Inspector General Department Charter

Inspector General Department

LeeClerk.ORG
LINDA DOGGETT : CLERK OF COURT

Tim Parks, Chief Internal Audit Officer/Inspector General
VISION STATEMENT

Promote public trust by providing our stakeholders with an independent and objective assessment of accountability and transparency by fostering integrity and promoting efficient, cost-effective Lee County government operations.

MISSION AND SCOPE OF WORK

- Provide an independent, objective and comprehensive internal auditing program for Lee County Government (BOCC), Lee County Port Authority (LCPA), and the Lee County Clerk of Circuit Court & Comptroller’s (LCCC) operations and financial records. Advance accountability through the provision of assurance and consulting services. Proactively work with stakeholders in identifying and mitigating risks, evaluating internal controls, and making recommendations that add value, promote economical, efficient, and effective delivery of services. Enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight.
- Promote good government and enhanced public trust by performing investigations to ensure compliance with the LCCC’s Fraud, Waste, and Abuse Policy and Procedures. The policy is designed to facilitate the development of internal controls in order to provide for the detection, prevention, and reporting of fraud, waste, and abuse directed against County government. Perform enhanced guardianship audits to provide oversight of the management of financial resources for incapacitated and partially incapacitated citizens.
- Serve citizens with respect and professionalism in the performance of the collection, audit, and enforcement of the BOCC’s Tourist Development Tax. Provide education and administer applicable tax laws fairly and consistently. Perform research, audits, and enforcement investigations to ensure compliance with the myriad number of applicable laws and regulations. This allows for the detection and prevention of Tourist Tax Fraud, and ensures the highest level of compliance to provide a “fair and level playing field” for the citizens of Lee County regarding all registered and unregistered Dealers.

The scope of the Inspector General’s (IG) authority includes: Perform internal audits and fraud, waste, and abuse investigations of the operations and financial records of Lee County government agencies, departments, and employees that are under the direct authority of the BOCC, LCPA, and LCCC. Perform enhanced guardianship audits and investigations, and perform audits and enforcement investigations in support of the Lee County Tourist Development Tax.

The Public expects IG office’s to hold government officials accountable for efficient, cost-effective, transparent government operations and to facilitate the prevention, detection, identification, exposure and elimination of fraud, waste, abuse, financial mismanagement, and ethical misconduct.

The scope also includes other functions for which the BOCC provides financial support as separate entities in its budget or of which the Board is the ex-officio governing body. The Attorney General, in opinion No. 86-38, stated, "Until legislatively or judicially determined otherwise, the clerk of the circuit court as ex-officio county auditor is not authorized to perform post-audit functions on the records of other constitutional officers." Therefore, the scope does not include: Audit or investigation
of the 20th Judicial Circuit, the State Attorney’s Office, the actions of private attorneys, and the Lee County Constitutional Offices of Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections.

The scope of the IG’s work includes the following three general areas:

Audit Services Unit (AUD) Internal Audit Team:

- **Internal Audit Defined:** *Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization’s operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.*
- The Internal Audit team has the primary responsibility to review and test the reliability and integrity of financial and operating information and the means used to identify measure, classify, and report such information.
- Review and test the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on operations and reports.
- Review and test the means of safeguarding assets and, as appropriate, verify the existence of such assets.
- Appraise the economy, efficiency, and effectiveness with which resources are employed and management’s operational control not strictly within the scope of financial statements.
- Review operations to determine whether the results are consistent with established objectives and goals and if the operations or program goals are successfully implemented as intended.
- Monitor and evaluate governance and risk management processes.

Public Integrity Unit (PIU) Team:

- The PIU team has the primary responsibility for the review, and investigation of alleged inappropriate activity as defined in the LCCC Fraud, Waste and Abuse Policy and Procedures.
- The team performs fraud, waste, and abuse investigations of BOCC, LCPA, and LCCC departments and operations.
- If an investigation substantiates that a fraudulent act may have occurred, the Chief Internal Audit Officer/Inspector General (CIAO/IG) shall notify the Clerk. After consultation with the Clerk, other county officials may be notified as appropriate.
- If a substantiated act may have criminal implications, the CIAO/IG or designee shall report findings and consult with law enforcement agencies as necessary to assist in the preparation and presentation of findings.
- Perform enhanced guardianship audits within the provisions of Chapter 744, Florida Statutes, to provide oversight of the management of financial resources for the County’s incapacitated and partially incapacitated citizens.
Tourist Development Tax Unit and Audit Services Unit (TDT) Team:

- Has the primary responsibility for the collection, audit and enforcement of levied tourist tax as directed in Lee County Ordinance 13-14 (effective July 1, 2013).
- Promulgates rules; prescribes and publishes the forms necessary to effectuate the Ordinance. The rules may include guidelines for registration and reporting requirements that are consistent with the provisions of Chapter 212, Florida Statutes and Chapter 125.0104, Florida Statutes.
- Maintains appropriate records of TDT funds.
- Provides education, administers applicable tax laws fairly and consistently, performs research, audits dealers, and performs enforcement investigations to ensure compliance with applicable laws and regulations.
- Provides proactive detection and prevention of Tourist Tax fraud to provide a “fair and level playing field” for the citizens of Lee County regarding all registered and unregistered Dealers.

AUTHORITY

By authority of the Constitution of the State of Florida, Article VIII, Section 1. (d), "...the Clerk of the Circuit Court (Clerk) shall be ex-officio clerk of the Board of County Commissioners, auditor, recorder, and custodian of all county funds." The Constitution of the State of Florida, Article V, Section 16, also specifies that the Clerk of the Circuit Court shall have the duties quoted above.

