

INSPECTOR GENERAL SELECTION AND RETENTION COMMITTEE

MEETING MINUTES

October 22, 2015

1:00 p.m. – 2:00 p.m.

Location: City Hall, St. James Building, Lynwood Roberts Room 117 West Duval Street

In attendance: Inspector General Thomas Cline, Honorable Judge Elizabeth Senterfitt, attending as designee for Chief Judge Mark Mahon, Chair of the True Commission Marc El Hassan, Council Member Lori Boyer, Michael Kennedy, attending as designee for Patty Dodson, who is the designee for State Attorney Angela Corey, Public Defender's Office representative Sam Shiver and Chair of Ethics Commission Joe Jacquot.

Absent: Kerri Stewart (designee for Mayor Lenny Curry)

Also: Sheryl Steckler, Inspector General Advisor; Jonathan Parrish, Inspector General Investigator II, City Council Member Anna Lopez Brosche, City Council Member Danny Becton and Tina Miller, HR Specialist, Employee Services.

Meeting convened: 1:00 p.m.

- I. **Pledge of Allegiance** – Vice-Chair of Ethics Commission, Joe Jacquot
- II. **Roll Call**
- III. **Approval of the May 28, 2015 minutes**
- IV. **Discussion of the agenda:** Council Member Clay Yarbrough, who was the Chairman, is no longer on this committee. Joe Jacquot, Vice Chairman, conducted the meeting until a new Chairman was selected. Joe stated that he really appreciated Clay serving as chairman. There was a lot of interfacing between the Inspector General and City Council and it was helpful from that perspective to have the chair be a member of the City Council. The question was raised to the committee for anyone who was interested to serve as Chairman. Marc El Hassan from the TRUE Commission stated he would be interested in helping, but his term is up early next year and did not feel that he would be around long enough to serve. Lori Boyer stated that she would not be opposed to chairing, but would like for anyone else to speak up if they were interested. Joe asked for additional thoughts or suggestions or nominations. Judge Senterfitt nominated Lori Boyer for Chairman. Joe seconded the nomination and asked for any comments on this nomination. Lori Boyer was unanimously voted in as chair. Joe asked for volunteers for Vice Chairman. Judge Senterfitt asked if she was allowed to be Vice Chairman since she is on the committee as the designee for Chief Judge Mahon. Joe stated that would be fine. Marc nominated Judge Senterfitt as Vice Chairman and Joe seconded the motion. Judge Senterfitt was unanimously voted in as Vice Chairman. At this point, Inspector General Tom Cline was asked to provide his report.
- V. **Inspector General Report:** This is a dry run of the presentation for City Council on October 27, 2015. Please share any suggestions for improvement. A verbal briefing will be provided

