



**Association of Inspectors General
524 West 59th Street, 3532N
New York, New York 10018**

March 30, 2022

Inspector General Teresa Michael,
School District of Palm Beach County
Office of Inspector General
3300 Forest Hill Boulevard
West Palm Beach, FL 33406

Dear Inspector General Michael,

The Association of Inspectors General (AIG) performed a Peer Review of the School District of Palm Beach County (SDPBC) Office of Inspector General (OIG) Audit Services and Contract Review units at your request. The Peer Review Team (Team) evaluated the work of these two units covering the period July 1, 2018 through June 30, 2021. The Team performed the review during the week of March 27, 2022 at the SDPBC OIG office in West Palm Beach, Florida. The Peer Review assessed the work of the Audit Services (AS) and Compliance and Contract Oversight (CCO) units for compliance with the Association of Inspectors General (AIG) Principles and Standards for Offices of Inspector General, and the United States General Accountability Office (GAO) Government Auditing Standards (Yellow Book). These standards are consistent with the qualitative standards under which your office's AS and CCO units¹ have operated throughout the review period.

The two-person Peer Review Team consisted of the following individuals:

Team Leader: Dr. Glenda B. Arrington, Inspector General
Audit Review U.S. Department of Defense, Defense Media Activity

Team Member: Flora Miller, Accreditation Manager / Regional Investigator
Compliance and Contract Oversight FL Department of Children and Families Office of Inspector General

¹ It is noted that the Investigation Services unit is separately peer reviewed by the Commission for Florida Law Enforcement Accreditation, Inc. (Commission) every three years, with their last on-site review being conducted in March 2022. The Commission will review the unit for re-accreditation during their June 2022 meeting.

Inspector General Teresa Michael
Peer Review Opinion Letter
March 30, 2022

On behalf of the Team, I am pleased to advise that we found no reportable instances of failure to meet these standards. There are no limitations or qualifications on our opinion. It is the unanimous conclusion of the Team that both the AS and CCO units met all relevant AIG and GAO standards for the period under review.

The remainder of this letter sets forth the purpose, scope, and methodology of the Peer Review.

Purpose

The Team conducted an independent, qualitative review of the operations of the AS and CCO units of the SDPBC OIG focusing on compliance with agreed-upon standards.

Scope

The Peer Review covered AS and CCO operations, resulting work products, and related file materials chosen from closed reports / activities between July 1, 2018 and June 30, 2021. The Peer Review's scope also covered each unit's compliance with their relevant policy and process manuals and procedural guides; staff qualifications; and professional training requirements. Lastly, the Peer Review assessed supervisory review and quality control over the work product, reporting of results, and the SDPBC OIG relationship and communications with outside agencies. For this last step, the Peer Review Team met with external stakeholders with whom the SDPBC OIG frequently work with, or who are the recipients of the SDPBC OIG work products.

Method

The Peer Review Team generally followed the Peer Review/Qualitative Assessment Review Checklists developed by the AIG Peer Review Committee. These Checklists are based on the AIG and/or GAO Quality Standards. The Team also called upon their own professional experience as senior managers of various Offices of Inspectors General and through their knowledge of and familiarity with best practices within the Inspector General community.

Prior to the actual on-site review, the Team requested information from both the AS and CCO units, including but not limited to policy and procedures manuals, closed case logs, a list of issued reports, and a list of external stakeholders. The Team used this information to select the work products and related case materials that were ultimately reviewed.

On March 28, 2022, the Team held an entrance conference with you and your executive leadership, during which time we explained the Peer Review scope, methodology, limitations, and proposed schedule. During that morning, we also delivered our request for sample review materials. During the week, the Peer Reviewers conducted their fieldwork through examination of the selected case files. Peer Reviewers also

interviewed staff. Interviewees for both units included Divisions included the Assistant Audit Services Director Randy Law and Compliance and Contract Oversight Officer Robert Bliss. Members of the Peer Review Team also interviewed General Counsel Cary High, Executive Assistant Joyce Edison, and other related staff members.

The Team also reviewed the personnel files of current AS and CCO staff and reviewed their Training and Continuing Education files, and all relevant policy and process manuals and procedural guides. All file requests were met fully and timely.

Team members also met with you and with members of your executive leadership to gauge their involvement and interaction with both the AS and CCO units.

