnuson, *Administrative Secretary*

Ms. Magnuson is a Certified National Network Professional Estate Planning Team Member with over 35 years of administrative assistant experience. She has 30 years experience in various areas of the legal field which includes six years in the audit field. Ms. Magnuson joined the Pinellas County Clerk of Circuit Court, Probate Division, in 2004 and the Division of Inspector General in 2005. Ms. Magnuson can be reached by phone at (727) 464-8371 or email at lmagnuson@pinellascounty.org.
Ken Green, Senior Internal Auditor

Mr. Green has the following certification:
- Certified Inspector General Auditor

He has a Master of Business Administration in Accounting from DePaul University and a Bachelor of Science of Business Administration in Accounting from Valparaiso University with 10 years of professional auditing experience. Mr. Green joined the Pinellas County Clerk of Circuit Court Division of Inspector General in 2001. Mr. Green is a member of the Association of Inspectors General (both National and Tallahassee Chapter), Institute of Internal Auditors (both National and Tampa Chapter), Tampa Bay Chapter of the Association of Certified Fraud Examiners, Association of Local Government Auditors and Florida Audit Forum. Mr. Green can be reached by phone at (727) 464-8371 or email at kgreen@pinellascounty.org.

Ronald Peters, Senior Internal Auditor

Mr. Peters has the following certifications:
- Certified Internal Auditor
- Certified Information Systems Auditor
- Certified Inspector General Auditor
- Chartered Bank Auditor
- Certified Commercial Lender
- Certified TeamMate Electronic Workpaper Champion

He has a Bachelor of Arts from Augustana Collage in Computer Science, a Master of Business Administration from University of South Florida and a Standard Certificate from American Institute of Banking. Mr. Peters has 30 years of professional auditing experience covering Commercial Bank, IT Service Bureau, Public Accounting, Federal Agency and County Government. Mr. Peters joined the Pinellas County Clerk of Circuit Court Division of Inspector General in 1998. Mr. Peters is a member of the Association of Inspectors General (both National and Tallahassee Chapter), Institute of Internal Auditors (both National and Tampa Chapter), Tampa Bay Chapter of the Association of Certified Fraud Examiners, Information Systems Auditing and Control Association, Association of Local Government Auditors and Florida Audit Forum. Mr. Peters can be reached by phone at (727) 464-8371 or email at rpeters@pinellascounty.org.
Scott Stees, Senior Internal Auditor

Mr. Stees has the following certifications:

- Certified Internal Auditor
- Certified Information Systems Auditor
- Certified Fraud Examiner
- Certified Inspector General Auditor
- Certified Government Finance Officer

He has a Bachelor of Science in Business Administration from Youngstown State University in Accounting with 28 years of professional auditing experience. Mr. Stees joined the Pinellas County Clerk of Circuit Court Division of Inspector General in 1985. Mr. Stees is a member of the Association of Inspectors General (both National and Tallahassee Chapter), Institute of Internal Auditors (both National and Tampa Chapter), Information Systems Auditing and Control Association, Tampa Bay Chapter of Association of Certified Fraud Examiners, Florida Government Finance Officers Association, Association of Local Government Auditors and Florida Audit Forum. Mr. Stees can be reached by phone at (727) 464-8371 or email at sstees@pinellascounty.org.

Melissa Dondero, Internal Auditor II

Ms. Dondero has the following certifications:

- Certified Public Accountant
- Certified Internal Auditor
- Certified Inspector General Auditor
- Certified TeamMate Electronic Workpaper Champion

She has a Master of Accountancy in Accounting Information Systems and Bachelor of Science in Accounting both from the University of South Florida with over six years of professional auditing experience. Ms. Dondero joined the Pinellas County Clerk of Circuit Court Division of Inspector General in 2003. Ms. Dondero is a member of the Association of Inspectors General (both National and Tallahassee Chapter), Institute of Internal Auditors (both National and Tampa Chapter), Florida Institute of CPAs, Association of Certified Fraud Examiners (both National and Tampa Bay Chapter), Florida Government Finance Officers Association, Association of Local Government Auditors, Florida Audit Forum, Beta Gamma Sigma and the Golden Key International Honour Society. Ms. Dondero can be reached by phone at (727) 464-8371 or email at mdondero@pinellascounty.org.
Ava Jurek, *Internal Auditor II*