every six months. We continue to build the foundation of the Inspector General's office (OIG). We have hired additional staff, an auditor and an investigator. We are close to releasing the final version of our audit manual. We are working on training key staff on becoming certified investigators and on law enforcement accreditation. Both of the investigators are Certified Inspector General Investigators by the Association of Inspector Generals. We are working on protocols to establish guidelines and support and how we cover jurisdictional matters. A very important policy that was issued during this six month reporting period is the City of Jacksonville Reporting Policy which provides definitive guidance to and support for employees to report allegations of fraud, theft, bribery, contract mismanagement (exceeding \$5,000) or violations of law to OIG. The FY 2016 budget of \$811,371 is in place. It supports four current staff and three new employees we need to hire in FY 2016. This will set up a full investigative team, an audit team and a contract oversight team and puts all components of OIG oversight in place. In addition to the audit manual, we are working on a risk assessment model based on dollars budgeted, revenue, number of staff and number of issues of which we are aware and factors to determine risk assessment. We've met with the Council Auditor's Office several times and exchanged plans and thoughts on workload and we are meeting with the oversight structures that are in place with the Constitutional Officers and Independent Authorities. The idea is to avoid duplicated effort. We are designing an audit plan for our office based on the risk assessment. We will be doing the Sunshine Law Compliance Review soon. The Council Auditor's Office performed this audit in the past and it will now be conducted by the OIG and will be done in 2016. We have also obtained an OIG Enterprise Case Management System (IGIMIS). This was developed by the OIG of Palm Beach County, Florida. This is an important case management tool that electronically tracks all complaints, investigations, public record requests and workflow in accordance with accreditation standards. It tracks all information from intake to completion. An overview of our investigations over the last six month reporting period (from April 15, 2015 to October 14, 2015) includes 72 new written correspondences of which 38 are closed and 34 remain open. At the request of the administration, we have started sending correspondence through the office of Chief Administrative Officer Sam Mousa. An audit of the Small Businesses/Access to Capital Program revealed five findings and identified costs of \$100,000 and questioned costs of \$859,917. Three recommendations for corrective action were implemented: 1) Determine whether the Access to Capital Program should continue and take appropriate steps based on the decision, and update the COJ website accordingly. The reference to the Access to Capital program has been removed from the COJ website. 2) Pursuant to the future of the Access to Capital Program, appropriately address any distribution of funds per the terms of the Access to Capital Program master contract and the Interlocal Agreements. No distributions of funds related to the Interlocal Agreements will be done until appropriate account of the funds or until the program is reestablished. 3) Based on the findings of this Management Review take any corrective action deemed appropriate. Pending matters include: effective January 2016, OIG jurisdiction expands to include Constitutional Officers and Independent Authorities. We have been meeting with these entities to discuss oversight and various issues with their operations, also the possibility of obtaining funding from these

entities for OIG functions. So far, we have not had anyone tell us that they will not cooperate, but we have also not had an enthusiastic response, so the discussions are ongoing. Discussions regarding potential funding for OIG oversight are ongoing. Funding from Contract Activity recommendation to ensure that the new Enterprise Resource Planning (ERP) computer system includes the capacity for billing and collecting an Inspector General Contract Fee. Contractor representatives have stated the system will have the required capacity. ERP project is on hold per the Mayor's Office for a short time. This concluded the presentation and Tom asked if anyone had questions.

- VI. Questions from the Committee:** Joe asked about the Sunshine Compliance Review. It is a notice and reporting review of public meetings. Lori stated that the City Council Auditors did this in the past. Lori stated that she had a number of questions. What did this committee envision that the six month update of activities would include? Lori stated that she had certain expectations coming from the Council perspective, and sitting on the Council that participated in the elimination of the former OIG because it was felt that they were not bringing anything to the table. They were not adding value or doing anything different than what the City Council Auditor's office was doing. Lori stated that she was hoping to see more details about the actual investigative activities that were going on, not just that you received x number of pieces of written correspondence. Lori stated she wanted more substance about what the OIG is doing. She stated that she understood that there are confidentiality constraints, but would hope that a six month update would contain more substance about what the OIG office is doing so that the committee would have a greater sense of the value of the service being provided and how it is impacting city government. Half of the presentation here is about things related to staffing and processes and how you got more fees for the activity which is relevant, but Lori is more interested in the substance of what the OIG is doing and wants more information. Judge Senterfitt stated that she would like to see more detail about what the investigations involved and also what dollars are being saved. She stated that the committee understood that the OIG is new, but the committee is also new to this process. Tom stated that the six month oral report process is new to him with his perspective from the federal government which required written reports issued every six months that contained details on staffing and budget and work that had been completed in that six month period of time. Tom's understanding was that the six month report requirement would be a ten minute presentation and the annual report will be more comprehensive. The annual report will be issued at the end of this year. Lori stated that the OIG was set up as an independent agency and this committee needs more information from the IG to properly evaluate his performance and evaluate if the committee thinks that everything is working like it was intended to work. Joe stated that City Council has the responsibility to oversee the OIG. This committee should be evaluating Tom in regards to what he is doing with the office, his vision and goals, meeting those goals and what Tom is doing in terms of providing value based on the funds provided. Tom stated that he can provide more cumulative information on the report in the future. Judge Senterfitt stated that maybe the report to City Council could be more general, but to this Committee, it should be more detailed. Lori stated that City Council will want more detail also. She stated that the OIG is asking for a lot of staff and the committee is not clear on

