

Division of Inspector General

# ANNUAL REPORT

*Fiscal Year Ended*  
September 30, 2024



**JOSEPH ABRUZZO**  
CLERK OF THE CIRCUIT COURT & COMPTROLLER  
PALM BEACH COUNTY



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CLERK OF THE CIRCUIT COURT & COMPTROLLER  
PALM BEACH COUNTY



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January 30, 2025

The Honorable Joseph Abruzzo  
Clerk of the Circuit Court & Comptroller - Palm Beach County, Florida

On behalf of the Division of Inspector General, I am pleased to present you with the Annual Report summarizing our accomplishments for the fiscal year ended September 30, 2024.

I would like to extend my appreciation to the entire Clerk of the Circuit Court & Comptroller team for their assistance and cooperation throughout this past year.

We will continue to promote accountability and integrity within the Clerk of the Circuit Court & Comptroller office. We look forward to continuing to assist the organization to operate as efficiently and effectively as possible.

Finally, I would like to acknowledge and congratulate the Inspector General staff for their professional support and accomplishments during this past year!

Respectfully submitted,

Roger Trca, CIG, CPA, CIA  
Inspector General  
Clerk of the Circuit Court & Comptroller Office  
Palm Beach County, Florida

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# INTRODUCTION

## *Executive Summary*

The mission of the Division of Inspector General (“IG office”) of the Clerk of the Circuit Court & Comptroller office of Palm Beach County is to provide independent, objective auditing and investigative services designed to add value, improve the Clerk of the Circuit Court & Comptroller operations and preserve public trust. The IG office includes the Audit Services and Public Integrity Units.

The fiscal year ending September 30, 2024 was a period of continued productivity for the IG office, issuing a total of 51 reports and memos, summarized below, which included audits, reviews, investigations and judiciary requests. These reports identified financial impacts totaling \$510,574, primarily related to unverifiable and questionable expenditures and misreported assets within guardianship audits and investigations.

- The Audit Services Unit (“ASU”) issued two audit reports and one supplemental memo.
- The Public Integrity Unit (“PIU”) issued three investigative reports based on 32 tips received from our Ethics Hotline and a variety of other sources.
- The PIU Guardianship Section issued three guardianship audit reports and 24 memos to the Fifteenth Judicial Circuit and Clerk’s Circuit Civil Guardianship Operations while investigating claims of fraud, waste and financial mismanagement involving the County’s most vulnerable residents: the elderly, minor children, and incapacitated individuals in guardianships.
- As Administrative Coordinator of the Memorandum of Understanding (“MOU”) with the Florida Department of Elder Affairs, Office of Public and Professional Guardians (“OPPG”), our IG office issued 18 investigative reports of complaints involving public and professional guardians. In support of our role as Administrator Coordinator, our IG office also assisted the five other Clerk’s offices involved in the MOU in issuing 72 additional investigative reports. The MOU was terminated effective July 15, 2024.
- The IG office referred 11 cases to other Clerk’s office departments and various law enforcement agencies.

The IG office is accredited by The Commission for Florida Law Enforcement Accreditation, Inc., which demonstrates the team’s level of professionalism and commitment to continuing compliance with investigative standards and processes. Furthermore, the Audit Services Unit adheres to the professional audit standards and Code of Ethics promulgated by The Institute of Internal Auditors.

# What's New?

The Division of Inspector General successfully completed an external quality assessment of the Audit Services Unit in November 2023. In accordance with The Institute of Internal Auditors ("IIA") *Global Internal Audit Standards* ("IIA Standards"), the IIA requires an external quality assessment of the audit function every five years. The objective was to assess the IG office's compliance with the IIA Standards. The external assessment, as coordinated with the Association of Inspectors General ("AIG"), determined that the Audit Services Unit fully met all current and relevant IIA Standards for the five-year period under review, with no reportable instances of failure to meet the standards.

The Division of Inspector General continues to spearhead state and national efforts to improve guardianship monitoring and promote the public welfare for Palm Beach County. For example, the 2023 National Investigator Training (NIT) Leadership Class was held in October 2023, founded and led by our staff, which provided specialized education and training covering over 125 core competencies for guardianship investigators representing various state, court, and local agencies. For the Florida Guardianship System, the 7<sup>th</sup> Annual Clerks' Statewide Investigation Alliance Training Symposium was hosted virtually in May 2024, organized and administered by our staff, which continues to raise the bar and heighten scrutiny for auditing and investigating guardians and attorneys in Florida.

## Background

The Clerk of the Circuit Court & Comptroller is an elected constitutional officer who derives his authority and responsibilities from constitutional and statutory provisions.

*The Constitution of the State of Florida, Article VIII, Section 1.(d), provides for the election of certain County Officers including a Clerk of the Circuit Court (Clerk). The latter part of this section specifies that, ". . . the clerk of the circuit court shall be ex officio clerk of the board of county commissioners, auditor, recorder and custodian of all county funds." Section 16, Article V, State Constitution, also specifies that the Clerk shall have the duties quoted above. One of the Clerk's responsibilities enumerated in law is to act in the capacity of Auditor.*

According to the legal authority and responsibility cited above, the Clerk of the Circuit Court & Comptroller established the Audit Services Division as an independent unit to fulfill the responsibilities of the office as they relate to auditing functions.

In 2009, the Audit Services Division expanded its roles and responsibilities. The Charter was revised to add a Public Integrity Unit ("PIU"). The PIU and Audit Services joined to form the Division of Inspector General ("IG office"). The PIU conducts investigations into the Clerk of the Circuit Court & Comptroller office affairs and for that purpose makes inquiries as necessary, compels the production of books and papers, and implements appropriate investigative techniques.