Mrs. Jurek has the following certifications:
- Certified Internal Auditor
- Certified Inspector General Auditor

She has a Master of Science in Management and a Bachelor of Arts in Business Administration both from National-Louis University with 12 years of professional auditing experience. Mrs. Jurek joined the Pinellas County Clerk of Circuit Court Division of Inspector General in 2008. Mrs. Jurek is a member of the Association of Inspectors General (both National and Tallahassee Chapter), Institute of Internal Auditors (both National and Tampa Chapter), Tampa Bay Chapter of Association of Certified Fraud Examiners, Association of Local Government Auditors and Florida Audit Forum. Mrs. Jurek can be reached by phone at (727) 464-8371 or email at ajurek@pinellascounty.org.

Greg McCullough, *Internal Auditor II*

Mr. McCullough has the following certifications:
- Certified Public Accountant
- Certified Internal Auditor
- Certified Fraud Examiner
- Certified Inspector General Auditor

He has a Bachelor of Arts in Accounting from the University of West Florida and a Master of Business Administration from the University of Tampa. He has 26 years of professional experience in accounting and auditing, 15 years of which is in auditing. Mr. McCullough joined the Pinellas County Clerk of Circuit Court Division of Inspector General in 2006. Mr. McCullough is a member of the Association of Inspectors General (both National and Tallahassee Chapter), Institute of Internal Auditors (both National and Tampa Chapter), Association of Certified Fraud Examiners (both National and Tampa Bay Chapter), American Institute of Certified Public Accountants, Florida Institute of Certified Public Accountants, Association of Local Government Auditors and Florida Audit Forum. Mr. McCullough can be reached by phone at (727) 464-8371 or email at gmcullough@pinellascounty.org.
William McGuinness, *Internal Auditor II*

Mr. McGuinness has the following certification:

- Certified Inspector General Auditor

He was a Certified Public Accountant for 40 years and is now retired; he was also a Certified Law Enforcement Officer with the St. Petersburg Police Department. He has a Bachelor of Business Administration from St. Francis College in Accounting with 19 years of professional auditing experience; 20 years of adjunct teaching experience at the University of South Florida (15 years) and Long Island University’s C.W. Post School of Professional Accountancy (five years), mostly at the graduate-level; and twenty-three years of professional accounting management experience with PricewaterhouseCoopers. Mr. McGuinness joined the Pinellas County Clerk of Circuit Court Division of Inspector General in 2003. Mr. McGuinness is the U.S. Director of the Against Malaria Foundation, a UK-based not-for-profit foundation. Mr. McGuinness is a member of the Association of Inspectors General (both National and Tallahassee Chapter), Institute of Internal Auditors (both National and Tampa Chapter), Tampa Bay Chapter of the Association of Certified Fraud Examiners, Florida Government Finance Officers Association, American Institute of Certified Public Accountants (inactive), Association of Local Government Auditors and Florida Audit Forum. Mr. McGuinness can be reached by phone at (727) 464-8371 or email at wmcguinn@pinellascounty.org.

Anne DiNatale Olsen, *Internal Auditor II*

Ms. Olsen has the following certification:

- Certified Inspector General Auditor

She has a Bachelor of Business Administration Degree from Pace University, New York with a major in Accounting/Finance with 30 years of professional auditing experience. Ms. Olsen joined the Pinellas County Clerk of Circuit Court Division of Inspector General in 2000. Ms. Olsen is currently an Internal Auditor II, conducting audits and reviews of Guardianships within the Sixth Judicial Court. Ms. Olsen is a member of Association of Inspectors General (both National and Tallahassee Chapter), Institute of Internal Auditors (both National and Tampa Chapter), Tampa Bay Chapter of the Association of Certified Fraud Examiners, Guardianship Association of Pinellas County Inc., Association of Local Government Auditors and Florida Audit Forum. Ms. Olsen can be reached by phone at (727) 464-8371 or email at aolsen@pinellascounty.org.
Flo Riggie, *Internal Auditor II*