what he is doing. Unless the committee has more concrete information to review for accomplishments during this time, it is going to be challenging. Lori stated that she would hope that future presentations would contain more details and provide a deeper understanding about what the OIG is spending time on and how they are dividing their time. She stated that she doesn't mind if Tom presents the cumulative information, but if the committee's job is selection and retention, the committee needs to be able to evaluate Tom's performance from the time he started. Marc asked where the separation is between the Council Auditor's office and the OIG. Tom stated that the OIG has primarily been responding to correspondence that is creating work from outside the office. The OIG plans to establish risk assessments and audit leads. Assignments come to the OIG from a variety of sources such as employees and contractors and this will expand with time. Marc stated that information should be included in the presentation next time. Also, how do you determine whether the OIG takes the case or refers it to the Council Auditor's Office? Tom stated that he has met with the Council Auditor's Office several times when a question comes up whether it should be the OIG, the Council Auditor's Office or the Ethics office. The process is to discuss the case and reach a decision about who has the best resources and time to take the case. Typically, criminal allegations and criminal activities come to the IG office. Once you get out of that arena, it becomes a matter of who is in the best position to take a look at the issue. Marc stated that future presentations could include how many cases were referred to Council Auditor's Office and how many were retained by OIG. Lori stated that she still didn't have clarity as to whether there is a distinct function that the OIG serves as an auditor that is different than the function that the Council Auditor's Office serves. She stated that she heard Tom say he coordinates with the Council Auditor's Office so that you don't audit the same things, but are you getting the same things and is it just two different agencies providing the same service in two different shops or is your activity different? Tom stated the big difference between the two offices is that the OIG doesn't work for City Council. It is independent of the City Council. Council Auditor Kirk Sherman has a significant portion of his staff that responds to inquiries from the City Council. Independence is a big advantage of the OIG. Lori stated that Tom needs to be clear about how much staff and work time is being allocated to activities. Lori's understanding is that an OIG looks at operations of departments where there are practices that are not well designed or not efficient. Lori stated that her frustration with the Council Auditor's Office is that they are very accounting-focused and if A and B balance in the end, it's ok. Lori's perception of the OIG was that it was going to be much broader. Tom stated that yes, her perception of the OIG is accurate. Lori asked about the audit manual and audit process stating that the Council Auditor's Office meets with the agency being audited and provides a report with the list of concerns and includes the response from the agency. Is that part of the OIG practice as well? Tom stated yes. That will be in the manual as well. This is part of auditing standards. Marc asked what would trigger a transfer of an audit from the Council Auditor's Office to the OIG. Tom stated resources and expertise and the subject of the audit. The target of the audit also could be a reason. The OIG will not be doing many financial audits. Marc asked about follow up. Based on what was found in the Council Auditor's Office was they would do an audit and then some of them were not followed up with for conclusions

and recommendations. Tom stated that the OIG will follow up on everything until they are satisfied with the recommendations. This is standard OIG practice. Lorie referred to the Ordinance Code #602-303 which is the section that talks about the duties of the OIG. Lori suggested that Tom review the list of duties the office performed during the six month reporting period. If some are not applicable, that is fine. This should be a guiding background of what the OIG should be doing. It would be helpful to match up what has been accomplished, such as establishing the hot line and engaging in intervention and outreach activities. In evaluating the OIG performance, it would help us to benchmark how many of these different duties have been accomplished. Tom stated he would take these recommendations and include them in the next report. Lorie asked if the committee wanted responses to the questions raised today before the December report. Judge Senterfitt stated that she would rather allow Tom to spend his time doing his job and not spend time on responding to the Committee. Lorie stated that this will be included in the December report based on items in the minutes.

- VII. New Business:** This was included in the presentation.
- VIII. Comments from the Public:** None
- IX.** Meeting was adjourned by Council Member Lorie Boyer at 1:53 pm.