

OFFICE OF THE INSPECTOR GENERAL

DEPARTMENT MISSION STATEMENT

We provide independent oversight of all City operations to add value, improve performance, and increase efficiencies by conducting investigations, audits, reviews, and inspections to protect City resources. We are dedicated to ensuring accountability and integrity through the identification of fraud, mismanagement, waste, and abuse of power in City projects, programs, and contracts.

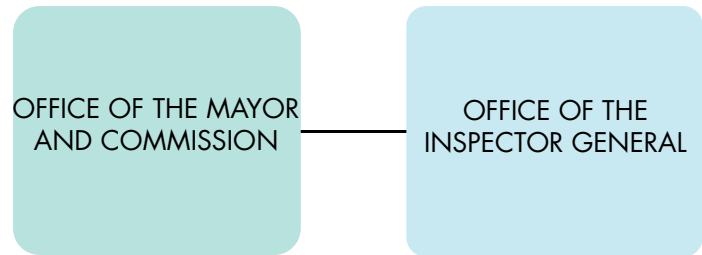
DEPARTMENT DESCRIPTION

The Office of the Inspector General (OIG) was created pursuant to voter approval of a City Charter Amendment in a November 2018 ballot referendum, which was approved by 81% of the City's voters.

The Office acts as an independent oversight agency, 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 records in the possession and control of City departments, vendors, and employees for review and has the power to issue subpoenas for testimony or documents, whenever necessary.

The Office of the Inspector General has the authority to investigate programs, operations, contracts, and employees with the following goals:

- Prevention and detection of fraud, abuse, waste, and mismanagement in City affairs
- Promotion of a fair and unbiased procurement process and contract oversight



DEPARTMENT DESCRIPTION CONT'D

- Monitoring of existing projects and programs for timeliness, cost-effectiveness, and integrity
- A fair and honest accounting of taxpayer funds
- Economical, efficient, accurate, and prompt recording and reporting of sampled City transactions and accounts
- Proper safeguarding of City assets, records, and files

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

FISCAL ENVIRONMENT

The OIG is an internal service department funded through an allocation that is charged to other City departments through the budgetary process.

The OIG also receives funding from the City's Resort Tax Fund to determine compliance with Resort Tax Ordinances.

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 protect taxpayer funds.

The Office works with all departments/divisions to facilitate and provide consulting, advisory, organizational, and support services. In addition, the Chief Auditor serves as the liaison for, and the OIG provides staff support to the Audit Committee, which is a City advisory board comprised of City residents and individuals who own or work in Miami Beach businesses, appointed by the Mayor and City Commissioners.



OFFICE OF THE INSPECTOR GENERAL

SIGNIFICANT ACCOMPLISHMENTS

Activities completed in the previous fiscal year included the following:

- Completed internal audit and contract oversight reports for: Miami Beach Cultural Arts Grant, Lincoln Place Ground Lease Agreement, The Ballet Valet Parking Lease Agreements, State Beachfront Management Agreement, Insurance Certificate Tracking System, and G.O. Bond Quarterly Reports
- Completed investigations for Review of Building Department Outside Employment Policy and Public Records Issues, Review of City Hiring Procedure and Outside Employment Conflict Issues, Review of Complaints against Golden Dreams Condominium Owners, Investigation of Certificate of Use and Business Tax Receipt for 1330 15th Street, Investigation of Unauthorized Outside Employment and Exploitation of Official Position by a Public Works Employee, and LaGorce Island Security Gate Procedure.

**“
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”**

- Completed Sanitation audit reports of roll-off contractors as well as the issuance of a Sanitation Field Observations Report, which identified numerous non-compliant contractors that received Notices of Violation from the Code Compliance Department
- Completed unannounced reviews of completed City bank account reconciliations and a review of selected internal control recommendations 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.
- Completed 182 Resort Tax audits, resulting in net assessments of over \$2.5 million during FY 2023. Although the net assessment figure may change as additional records and information are provided, it represents the highest net assessment ever recorded in a fiscal year.

CRITICAL SUCCESS FACTORS

- Provide accurate reviews, inspections, and audits to the City Commission, City Administration, and auditees to facilitate timely 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 internal control weaknesses and recommend corrective action to City management
- Recommend procedures for activities designed to promote economy, efficiency, and effectiveness
- Refer fraudulent or other illegal activity to the police or other law enforcement or investigatory agencies, including the County Ethics Commission

FUTURE OUTLOOK

- Provide an annual transparency report with a list of investigations, audits, inspections, and reviews concluded during the past year
- Work with the City Attorney’s Office to update Resort Tax and Sanitation’s City Code sections to avoid ambiguities, facilitate compliance, and eliminate loopholes
- Meet regularly with City management to share concerns regarding City operations or projects that may require oversight
- Complete transition to K10 Vision, an integrated management software, for conducting and memorializing OIG audit and investigative activities from inception to conclusion
- Update departmental Standard Operating Procedures