Mrs. Riggie has the following certifications:
- Certified Information Systems Auditor
- Certified Inspector General Auditor
- Foundation Certification in Information Technology Service Management

She has a Bachelor of Arts from St. Leo University in Business Management with 25 years of professional information technology and auditing experience. Mrs. Riggie joined the Pinellas County Clerk of Circuit Court Division of Inspector General in 2008 and has been with the County since 1984. Mrs. Riggie is a member of the Association of Inspectors General (both National and Tallahassee Chapter), Institute of Internal Auditors (both National and Tampa Chapter), Information System Audit and Control Association, Tampa Bay Chapter of the Association of Certified Fraud Examiners, Florida Government Finance Officers Association, Association of Local Government Auditors and Florida Audit Forum. Mrs. Riggie can be reached by phone at (727) 464-8371 or email at friggie@pinellascounty.org.

Deborah Weiss, *Internal Auditor II*

Mrs. Weiss has the following certification:
- Certified Inspector General Auditor

She has a Bachelor of Arts Degree from Bellevue University in Accounting with over three years of professional auditing experience, five years of governmental accounting experience, and 15 years of private industry accounting experience to include eight years of supervisory experience. Mrs. Weiss joined the Pinellas County Clerk of Circuit Court Division of Inspector General in 2006 and has been with the County since 2001. Mrs. Weiss is a member of the Association of Inspectors General (both National and Tallahassee Chapter), Institute of Internal Auditors (both National and Tampa Chapter), Tampa Bay Chapter of the Association of Certified Fraud Examiners, Association of Local Government Auditors and Florida Audit Forum. Mrs. Weiss can be reached by phone at (727) 464-8371 or email at dweiss@pinellascounty.org.
FRAUD, WASTE AND ABUSE POLICY
OFFICE OF THE CLERK OF THE CIRCUIT COURT

November 1, 2003

1. POLICY:

The Pinellas County Clerk of the Circuit Court’s Fraud, Waste and Abuse Policy and Procedures are established to facilitate the development of internal controls that will provide for the detection, prevention, and reporting of fraud, waste and abuse directed against County government. It is the intent of this policy to promote awareness of the potential for fraud, waste and abuse throughout the County, and to provide guidelines and assign responsibility for the development of adequate internal controls and systems.

It is the policy of the Pinellas County Clerk of the Circuit Court to ensure compliance with the principles of right and wrong which govern the conduct of County employees, vendors, consultants, contractors, and all other outside agencies/parties doing business with Pinellas County. This policy is intended to communicate the Clerk of the Circuit Court's desire to eliminate unethical practices while creating an environment in which employees and/or citizens are encouraged and comfortable in the reporting of fraud, waste or abuse.

The law in Florida protects employees from retaliatory or adverse personnel action for disclosing certain information including, but not limited to, violations of laws which create and present a substantial and specific danger to the public’s health, safety, or welfare and suspected acts of gross mismanagement or gross waste of public funds. These protections are detailed in Sections 112.3187-112.31895 of the Florida Statutes.

2. PURPOSE:

This directive provides instruction and guidance for implementing the Fraud, Waste and Abuse Policy adopted by the Clerk of the Circuit Court.

3. SCOPE:

This directive is applicable to all Pinellas County Clerk of the Circuit Court’s employees.

4. DEFINITIONS:

4.1 The term fraud refers to, but is not limited to, any dishonest or fraudulent act to include forgery or alteration of any document; misappropriation of funds, supplies, etc.; improper handling or reporting of money or financial
transactions; profiting by self or others as a result of inside knowledge; destruction or intentional disappearance of records, furniture, fixtures or equipment; accepting or seeking anything of material value from vendors or persons providing services or materials to the County for personal benefit; and/or any similar or related irregularity.

4.2 **Waste** refers to the unnecessary incurring of costs as a result of inefficient practices, systems or controls.

4.3 **Abuse** refers to violations and circumventions of departmental or agency regulations which impair the effective and efficient execution of operations.