Pursuant to the legal authority and responsibility cited above, the Clerk has established the Inspector General Department to fulfill the responsibilities of the office as they relate to investigations and auditing functions outside of the pre-audit of disbursements from BOCC funds. The LCCC Finance Department performs the pre-audit function.

The CIAO/IG, in the discharge of his/her duties, shall be accountable to the Clerk to:

- Perform audits of operations of the BOCC, LCPA, and the LCCC.
- Perform collection, audit, and enforcement of tourist tax levies, and maintain appropriate records of TDT funds.
- Perform enhanced guardianship audits and advise the court of the results of the audits.
- Report observations and make recommendations as they relate to the operations of the BOCC, LCPA and LCCC. The recommendations are intended to add value, mitigate associated risk, and improve processes.
- Provide timely follow up status reports regarding management’s acceptance of risk or successful implementation and resolution.
- Coordinate with and provide oversight of other control and monitoring functions (risk management, compliance, security, legal, ethics, environmental, external audit) as directed by the Clerk.

The CIAO/IG and IG team members are authorized to:

- Require unrestricted access to all applications, functions, records, property, and personnel.
- Allocate resources, set frequencies, select subjects, determine scope of work, and apply the
techniques required to accomplish audit and investigative methodologies and objectives.

- Interview employees, administer oaths, and compel the production of books, papers, documents, reports, and all other evidence material as requested.
- Interview external stakeholders, and gather information as necessary, outside of the business unit under audit or investigation.

The CIAO/IG and IG team members are not authorized to:

- Initiate or approve accounting transactions external to the Department.
- Direct the activities of any BOCC, LCPA, or LCCC employee not assigned to the IG Department.

INDEPENDENCE

To provide for the independence of IG activities, its personnel report to the CIAO/IG, who reports functionally and administratively to the Lee County Clerk of Court & Comptroller. Since the Clerk is elected, and thus responsible to the citizens and taxpayers of Lee County, the Clerk is considered to be independent. The CIAO/IG must communicate and interact directly with the Clerk. The Clerk, as County Auditor communicates with the BOCC, but this does not restrict the CIAO/IG from communicating with the BOCC directly. The IG has no direct responsibility or authority over any area subject to its audit, review, and investigation. Therefore, in fact and in appearance, the IG is organizationally independent from those areas which it audits, reviews and investigates. The CIAO/IG has the authority and responsibility to perform audits and investigations of all agencies funded by the LCCC, BOCC, LCPA, and to publish fact-filled summary reports in conformance with professional audit and investigative standards.

RESPONSIBILITY

The IG team has the authority and responsibility to:

- Develop a flexible annual audit plan using appropriate risk-based methodology, including any risks or control concerns identified by management, and submit the plan to the Clerk for review and approval.
- Implement the annual audit plan, as approved, including any special tasks or projects requested by the LCCC, the BOCC, and LCPA.
- Perform audits outside of the established annual plan(s) to ensure flexibility, preserve timeliness, and respond appropriately to emerging risks as identified during the course of the year.
- Retain a professional audit and investigative team with sufficient knowledge, skills, experience, and professional certifications to conform to the governing bodies’ standards.
- Sustain a quality assurance and improvement program by which the CIAO/IG assures the professional operations of the IG Department’s activities and conformance to the professional standards.
- Perform consulting services beyond assurance activities that add value and assist management in meeting its objectives.
• Ensure the collection, audit, and enforcement of levied tourist taxes as prescribed in Lee County Ordinance 13-14.
• Perform enhanced guardianship audits, providing oversight of the management of financial resources for the County’s incapacitated and partially incapacitated citizens.
• Keep the Clerk informed of emerging trends and successful practices in auditing and investigations.
• Make fraud presentations highlighting the critical role that employee’s play, and their ethical responsibility to citizens and the organization to report alleged Fraud, Waste, Abuse, Financial Mismanagement, and Ethical Misconduct.
• Maintain a fraud, waste, and abuse IG “Tip” Hotline. The tip reporting system includes: anonymous and non-anonymous telephone, LeeClerk.org, email, and in person contacts.
• Investigate alleged instances of fraud, waste, and abuse.
• Initiate and perform investigations as indicated by legally sufficient complaints and allegations.
• Consider scope of work of external auditors and regulators as appropriate, for the purpose of providing optimal audit coverage to organization(s) at a reasonable overall cost.

STANDARDS OF AUDIT AND INVESTIGATIVE PRACTICES

The IG Department shall conform to the following standards:

• Institute of Internal Auditor’s (IIA) International Standards for the Professional Practice of Internal Auditing (Red Book). These Auditing Standards are part of the International Professional Practices Framework. This framework prescribes mandatory conformance with the Core Principles for the Professional Practice of Internal Auditing, Definition of Internal Auditing, Code of Ethics, and International Standards for the Professional Practice of Internal Auditing (Standards).
• Association of Inspectors General (AIG) Principles and Standards for Offices of Inspector General (Green Book). These standards provide a framework to ensure investigations are timely, accurate, objective, fair, and useful.
• The Florida Inspectors General Standards Manual of the Commission for Florida Law Enforcement Accreditation, Inc.

While this Charter is not intended to fully reiterate the professional standards of audit and investigative practices, it is intended to be consistent with applicable standards and should be interpreted in a manner consistent with those standards. Standards not directly incorporated into this Charter shall nonetheless be fully and appropriately applicable to the Inspector General Department. This Charter supersedes the prior Charter dated April 2, 2014.

Timothy Parks, Chief Internal Audit Officer/Inspector General

Linda Doggett, Lee County Clerk of the Circuit Court & Comptroller

Dated 11-16-17