The Team conducted all interviews in confidence and without any limitation on scope or time. Reviewers requested follow-up interviews and explanations, as well as any supplemental documentation, and SDPBC OIG staff graciously accommodated the Team.

The Peer Review Team also independently chose several external stakeholders to interview. Meetings were arranged between the Peer Reviewers and the external stakeholders for the purpose of evaluating agency cooperation, effectiveness, and responsiveness. Stakeholders included representatives from the:

- School District of Palm Beach County
- School District of Palm Beach County School Board
- School District of Palm Beach County School Board Audit Committee

Finally, the Team held an exit conference with you and your executive leadership on March 30, 2022, during which time the Team shared its conclusion that the Audit Services and Compliance and Contract Oversight units fully met AIG and/or GAO standards. Team members provided you with our observations and opinions gathered during the review. During the exit conference, Team members provided several observations that did not limit or qualify the opinion of the Peer Review, but were shared with you and your leadership team as possible areas of consideration going forward. Throughout the week, we had productive discussions with SDPBC OIG members (from the leadership to professional staff) regarding their positive experiences from past Peer Reviews and their affirming opinions about the Peer Review process.

As noted above, it is the unanimous conclusion of the Peer Review Team that both the Audit Services and Compliance and Contract Oversight units met all current and relevant AIG and/or GAO standards for the review period.

On behalf of the AIG, I want to thank you for the confidence placed in the Association by requesting that we conduct this review. On behalf of the Peer Review Team, we would like to acknowledge and thank Inspector General Teresa Michael and your designee, Executive Assistant Joyce Edison, for all of her efforts in the coordination and planning of this event and for ensuring that we were provided with the necessary records and tools

Inspector General Teresa Michael
Peer Review Opinion Letter
March 30, 2022

for a thorough and smooth review. Lastly, on behalf of the Team, we would like to recognize that in all of our interactions with your staff, we were shown the respect and cooperation that is the hallmark of a professional staff truly interested in a full and open review of their work. At the same time, this has been a learning experience for each member of the Peer Review Team, for which we wish to convey our sincerest thanks.

Please feel free to contact me or any member of the Peer Review Team if you have any questions.

Yours truly,



Dr. Glenda B. Arrington, Team Leader

AIG Peer Review for the School District of Palm Beach County Office of Inspector General, March 2022

cc:

Flora Miller, Team Member (AIG Peer Review Committee Chair)

AIG Peer Review for the School District of Palm Beach County Office of Inspector General, March 2022



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Dear Inspector General Michael,

On behalf of the Association of Inspectors General's (AIG's) Peer Review Team (the Team), I am writing to share with you some observations we made when we were at your offices from March 28, 2022 through March 30, 2022. The Team was invited to conduct a Peer Review of your organization's Audit Services (AS) and Compliance and Contract Oversight (CCO) units.¹ The Team unanimously concluded that both the AS and CCO units complied with the standards set by the Association of Inspectors General (AIG) Principles and Standards for Offices of Inspector General, and the United States General Accountability Office (GAO) Government Auditing Standards (Yellow Book). An earlier letter dated March 30, 2022 provided this unqualified opinion. The purpose of the present letter is to provide the comments shared with you and your executive staff during the exit conference that took place on March 30, 2022.

On March 30, 2022, the Team met with you and your executive leadership. We provided you with our general conclusion regarding compliance, and noted several areas of distinction and consideration regarding the two units. We met separately with your Directors. In general, the same comments were shared in those, although more operational detail and operating considerations may have been provided to assist your executive team with their functional responsibilities.

The remainder of this letter will address unit-specific areas of distinction and consideration. These comments are based on the direct observations of the Team members assigned to review the unit; Team member interviews with external

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stakeholders; interviews with staff, including interviews with the Directors of each unit; case file reviews; review of administrative and operating materials; and the professional judgment and experience of the Peer Reviewer. Once again, nothing in this management letter diminishes the Team's unanimous conclusion that both the Audit Services and Compliance and Contract Oversight units met the AIG standards for the period under review.

Overall – Areas of Distinction

- **Communications with Stakeholders** – Our meeting with the external stakeholders revealed the understanding of the Inspectors General role, as evident by monthly and quarterly meetings held throughout the years. The regular exchange of dialogue helps to foster a professional working relationship and operational discussions. The relationship between SDPBC OIG and the external stakeholders is significantly strong. The transparency of the process appears to encourage acceptance and responsiveness.
- **SCPBC Website** – The Team reviewed the SDPBC OIG website and found the website to be user-friendly, informative of the SDPBC OIG's operation, and easy to maneuver throughout the website. The SDPBC website displayed documents for public knowledge to include reports from each of its units.

