



CITY COMMISSION POLICY MANUAL

Office of Inspector General Policy

Department:

Office of the Inspector General

Date Adopted:

April 22, 1987

Last Revised Date:

March 14, 2025

104.01 AUTHORITY

City Commission

104.02 PURPOSE

This policy applies to all appointed officials under the City Commission's authority. It directs all audit work performed by the Office of the Inspector General (OIG) on behalf of the City Commission. This policy aims to safeguard the public trust by promoting integrity, efficiency, and effectiveness in City programs and activities.

104.03 STATEMENT OF POLICY

City Commission Policy 104 reinforces the authority, independence, and operational framework of the OIG for the City of Tallahassee. This policy provides for a professional, independent, and objective audit and investigative function, reporting directly to the City Commission to help ensure accountability and transparency in municipal operations. The OIG is tasked with making recommendations to improve the efficiency and effectiveness of city operations, and detecting, deterring, and preventing fraud, waste, abuse, mismanagement, and misconduct involving City officials, employees, contractors, and others doing business with or receiving funds from the City.

104.04 DEFINITIONS

Accountability - the obligation of public officials, employees, and entities to be answerable for their actions, decisions, and use of public resources, and to justify those actions to oversight bodies, stakeholders, and the public. It includes reporting, explaining, and being answerable for resulting consequences.

In the OIG context, accountability involves:

- Upholding public trust through transparency and ethical conduct.
- Ensuring proper use of taxpayer funds and compliance with laws, rules, and policies.
- Documenting and reporting investigative findings to appropriate authorities and the public.
- Following through on corrective actions and recommendations to prevent the recurrence of fraud, waste, and abuse.

Accreditation - formal recognition that an OIG has met established professional standards, policies, and procedures as determined by an independent certifying body. Accreditation

signifies that the OIG complies with recognized best practices for investigations, and oversight functions, and is committed to accountability, transparency, and continuous improvement. This process typically includes periodic internal assessments, external reviews, and adherence to standards such as those promulgated by the Commission for Florida Law Enforcement Accreditation and the Association of Inspectors General.

Affected Party – any individual or entity that is the subject of, or is otherwise materially impacted by, the findings, conclusions, or recommendations of an investigative report issued by the OIG.

Association of Inspectors General (AIG) is a global network of oversight professionals promoting professionalism, accountability, and integrity. The AIG mission includes promoting excellence in the inspector general community by establishing and encouraging adherence to quality standards, sponsoring professional development and networking opportunities, certifying individuals in inspector general-specific disciplines, supporting offices in governmental and external relations, and inspiring governmental entities to embrace the inspector general model as an effective tool in the fight to combat waste, fraud, and abuse.

Audit Committee – Established by Section 34 of the Charter Laws, the Audit Committee oversees, in an advisory capacity, the audit activities of the Inspector General and assists the City Commission in its supervision of the audit function. The Audit Committee is intended to be an intermediary between the City Commission and the Inspector General to prevent any undue pressure that might be exerted by a Commissioner in the selection of audit projects. The Audit Committee is also responsible for recommending the selection of external auditors to the City Commission and negotiating the fee for the annual financial audit.

Commission for Florida Law Enforcement Accreditation, Inc. (CFA) – an independent, voluntary law enforcement agency accreditation program that establishes standards, oversees an accreditation program, and awards accreditation to compliant Florida law enforcement agencies and offices of inspector general.

Complainant - an individual (public employee, contractor, vendor, private citizen, or other individual) who reports or alleges misconduct, fraud, waste, abuse, or other wrongdoing to the OIG. When applicable, “Complainant” includes individuals who seek whistle-blower protection under the Florida *Whistle-blower’s Act*.

Fraud – intentional deception or misrepresentation by a person or entity, made with knowledge that it could result in an unauthorized benefit to themselves or others. Common methods include falsifying records, misappropriating assets, or omitting material information to gain something of value dishonestly.

