

OFFICE OF THE INSPECTOR GENERAL

DEPARTMENT MISSION STATEMENT

We provide an independent oversight of all City operations to add value, improve performance, and increase efficiencies by conducting audits to provide further accountability of City resources. We are dedicated to preserving the City's accountability and integrity through the identification of fraud, mismanagement, waste, and abuse of power in City projects, programs, and contracts.

DEPARTMENT DESCRIPTION

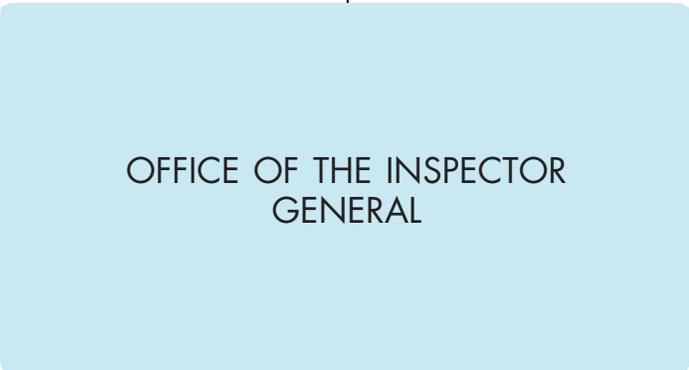
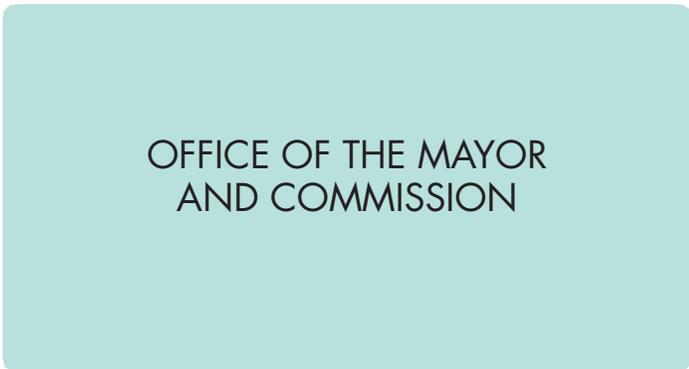
The Office of the Inspector General was created pursuant to ordinance 2019-4239 following voter approval in a November 2018 ballot referendum.

The Office was created pursuant to City Commission direction. As the City's main deterrent to fraud and inefficiencies, the Office acts as an independent division, separated so as to be protected from political influence, with the primary goal of enhancing public trust in government. To do this, the Inspector General is vested with the ability to require the production of documents and records in the possession and control of the City for review, and has the power to issue subpoenas, where necessary.

The Office of the Inspector General is responsible for investigating programs, operations, contracts, and employees to ensure:

- Procurement negotiations and selections are fair and unbiased
- Programs, contracts, and transactions are both necessary and utilizing the most feasible solution
- Existing projects and programs are monitored effectively for timeliness, cost-effectiveness, and conformity
- Taxpayers get a fair and honest accounting of their money
- Events, transactions, adjustments, and processing procedures are established, authorized, and maintained in accordance with laws, regulations, contracts and management's policy
- Transactions are accounted for economically, efficiently processed, accurately and promptly recorded, and properly reported
- Recorded balances are periodically substantiated and evaluated
- City assets and key forms, records, and files are properly safeguarded, and access thereto appropriately restricted

In addition, the Office is responsible for conducting audits of businesses responsible for remitting resort taxes and Sanitation franchise/roll-off fees to the City. These revenue-based audits determine compliance with the applicable City Ordinances and may result in monetary assessments including penalties and interest.



OFFICE OF THE INSPECTOR GENERAL

FISCAL ENVIRONMENT

The General Fund charges an administrative fee to Enterprise Fund departments, the Redevelopment Agency (RDA), and Resort Tax Fund to cover the cost of various administrative support functions provided by the General Fund.

The Office of the Inspector General receives funding from the Resort Tax Fund for the examination of records of applicable City of Miami Beach businesses to ensure compliance with Resort Tax Ordinances. Parking and Sanitation funds also support reviews and audits of internal controls over operations and collections.

STRATEGIC ALIGNMENT

Main Vision Area:

Organizational Innovation

Management Objectives:

- **Organizational Innovation**
 - Ensure strong fiscal stewardship
 - Support all objectives to improve strategic decision making and financial stewardship, making the city more business friendly and user friendly, with an employee culture of problem solving and engagement



Strategic Plan Actions:

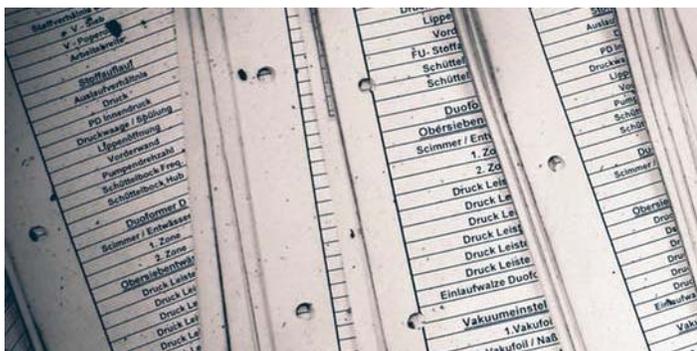
- N/A

Budget Enhancement Actions:

- N/A

Resilient305 Actions:

- N/A



BUSINESS ENVIRONMENT

The Office of the Inspector General has numerous responsibilities within the City and works with all departments/divisions to promote honesty and efficiency within City government. The Office of the Inspector General seeks to ensure that the treasury of the taxpayers is protected and to appropriate remedies to recover public funds where possible.

The Office has numerous responsibilities within the City and works with all departments/divisions to facilitate and provide consulting, advisory, organizational, and support services as noted in the prior section. In addition, it provides staff support to the Audit Committee, which is comprised of City residents appointed by the Mayor and Commissioners.

SIGNIFICANT ACCOMPLISHMENTS

The following reports have been completed in the 2019 fiscal year:

- Internal audit draft reports including Public Works Inventory, Beach Towing Services, Inc.'s Towing Permit Compliance, Tremont Towing, Inc.'s Towing Permit Compliance and Parking and Police Department Requested Tows Operations



- Three Sanitation audit draft reports resulting in net assessments of \$0
- A semi-annual review of three separate Parking areas (Attended Lots, Coin Room, and Garage Validations & Exemptions)
- Performed daily reviews of the general deposit debit transactions, monthly reviews of the general deposit debit transactions, monthly reviews of City bank account reconciliations and semi-annual reviews of selected internal control findings in BDO USA, LLP's May 17, 2017 audit report which focused on how the City should mitigate its risk exposure on Treasury and Automated Clearing House (ACH) disbursements
- 56 resort tax audits resulting in net assessments exceeding \$112,801

OFFICE OF THE INSPECTOR GENERAL

CRITICAL SUCCESS FACTORS

- Provide accurate reviews and audits on a timely basis to City Administration and auditees to facilitate effective corrective action
- Advise nonconforming Sanitation and Resort Tax businesses of needed record keeping improvements to better comply with existing City Code provisions
- Identify areas within the City vulnerable to fraudulent activity
- Enact preventative measures to fraud and ethical misconduct within the City
- Prevent the waste and mismanagement of taxpayer money
- Recommend policies for activities designed to promote economy, efficiency, and effectiveness

FUTURE OUTLOOK

- Coordinate a Citywide Fraud Risk assessment with an external consultant which will be utilized to better plan audits and address those areas of higher risk
- Provide an annual transparency report with a list of investigation cases, audits, and reviews concluded during the past year.

