



Internal Audit Report

BOCC Lobbyist Logs



Report Number: 2018.05

Date: August 29, 2018



Audit of BOCC Lobbyist Logs



To: The Honorable Linda Doggett, Lee County Clerk of the Circuit Court & Comptroller

From: Tim Parks, Chief Internal Audit Officer/Inspector General

Date: August 29, 2018

Re: Audit of BOCC Lobbyist Logs

Dear Ms. Doggett,

The Inspector General Department has completed an audit of BOCC Lobbyist Logs. David Rollman, CIA, Senior Internal Auditor conducted this review.

This audit activity conforms to the Institute of Internal Auditor's (IIA) *International Standards for the Professional Practice of Internal Auditing (Red Book)* and the Association of Inspectors General (AIG) *Principles and Standards for Offices of Inspector General (Green Book)*.

The audit client's response is attached to this report. We wish to express our appreciation for the cooperation and assistance provided us by management and staff during this review.

This report will be posted to the Clerk of Courts website, www.leeclerk.org, under Inspector General, Audit Reports. A link to this report has been sent to the Lee County Board of County Commissioners and appropriate parties.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Tim Parks".

Tim Parks, Chief Internal Audit Officer/Inspector General
Inspector General Department

TJP/GK



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Executive Summary

The audit of the Board of County Commissioners (BOCC) Lobbyist Logs was included in the 2017 BOCC Annual Audit Plan. A risk assessment project was completed for all BOCC business units prior to creating the audit plan.

The objective of the audit was to ensure that the lobby logs are fully completed and submitted by all required parties in compliance with Lee County Ordinance No. 03-14.

There were instances of non-compliance with the lobby ordinance. These included:

- Incomplete lobby logs were submitted by seven of 78 employees during a two quarter test period
- Five of 78 employees did not have lobby logs on file with the Minutes Department during the test period
- Annual registration forms or quarterly statements were not submitted by 17 of 29 registered lobbyists during a one year test period
- Eleven of the quarterly statements did not list the names of commissioners and/or employees that were contacted

Currently there is no party(s) designated to monitor and enforce the lobby ordinance, or consequence/penalty for non-compliance. To increase transparency and accountability to the citizens of Lee County, we recommend amending the ordinance to address the root causes of non-compliance including:

- Assigning the monitoring function to a specified party(s) to ensure that there is compliance with the ordinance provisions.
- Assigning the enforcement function to a specified party(s) to ensure that there is accountability with the ordinance provisions.
- Determine and define the consequence/penalty for non-compliance.
- Changing the verbiage for document submission from “under oath” to “written declaration” as defined in Florida Statute to allow electronic submission of the forms.

Background

Ordinance No. 03-14 relates to lobbying activities and lobbyist reporting in Lee County, Florida.

According to this ordinance, “*Lobbying’ means communications outside of a duly noticed public meeting or hearing on the record, whether written or oral by a lobbyist, with any member or members of the Board of County Commissioners, or any county employee,*



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whereby the lobbyist seeks to encourage or influence the passage, defeat, modification or repeal of any item which may be presented for a vote before the Board of County Commissioners, or any Decision-Making Body under the jurisdiction of the Board, or which may be presented for consideration by a county employee as a recommendation to the Board or decision-making body. A lobbyist means any person, firm, corporation or other legal entity, paid or unpaid, who, on behalf of another, engages in the activity of lobbying.”

Instructions for Lobbyist Log completion are located on both the Clerk of Court (www.leeclerk.org) and BOCC websites (www.lee.gov/lobbying) along with links to the Ordinance.

County Commissioners and certain employees specified in the ordinance who make regulatory decisions or recommendations to the Board are required to maintain a log which documents each oral lobbying communication or meeting with a lobbyist whether paid or unpaid, held for the purpose of lobbying outside a duly noticed public meeting or hearing on the record. The log shall, at a minimum, reflect the name of the lobbyist, the date of the oral lobbying communication or lobbying meeting, and the subject matter discussed. Logs are to be delivered to the Clerk of Court’s Minutes Department at the end of each quarter. We identified 78 employees that were required to complete and submit lobby logs.

At present, the Commissioners and specified employees may submit their lobby logs by email or in person to the Minutes Department.

All paid lobbyists are to register with the Clerk of the Board of County Commissioners (LCCC) on an annual basis. Each quarter all paid lobbyists shall submit to the LCCC a signed statement under oath listing lobbying expenditures, the sources of the funds, and an itemization as to the amount expended for each member of the Board of County Commissioners, a county employee or any other person on a Decision-Making Body under the jurisdiction of the Board of County Commissioners.

At present, lobbyist registrations and quarterly statements must be either notarized and mailed or signed in person in front of Clerk of Court personnel. There is no option for electronic submission.

Objective, Scope, and Methodology

The objective of the audit was to ensure that the lobby logs are being fully completed and submitted by all required parties in compliance with Lee County Ordinance No. 03-14.

The scope of the audit included a review of the lobby logs that were completed and submitted by members of the Board of County Commissioners and by the other employees designated in the ordinance.