Examples of fraud include:

1. Theft or misappropriation of public funds or property.
2. Falsification of financial statements or official reports.
3. Kickbacks, bribery, or other corrupt payments.
4. False claims for services, benefits, or reimbursements.
5. Profiteering based on insider knowledge of City operations.
6. Forgery or alteration of City or customer documents or accounts.
7. Disclosure of confidential or proprietary information for personal gain.
8. Soliciting or accepting items of material value from contractors, vendors, or entities doing business with the City.
9. Knowingly entering false or misleading information into City records.
10. Unauthorized destruction, removal, or misuse of City records, equipment, or property.
11. Any similar or related form of misconduct.

Government Auditing Standards (GAS) – also known as *Generally Accepted Government Auditing Standards* (GAGAS) or the Yellow Book, are issued by the U.S. Government Accountability Office (GAO) and provide a framework for conducting high-quality government audits. These standards ensure audits are performed with competence, integrity, objectivity, and independence. They are mandatory for audits required by law or regulation to follow GAS and are voluntarily adopted by many state and local agencies, including offices of inspectors general. Key areas governed by *Government Auditing Standards* include:

1. Ethical Principles
2. Independence (in fact and appearance)
3. Professional Judgment
4. Competence
5. Continuing Professional Education (Minimum of 80 hours every 2 years)
6. Quality Management System
7. Planning of Audits
8. Supervision
9. Evidence
10. Documentation
11. Reporting
12. Follow-Up

Investigative Standards or ***CFA Investigative Standards*** – the portion of Commission for Florida Law Enforcement Accreditation standards that apply specifically to OIG investigations, also known as *Florida Inspectors General Standards for Investigations*. These standards are mandatory for OIGs seeking or maintaining accreditation in Florida. These investigative standards govern:

1. Complaint intake and classification.
2. Investigation planning, execution, and reporting.
3. Confidentiality and whistle-blower protections.
4. Case file management and retention.
5. Legal sufficiency review.
6. Professional qualifications and training of investigators

OIG Fraud Hotline - a secure and confidential reporting channel established by the OIG to receive complaints, tips, or allegations of fraud, waste, abuse, misconduct, mismanagement, or ethical violations involving government operations, employees, contractors, or expenditures of public funds.

Principles and Standards for Offices of Inspectors General - a set of professional guidelines developed by the AIG that establish the core values, operational standards, and quality expectations for offices of inspectors general (OIGs) at all levels of government.

Quality Standards for Inspections, Evaluations, and Reviews – also known as the “Green Book,” inspection, evaluation, and review standards within the Association of Inspectors General, *Principles and Standards for Offices of Inspectors General*. These standards provide a professional framework for state, local, and non-federal inspectors general who perform inspections, evaluations, and reviews.

Standards - Authoritative criteria, principles, or rules established by professional organizations or governing bodies that outline the minimum expectations for conduct, performance, and procedures in oversight functions. For OIGs, applicable standards include AIG *Principles and Standards for Offices of Inspector General*, *Government Auditing Standards* issued by the U.S. Government Accountability Office, and *Investigations Standards* issued by the Florida Commission for Law Enforcement Accreditation. These standards guide OIG operations in areas such as audits, investigations, inspections, evaluations, reporting, confidentiality, and professional conduct.

Whistle-blower’s Act – As provided in Sections 112.3187–112.31895, Florida Statutes, the *Whistle-blower’s Act* offers protections for individuals who disclose information regarding suspected violations and outlines confidentiality requirements and reporting procedures that must be observed by Offices of Inspector General when handling such matters. When a complaint meets the criteria of the Whistle-blower’s Act, the complainant’s identity and related information are confidential and exempt from public disclosure pursuant to section 112.3188, Florida Statutes.

104.05 OFFICE OF THE INSPECTOR GENERAL RESPONSIBILITIES

1. Nature, Objective, and Scope of Work:

NATURE

The Office of the Inspector General (OIG) is an independent oversight entity, organizationally and operationally separate from city management. Its independence allows objective and unbiased oversight of city operations. The OIG generally operates under City Ordinance, reporting directly to the City Commission to ensure freedom from undue influence by city management or elected officials.