5. **INVESTIGATIVE AUDIT RESPONSIBILITIES:**

5.1 The Clerk of the Circuit Court, Division of Inspector General (Internal Audit) has the primary responsibility for investigative audits of all suspected inappropriate activity as defined in this policy. If the investigative audit substantiates that a fraudulent act has occurred, Internal Audit will notify the Clerk of the Circuit Court, or County Administrator as applicable, and such other County officials as appropriate. If the substantiated fraudulent act has criminal implications, Internal Audit will consult with law enforcement agencies as necessary to assist in the preparation and presentation of criminal findings in a court of law.

5.2 Internal Audit, through authorization of the Clerk of the Circuit Court, is hereby authorized to make investigative audits into County affairs, and for that purpose may administer oaths and compel the production of books, papers and other evidence material to said inquiry.

6. **CONFIDENTIALITY:**

Internal Audit treats all information received confidentially, to the extent allowed by law. Any employee, citizen, contractor, vendor, or other interested party who has observed or suspects dishonest or fraudulent activity should notify the Fraud Hotline immediately. Persons observing or suspecting dishonest or fraudulent activity should not attempt to personally conduct an investigation related to such activity.

7. **PROCEDURES:**

7.1 A current or former Pinellas County employee who suspects fraud, waste, or abuse, and **does not desire anonymity**, should:

   a. Report the suspected fraud to the Fraud Hotline.
   b. If requested, furnish a detailed written statement, under oath, outlining the suspected fraud.
   c. Cooperate with the investigative audit process through the furnishing of written statements, interviews, etc.
7.2 A current or former Pinellas County employee who suspects fraud, waste, or abuse, and wishes to remain anonymous, should:

a. Contact the Fraud Hotline and provide as much detailed information as possible regarding the suspected fraudulent conduct.
b. The caller, though anonymous, must be willing to share specific information regarding the suspected fraudulent conduct.

7.3 A member of the public suspecting fraud, waste, or abuse, is encouraged to contact the Fraud Hotline with specific and detailed information regarding the suspected fraudulent conduct.

7.4 A supervisor or higher authority receiving a fraud allegation should:

a. Compile all information relayed by the reporting individual.
b. Contact Internal Audit with all compiled information.
c. Cooperate with the investigative audit process.

7.5 Internal Audit will:

a. Maintain a Fraud, Waste and Abuse Hotline, and attempt to secure as much information as possible from the reporting individual.
b. Contact appropriate law enforcement, as appropriate in the circumstances, and provide fraud, waste and abuse information for consideration as to their involvement in the case.
c. Evaluate reported conduct pertaining to any and all departments of the County, and such other activities/entities engaged in the expenditure of County funds.
d. Report investigative audit findings to the County Administrator or Clerk of the Circuit Court, as applicable, in an interim report. If interim findings are of a countywide nature or are otherwise significant, the Board of County Commissioners may also be notified if any of their personnel are involved.
e. Report any significant findings to the County Administrator, Clerk of the Circuit Court, and Board of County Commissioners, as applicable, in a final report.
f. Work with law enforcement authorities as determined necessary during the course of the investigative audit, and refer applicable findings to appropriate authorities upon completion.
g. In those instances where Internal Audit believes it to be in the best interests of the investigative audit, Internal Audit has the authority and duty, after consulting with the Clerk of the Circuit Court, as applicable, to:

1) take control/limit employee access, and/or gain full access to all County premises utilized by the Clerk of the Circuit Court, whether owned or rented, and
2) examine, copy, and/or remove all or any portion of the contents of any document.

8. MANAGEMENT RESPONSIBILITIES:

8.1 Great care must be taken in the investigative audit of suspected improprieties or irregularities so as to avoid mistaken accusations or alerting suspected individuals that an investigative audit is under way.

   a. All inquiries from suspected individuals and their attorneys or representatives should be directed to Internal Audit. Proper response to such an inquiry is: "I am not at liberty to discuss this matter."
   b. Under no circumstances should any reference be made to "what you did," "the crime," "the fraud," "the forgery," "the misappropriation," or any other specific reference.
   c. No promises should be made.