Audit Services – Areas of Distinction

- **Communication with Staff** – The SDPBC Audit Services unit is comprised of eight staff members. The staff agreed there is staff cohesiveness and social interaction within the office. Additionally, it was conveyed that the SDPBC OIG provides clear guidance and mentoring opportunity. Some common themes from one-on-one discussions revealed there is transparency and trust in the Inspector General internal and external to the office. In addition, Inspector General Michael has an open-door policy, and regularly holds staff meetings to keep everyone informed. During the Pandemic, communication remained effective and efficient amongst the staff.
- **Complete and Organized Case Files** – The Team reviewed closed files during the review period and found the files to be complete. However, the SDPBC OIG completed audits are in the written physical form and not electronic formatting. Recommend an electronic work paper system for audits.
- **Training** – The SDPBC OIG staff completed training and professional development in the core areas of Audits. The SDPBC OIG staff is to be commended for the established training plan that tracks training requirements and the completion of each training for the staff.

Audit Services – Areas of Consideration

- **Managing and Filing Work Papers** – This is a repeat recommendation that SDPBC OIG should invest in an Electronic Work Paper (EWP) system for managing (including sign-offs) and archiving all project-related documents. While the completed reports are scanned, current work papers and reports remain as hard copy documents. EWP systems have two major advantages. One major advantage of the EWP is the managerial aspect of labor-saving applications that could allow SDPBC OIG to reallocate staff resources more efficiently and effectively. Another major advantage of the EWP is that the immediate storage of a consistent format will yield fewer opportunities for errors or omissions in the documentation chain.

Compliance and Contract Oversight – Areas of Distinction

- **Increased Focus on Contract Oversight** – During Inspector General Michael's tenure, the CCO unit has re-established its mission and has created policies and procedures in adherence to prescribed standards. The CCO unit has increased its focus on contract oversight by regularly attending procurement meetings and providing guidance as needed.
- **Reporting** – Since prescribing to established standards, the CCO unit has released two reports. The reports are clear and concise, and effectively communicate findings to SDPBC. Recommendations are reasonable and supported by adequate documentation.

Compliance and Contract Oversight – Areas of Consideration

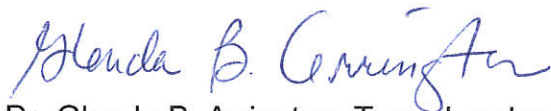
- **Future Productivity** – The CCO unit is currently comprised of two members, a Senior Contract Specialist reporting to a Contract and Compliance Officer. The SDPBC OIG oversees approximately 3,700 active contracts, totaling more than \$1.3 billion. Where feasible, the SDBPC OIG should consider increasing its resources in areas of staffing and data capabilities to effectively identify potential areas of concern in the most efficient manner.
- **Managing and Filing Work Papers** – The SDPBC OIG should invest in an EWP system for managing (including sign-offs) and archiving all project-related documents. While the completed reports are scanned, current work papers and reports remain as hard copy documents. EWP systems have two major advantages. One major advantage of the EWP is the managerial aspect of labor-saving applications that could allow SDPBC OIG to reallocate staff resources more efficiently and effectively. Another major advantage of the EWP is that the immediate storage of a consistent format will yield fewer opportunities for errors or omissions in the documentation chain.

Inspector General Teresa Michael
Peer Review Management Letter
March 30, 2022

Lastly, we would like to commend you on leading a commendable organization. The sheer size of the governmental operations that your office oversees and your office's jurisdiction and responsibility are unparalleled by any other local government inspectors general office. Your office is unique, and as Peer Reviewers, we had an insightful learning experience. We hope that you find our comments helpful and we look forward to continuing to support your organization's needs in the future.

Please feel free to contact me or any member of the Peer Review Team if you have any questions.

Yours truly,

A handwritten signature in blue ink that reads "Glenda B. Arrington". The signature is written in a cursive style with a large, stylized initial "G".

Dr. Glenda B. Arrington, Team Leader
AIG Peer Review for the School District of Palm Beach County Office of Inspector
General, March 2022

cc: Flora Miller, Team Member
AIG Peer Review for the School District of Palm Beach County Office of Inspector
General, March 2022