OBJECTIVE

The primary objective of the OIG is to promote integrity, accountability, transparency, and efficiency in city government by:

- Detecting and deterring fraud, waste, abuse, mismanagement, and misconduct involving city officials, employees, contractors, and recipients of city funds.
- Evaluating the efficiency and effectiveness of city programs, operations, and services.
- Promoting ethical conduct and compliance with applicable laws, policies, and procedures.
- Delivering independent findings and actionable recommendations to support informed decision-making by city leadership.
- Enhancing public trust through transparent reporting and oversight.

SCOPE OF WORK

The scope of OIG oversight activities includes the following areas and activities:

a) Internal Audit

In accordance with *Government Auditing Standards*, the OIG performs various types of audits including financial-related, compliance, information technology, operational, and performance audits. Audit objectives may include:

- Evaluating financial management and compliance with laws, regulations, policies, procedures, plans, and internal controls.
- Assessing the adequacy, application, and cost-effectiveness of accounting, administrative, and operational controls.
- Determining whether City assets are properly accounted for and safeguarded from loss.
- Verifying the reliability, validity, and accuracy of accounting records, performance data, and statistical information.
- Assessing the economy, efficiency, and effectiveness of City programs, services, and activities.

- Evaluating whether programs are meeting intended outcomes or if alternative approaches may improve performance or service delivery.
- Providing findings and recommendations to support informed decision-making by City leadership.

b) Investigations

The OIG conducts administrative investigations into allegations of fraud, waste, abuse, and misconduct or other violations involving City officials, employees, contractors, or any entity doing business with or receiving funds from the City. The OIG conducts investigations in accordance with applicable CFA *Investigative Standards*. As part of the OIG investigative process, OIG investigators document investigative determinations and provide clearly articulated conclusions of fact, supported by evidence. Upon becoming aware of potentially criminal activity, the OIG refers suspected criminal violations to appropriate law enforcement agencies or prosecutorial authorities and coordinates as necessary to support criminal investigations within the scope of OIG authority.

c) Inspections

The OIG conducts compliance-oriented assessments to verify compliance with laws, policies, standards, procedures, or corrective actions from prior audits and investigations. These short-duration assessments are narrowly focused on compliance and immediate conditions and conducted to provide timely reporting on whether departments have adequately resolved previously identified issues or recommendations from audits or investigations. OIG staff conducting inspections may utilize on-site observations, records review, and direct interaction with operational personnel, as appropriate.

d) Evaluations

The OIG conducts evaluations to analyze the effectiveness, efficiency, economy, and impact of city operations, policies, programs, and services. Such evaluations are designed to provide insights into the underlying factors affecting outcomes and help identify areas for operational and performance improvements, cost savings, and service delivery enhancements.

e) Follow-up Activities

The OIG monitors, verifies, and publicly reports on management progress in implementing corrective actions and addressing root causes of reported findings.

f) Fraud Prevention

The OIG promotes ethical behaviour by proactively conducting fraud-prevention training and outreach activities for city employees and officials. As part of this effort, the OIG maintains and manages the *OIG Fraud Hotline* (fraud and misconduct reporting mechanism).

g) Advisory Role

The OIG provides independent advice to the City Commission, including policy recommendations on strengthening internal controls, compliance programs, and risk management.

2. Responsibility to Follow Professional Standards:

The Inspector General will ensure that professional standards are followed in the conduct of audits, investigations, and other OIG responsibilities. Specific standards to be followed include: (1) Government Auditing Standards issued by the GAO, (2) *Principles and Standards for Offices of Inspector General* including *Quality Standards for Inspections, Evaluations, and Reviews* put forth by the AIG, and (3) *The Florida Inspectors General Standards Manual* including *Investigative Standards* issued by the CFA.

3. Responsibility to Exercise Due Professional Care:

The Inspector General and OIG staff shall exercise professional judgment, due care, and diligence in planning and conducting audits, investigations, inspections, and evaluations. All findings and conclusions must be based on factual evidence and impartial analysis.