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The audit methodology was comprised of the following steps:

- Planning - Procedures were developed based upon research, audit objectives, and intended scope of the audit.
- Field Work - Managers and employees were interviewed for insight on the operations. Evaluation and tests were conducted on operations and procedures to address and complete the audit fieldwork.
- Wrap-up - An Exit conference was held with management to discuss the audit results.

Observations and Recommendations

Paid Lobbyist Registration and Statements

According to Lee County Ordinance No. 03-14, paid lobbyists are to submit an annual registration form and quarterly statements. The annual registration forms and quarterly statements are received and posted on the LCCC's website by the Minutes Department. Minutes Department employees do not review the documents. Their function is to post the documents as they are received and make them available to the public.

We reviewed the annual registrations and quarterly statements for the State's Fiscal Year 2016-2017 (7-1-16 to 6-30-17). A total of 29 paid lobbyists submitted either the annual registrations, quarterly statements, or both for the year. Seventeen of the paid lobbyists that did submit forms submitted an annual registration or quarterly statements but not both. Fourteen lobbyists did not submit all of the required quarterly statements. Eleven of the quarterly statements did not list the names of commissioners and/or employees that were contacted.

The submission and proper completion of the annual registrations and quarterly statements is currently not monitored for completeness or compliance by County personnel. There is no follow-up, accountability, or consequence/penalty when the forms are missing or incomplete.

The existing standard for lobbyists to submit annual registrations and quarterly statements is the information within the documents must be stated as "under oath." That means the lobbyist must either present the documentation to a Clerk employee in person, or sign in front of a notary and mail the documentation to the Clerk. Lobbyists are not permitted to electronically submit the documentation under the current ordinance. We believe that compliance could be enhanced by allowing electronic submission of the documents.

Lobby Log Completion



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Commissioner and designated employee lobby logs are posted on the LCCC website by the Minutes Department. Minutes Department employees do not review the documents. Their function is to post the documents as they are received and make them available to the public.

Lobby logs for the County Commissioners were reviewed for the following quarterly periods:

- October 2016 thru December 2016
- January 2017 thru March 2017
- April 2017 thru June 2017
- July 2017 thru September 2017

All lobby logs for these time periods were submitted and no exceptions were noted.

The lobby logs for the County employees specified in the ordinance were reviewed for the quarter April 2017 thru June 2017 and the quarter July 2017 thru September 2017. Five employees did not submit a log for at least one of the periods reviewed. Seven of the submitted logs were incomplete.

Four of the paid lobbyists that submitted quarterly statements listed the names or titles of the commissioners and/or county employees that they had contacted. These lists were traced to the lobby logs submitted by the commissioners and employees.

There is no review of the lobby logs for completeness or compliance by County personnel. There is no follow-up or accountability when the logs are incomplete or not submitted.

Recommendations

We reviewed similar lobby ordinances from peer counties. They designate a party to monitor and enforce their respective ordinance. The designated parties were either the County Manager's or County Attorney's office.

We recommend amending the ordinance to address the root causes of non-compliance including:

- Assigning the monitoring function to a specified party(s) to ensure that there is compliance with the ordinance provisions.
- Assigning the enforcement function to a specified party(s) to ensure that there is accountability with the ordinance provisions.
- Determine and define the consequence/penalty for non-compliance.



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- Changing the verbiage for document submission from “under oath” to “written declaration” as defined in Florida Statute to allow electronic submission of the forms.

John Manning
District One

Cecil L. Pendergrass
District Two

Larry Kiker
District Three

Brian Hamman
District Four

Frank Mann
District Five

Roger Desjarlais
County Manager

Richard Wm. Wesch
County Attorney

Donna Marie Collins
Hearing Examiner

August 6, 2018

Sent via Email

Lee County Clerk of Courts & Comptroller
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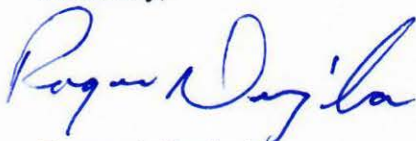
Mr. Parks,

After review of the individuals in question, it was discovered that some individual's lobby logs were not completed due to a change of position or terminated employment with Lee County. Cathy Olson submitted a lobby log on June 13, 2017 stating she was no longer the Acting Parks and Recreation Director. She had resumed her position as a manager in March 2017. Jeff Halcomb resigned his position with Lee County on September 7, 2017 and no lobby log was submitted for the 4th quarter.

Individuals that did not complete or submit lobby log(s) will be counseled on Ordinance 03-14 and the importance of lobby log compliance, lobbying activities and lobbyist reporting. Due to the high degree compliance, no further action is required. However, the County Manager's Office will continue to emphasize the importance of complying with the ordinance for transparency and public trust.

After review from the County Attorney's Office, individuals in question have been counseled regarding the importance of a full and complete log entry. We will reaffirm the significance of lobby log compliance during office staff meetings. No further action is contemplated nor required at this time.

Sincerely,



Roger J. Desjarlais
County Manager



Richard Wm. Wesch
County Attorney