8.2 Management/employees should not contact the suspected individual in an effort to determine facts or demand restitution.

8.3 Management/employees are encouraged not to discuss the case, facts, suspicions, or allegations with anyone outside the organization or those within the organization that do not have a legitimate need to know unless specifically asked to do so by Internal Audit or law enforcement.

8.4 Management/employees are to cooperate with the investigative audit process through answering questions, furnishing of written statements, volunteering information important to the investigative audit, etc.

8.5 All Clerk of the Circuit Court departments/employees are required to comply with this policy.

9. LIMITATION:

Nothing in this directive or policy shall be construed to interfere with, limit, restrict, or otherwise impair the Clerk of the Circuit Courts or any officials' ability to manage, train, assign, or discipline their employees.
APPENDIX C

Fraud, Waste & Abuse Posters
Examples

REPORT FRAUD, WASTE & ABUSE
OF COUNTY RESOURCES

CALL
THE FRAUD HOTLINE
(727) 453-FRAUD
(727) 453-3728
CALLS ARE CONFIDENTIAL

REPORT FRAUD, WASTE AND ABUSE

Division of Inspector General
Clerk of the Circuit Court
Page 38
REPORT
FRAUD OR WASTE OF A WARD’S ASSETS
CALL THE GUARDIANSHIP FRAUD HOTLINE.
(727) 453-FRAUD / (727) 453-3728
CALLS ARE CONFIDENTIAL.

Write:  Public Integrity Unit
Division of Inspector General
Fraud Hotline
400 Cleveland Street, 4th Floor
Clearwater, FL  33755-4041

Call:  (727) 453-3728 / Fax: (727) 464-8386

E-mail: fraudhotline@pinellascounty.org
www.mypinellasclerk.org

AN INDEPENDENT SERVICE OFFERED BY
KEN BURKE, CPA, CLERK OF THE CIRCUIT COURT, PINELAS COUNTY, FL.

REPORT FRAUD, WASTE AND ABUSE
OF COUNTY RESOURCES
CALL THE FRAUD HOTLINE
(727) 453-FRAUD
CALLS ARE CONFIDENTIAL.

Write:  Public Integrity Unit
Division of Inspector General
Fraud Hotline
400 Cleveland Street, 4th Floor
Clearwater, FL  33755-4041

Call:  (727) 453-3728 / Fax: (727) 464-8386

E-mail: fraudhotline@pinellascounty.org
www.mypinellasclerk.org

An independent service offered by
KEN BURKE, CPA, CLERK OF THE CIRCUIT COURT, PINELAS COUNTY, FL.
APPENDIX D

FISCAL YEAR 2009-2010 ANNUAL AUDIT PLAN

Audits Planned

AMSCOT Traffic Ticket Payments
Continuity of Operations Plan (COOP)
Contract-Road Construction Project
Convention & Visitors Bureau
Court Evidence Custodian
Enterprise Data Security
EPI Center Interlocal Agreement
Fleet Allocations
Imprest Funds
Juvenile Welfare Board
Library Cooperative
Materials & Supplies Inventory Controls-Alternate Water
Materials & Supplies Inventory Controls-Public Works/Highway
Materials & Supplies Inventory Controls-Solid Waste
Materials & Supplies Inventory Controls-Water
Office of Human Rights
Oracle Financial Application Project
Penny for Pinellas
Real Estate Property Revenues
Records Retention-BCC Operations
Solid Waste Municipal Recycling Reimbursement Grants
211 Service Contract

Continuous Audits

Cash Bonds
Enterprise Data Security
Audits-In-Progress As Of October 1, 2009

Belle Harbour/Southern Marina
BTS Internal Service Fund
Clerk’s Call Center
Community Development
Countywide Printing Services
Data Librarian Function
EMS Ambulance Revenue
Juvenile Welfare Board
Metropolitan Planning Organization
Probate Court Records
Purchase Card Restrictions
Sealed Court Files
Solid Waste Reserves Utilities Billing -CIS
Utilities Engineering Consultant Selection Process
911 Phone System