The quality of OIG work depends on adherence to high professional standards. While the Inspector General is responsible for ensuring these standards are upheld, this does not imply unlimited responsibility for detecting all instances of impropriety, inefficiency, ineffectiveness, or noncompliance. Nor does it imply infallibility, as reasonable assurance—not absolute assurance, is achievable, given the limitations of evidence and resources.

To support this, the Inspector General shall:

- Establish and maintain written policies and procedures to ensure compliance with applicable professional standards, laws, and regulations.
- Ensure OIG staff are trained in and comply with these policies and procedures.
- Periodically engage an independent, qualified consultant to evaluate OIG operations, with results reported to the Audit Committee and/or City Commission, as appropriate.

No OIG staff member shall be assigned to any engagement involving a program, activity, or function in which they held a decision-making, management, or operational role within the preceding 12 months, unless documented safeguards are in place and approved by the Inspector General or designee.

4. Responsibility for Planning:

During or prior to the first quarter of each fiscal year, the Inspector General shall submit an annual audit plan to the Audit Committee for review and to the City Commission for

approval. The plan shall define the scope of each planned audit, including the organizations, programs, functions, or activities to be audited.

The Inspector General shall provide quarterly status reports detailing the progress of the audit plan, including any amendments, to the Audit Committee. These reports shall also be transmitted to the City Commission.

104.06 SPECIAL ENGAGEMENTS AND AUDITS:

1. Commissioners, the Audit Committee and Appointed Officials may request the Inspector General perform special engagements or audits that are not included in the annual audit plan. Upon approval of the Inspector General, a special engagement or audit becomes an amendment to the annual audit plan. In addition, the Inspector General may initiate special engagements and audits or investigations deemed necessary. The Mayor and the Chairperson of the Audit Committee will be consulted prior to initiating the work, whenever possible.
2. The Inspector General shall submit the report of a special engagement or audit to the Appointed Official, when applicable, in a form agreed upon by the Inspector General and the Appointed Official and shall notify the City Commission of its completion. Further dissemination of special engagement or audit results will be in accordance with governing laws.

104.07 OIG COORDINATION:

In selecting audit areas, defining audit scope, and scheduling audit work, the Inspector General may coordinate with federal and state auditors, other OIGs, and the external City auditors to ensure comprehensive coverage and avoid duplication of effort. The OIG may also collaborate with law enforcement agencies or other offices of inspector general as applicable to address matters within their jurisdiction.

104.08 REPORT OF IRREGULARITIES:

If the Inspector General identifies or becomes aware of credible evidence or reasonable indications of fraud, unlawful conduct, or serious misconduct by a City officer or employee, the Inspector General or designee shall promptly report the matter to the Mayor, the appropriate Appointed Official, and the City Attorney, and, when appropriate, to law enforcement. Where applicable, such reporting shall be conducted in accordance with the provisions of the Florida *Whistle-blower's Act*.

104.09 REPORTING TO THE CITY COMMISSION:

The Inspector General shall report the results of each audit, investigation, inspection, or evaluation conducted by the OIG to the City Commission and shall retain a copy in accordance with applicable law and policy. If appropriate, the audit, investigative, inspection, or evaluation report shall contain the professional opinion of the Inspector General, or, if an opinion cannot be expressed, a declaration that an opinion cannot be expressed with an explanation. Upon issuance of the final report to the City Commission,

audit and investigative reports and related working papers or case-supporting materials shall be available for public inspection, in accordance with applicable law and policy.

104.10 REPORTING PROCEDURES:

1. Audit Reports

Upon completion of the final draft of an audit report, and prior to submission of the report to the City Commission, the Inspector General shall transmit a copy of the report to management of the audited entity and to other appropriate officials for review for a period to be established by the Inspector General. For each reported finding and recommendation, management should develop corrective action plans detailing planned actions to address each reported condition or recommendation, an estimated completion date, and a designated responsible employee or position. The Inspector General will include the applicable Appointed Official's response and related management action plans in the final audit report issued to the City Commission. Alternative procedures may be used upon mutual agreement of all affected Appointed Officials.

2. Investigative Reports

Prior to issuing the final investigative report, where applicable, the Inspector General shall:

- a) Provide affected parties with a written notice and a draft report for review. Affected parties will be given 10 business days to submit a written response or rebuttal. This response must address the factual accuracy or fairness of the findings. The Inspector General will consider all timely responses and, at the Inspector General's discretion, will incorporate relevant response content into the final investigative report or append the response as an exhibit to the final investigative report.
- b) When an investigation arises under the *Whistle-blower's Act*, the complainant shall be provided the opportunity to review the draft investigative report prior to issuance, submit a written response within 20 days of receipt of the investigative report, have their response reviewed and, at the discretion of the Inspector General, included or appended in the final report.

Upon completion of an investigation, the final investigative report will be distributed to the City Commission, Appointed Officials, appropriate department head(s), the supervisor of the subject of the investigation, and any additional parties deemed necessary by the Inspector General. Investigative reports involving a whistle-blower(s) will be distributed in accordance with applicable law.

3. Inspection and Evaluation Reports

Upon completion of an inspection or evaluation report, the final report will be distributed to the City Commission, the Appointed Official(s) responsible for the subject area, the appropriate department head(s), and any additional parties deemed necessary by the Inspector General.

104.11 RESPONSIBILITIES FOR FOLLOW-UP:

In accordance with professional standards and good governance practices, the Inspector General shall monitor the implementation of recommendations and related management action plans to determine what corrective actions have been taken. The Inspector General shall report the results of those follow-ups to the City Commission. Further follow-up reviews will be conducted upon the request or approval of the City Commission or the Audit Committee, as applicable.

104.12 RECORDS:

The Inspector General shall retain a complete file of each audit, investigation, inspection, evaluation, and of other examinations, surveys, and reviews in accordance with applicable laws and City policies. The file should include audit workpapers and other material supporting the report. Such records will be retained in accordance with the City records retention policy or other retention schedules as provided by Florida law.

104.13 ACCESS TO RECORDS, PROPERTY, AND PERSONNEL:

All City officials, employees, departments, agencies, and affiliated entities shall provide the Inspector General with full, timely, and unrestricted access to any records, data, reports, correspondence, documents, files, electronic information, or other materials deemed necessary to carry out audits, investigations, inspections, evaluations, or other official OIG functions.

All City personnel shall provide the Inspector General access to City-owned or controlled property, equipment, facilities, and systems, and shall permit the Inspector General to observe operations and interview employees, contractors, or other relevant individuals necessary to fulfill OIG responsibilities.

All City contracts, grants, or other agreements shall include provisions that grant the Office of the Inspector General access to records and personnel of contracted parties for purposes of audit, investigation, inspection, evaluation, or review, consistent with the Inspector General oversight authority under City Ordinance.

104.14 CONTRACT AUDITORS, CONSULTANTS, AND EXPERTS:

Upon approval of the City Commission, the Inspector General may obtain the services of certified or registered public accountants, qualified management consultants, or other professional experts necessary to perform Inspector General duties. Work that is performed by contract on behalf of the OIG must be conducted by persons who have no financial interests in the affairs of the City or its officers.

104.15 ADMINISTRATION

The OIG shall be responsible for the administration of this policy. Any changes, additions, or deletions to this policy shall be approved by the City Commission.

104.16 SUNSET REVIEW:

This policy shall be effective upon approval for a period of five (5) years and shall automatically be extended for an additional five (5) years unless terminated by the City Commission.

104.17 EFFECTIVE DATE:

Established: April 22, 1987

Revised: February 26, 1992

Revised: March 11, 1998

Revised: November 21, 2006

Revised: November 22, 2011

Revised: October 19, 2016

Revised: December 5, 2018

Revised: November 10, 2021

Revised: May 14, 2025