On-Going Projects

ACL Continuous Audits
Auditee Education/Assistance Investigative Audits
Follow-Up Reviews
Guardianship Audits
Management Consulting
Tangible Personal Property Inventories
Unannounced Audits (e.g. cash and payroll)

Note: This Annual Audit Plan represents a flexible planning document. As such, some audits identified herein may not be conducted this year. Also, audits may be conducted which are not included in this document.
The Association of Inspectors General seeks to foster and promote public accountability and integrity in the general areas of prevention, examination, investigation, audit, detection, elimination and prosecution of fraud, waste and abuse, through policy research and analysis; standardization of practices, policies, conduct and ethics; encouragement of professional development by providing and sponsoring educational programs; and the establishment of professional qualifications, certifications, and licensing.  [www.inspectorsgeneral.org](http://www.inspectorsgeneral.org)

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

The Association of Certified Fraud Examiners (ACFE) is the world’s largest anti-fraud organization and the premier provider of anti-fraud training and education. Together with nearly 50,000 members, the ACFE is reducing the incidence of fraud and white-collar crime worldwide and inspiring public confidence in the integrity and objectivity within the profession.  [www.acfe.com](http://www.acfe.com)
The Association of Local Government Auditors (ALGA) is a professional association of local government auditors with approximately 1,700 members that serves the local government auditing profession. ALGA was formed in 1989 and incorporated under the laws of the state of Montana. ALGA’s purpose is to improve local government auditing by disseminating information and ideas about financial and performance auditing, providing training and offering a national forum to discuss auditing issues. [www.governmentauditors.org](http://www.governmentauditors.org)

The Florida Government Finance Officers Association was founded in 1937 and serves more than 2,700 professionals from state, county, and city governments; special districts, and private firms. The FGFOA is dedicated to being a professional resource by providing opportunities through Education, Networking, Leadership and Information. [www.fgfoa.org](http://www.fgfoa.org)

With more than 86,000 constituents in more than 160 countries, ISACA® is a leading global provider of knowledge, certifications, community, advocacy and education on information systems assurance and security, enterprise governance of IT, and IT-related risk and compliance. [www.isaca.org](http://www.isaca.org)
The mission of the National White Collar Crime Center (NW3C) is to provide a nationwide support system for agencies involved in the prevention, investigation, and prosecution of economic and high-tech crimes and to support and partner with other appropriate entities in addressing homeland security initiatives, as they relate to economic and high-tech crimes.

www.nw3c.org

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

The Association of Certified Fraud Specialists, Inc. (ACFS) is an educational, non-profit corporation. Members include professionals in law enforcement, internal and external auditors, public accountants, private and other investigators, forensic/investigative accountants and attorneys. ACFS offers certification, networking, training, and standards and ethics. www.acfsnet.org
Founded in 1905, the Florida Institute of Certified Public Accountants (FICPA) has been working to advance the accounting profession in Florida for more than 100 years. The FICPA now has more than 19,000 members. Continued membership growth and renewal has made the FICPA one of the largest CPA organizations in the United States.  
www.ficpa.org

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

The Guardian Association of Pinellas County, Inc. is a 501(C)(3) Non-Profit, Charitable Corporation formed in 1977 for the purpose of assisting guardians in their duties to the Wards appointed to them through the Sixth Judicial Circuit Court of Florida.  
www.guardianassociation.org
WEBSITE
Visit us online: Go to www.mypinellasclerk.org; click on “Division of Inspector General” on the left-side menu

MAIL
Contact us by mail at:
Division of Inspector General
400 Cleveland Street, 4th Floor
Clearwater, Florida 33755-4041

PHONE
Contact us by phone at:
(727) 464-8371

FAX
(727) 464-8386

FRAUD HOTLINE
Countywide Fraud Hotline number:
(727) 453-FRAUD (3728)

Fraud Hotline e-mail:
fraudhotline@pinellascounty.org

GUARDIANSHIP HOTLINE
Guardianship Fraud Hotline number:
(727) 453-FRAUD (3728)

Guardianship Fraud Hotline email:
fraudhotline@pinellascounty.org