## Independence

As specified in the IG office Charter, to provide for independence, the Inspector General reports functionally and administratively to the Clerk of the Circuit Court & Comptroller. As an independently elected official, the Clerk of the Circuit Court & Comptroller is directly responsible to the citizens and taxpayers of Palm Beach County. The IG office has no direct responsibility or authority over any area subject to its audit, review and investigation. Therefore, the IG office is organizationally independent from those areas within the Clerk of the Circuit Court & Comptroller office. Employees in the IG office report to the Inspector General.

## *Staffing, Organization and Training*

As of September 30, 2024, the Division of Inspector General (IG) was comprised of the following four team members:

- Roger Trca, CIG, CPA, CIA, MBA – Inspector General
- Anthony Palmieri, CIG, CIGI, CIGA, CIA, CCSA, CFE, JD – Deputy Inspector General & Chief Guardianship Investigator
- Monica Alvarenga, CIGI, CIGA, CFE, CICA, ACDA, MBA – Assistant Inspector General & Accreditation Manager
- Ryan Snellings, CIGI – Inspector General, Associate II

The IG office is subdivided into the following units:

- Audit Services Unit (“ASU”)
- Public Integrity Unit (“PIU”), which includes the:
  - Investigations Section
  - Guardianship Section

The IG office conducts audits, reviews, investigations and other projects. In fulfilling our responsibilities, we comply with the following auditing and investigative standards:

- *Global Internal Audit Standards* of The Institute of Internal Auditors (“IIA”).
- *Principles and Standards for Offices of Inspector General* of The Association of Inspectors General (“AIG”).

These standards collectively prescribe how our audits and investigations are performed.

## Professional Certifications

Staff members of the Division of Inspector General held the following professional certifications:

- Certified Inspector General – CIG (2);
- Certified Inspector General Auditor - CIGA (2);
- Certified Inspector General Investigator – CIGI (3);
- Certified Fraud Examiner – CFE (2);
- Certified Internal Auditor - CIA (2);
- Certified Public Accountant - CPA (1);
- Certified Internal Controls Auditor - CICA (1);
- Certification in Control Self-Assessment - CCSA (1); and,
- Analytics Certified Data Analyst – ACDA (1).

## Professional Development & Training

The Division of Inspector General (“IG office”) recognizes that the quality and effectiveness of its work products are dependent upon a professionally trained staff. To this end, the IG office allocates a portion of its resources to provide continuing education as a key requirement of the aforementioned audit and investigation standards. The IG office devoted 3% of its time in FY 2023-2024 to staff training, which included activities sponsored by The Association of Inspectors General and various other organizations.

Training is vital to our function as it keeps us currently abreast professionally on auditing techniques, risk assessment, internal controls, information technology, investigative techniques, and best practices. The training provides an added benefit of satisfying the required continuing education credits to maintain the staff’s professional certifications.

## Professional Organization Affiliations

Staff members of the Division of Inspector General are affiliated with the following professional organizations:

- The Association of Inspectors General;
- Florida Chapter of The Association of Inspectors General;
- The Institute of Internal Auditors;
- Palm Beach County Chapter of Internal Auditors;
- The Association of Certified Fraud Examiners;
- Association of Local Government Auditors;
- The Florida Institute of Certified Public Accountants; and,
- Various national, state and Palm Beach County guardianship associations.

# IG's Accreditation and Adherence to Professional Standards

"Who inspects auditors and investigators?" is a common question asked of IG staff. To ensure ongoing adherence to professional standards for its audit and investigative activities, the Division of Inspector General ("IG office") voluntarily is subject to periodic assessments of its operations by independent external quality assurance review teams. This demonstrates the highest commitment to quality, professionalism and best practices.

On February 3, 2011, the IG office became the second Clerk's office in the state of Florida to be awarded status as an Accredited Office of Inspector General by The Commission for Florida Law Enforcement Accreditation ("CFA"). Being an accredited agency signifies that the work product meets or exceeds the highest professional investigative standards promulgated for Offices of Inspector General. The benefits of accreditation include improved agency transparency, enhanced consistency and quality of investigations, improved accountability, and statewide recognition that our office has achieved its accreditation status. Having an accredited IG team within the Clerk's office provides another layer of protection for the public – ensuring taxpayer dollars are protected.



The CFA requires re-accreditation every three years to ensure ongoing compliance, which involves a thorough on-site evaluation of our investigative policies and procedures, completed investigations, management, and operations. The most recent CFA assessment was performed in November 2022. The CFA determined the IG office met the required standards and awarded our IG office its fourth reaccreditation on February 23, 2023. The IG office was commended for its *"continued diligence, professionalism, and commitment in maintaining the highest recognition..."*.

In accordance with The Institute of Internal Auditors ("IIA") *Global Internal Audit Standards* ("IIA Standards"), the IIA requires an external quality assessment by a qualified, independent assessor every five years. The objective is to assess the Division's compliance with the IIA Standards and identify opportunities for improvement. An external quality assessment was performed in November 2023, as coordinated with the Association of Inspectors General ("AIG").



The November 2023 external assessment determined the Audit Services Unit fully met all current and relevant IIA Standards for audits conducted during the five-year period under review, with no reportable instances of failure to meet the standards. The IG office was commended for its strong working relationships with stakeholders, consistent use of analytical tools to evaluate large data sets effectively to identify anomalies and exceptions, and comprehensive IG office policies and procedures that were easy to follow and contained proper quality control procedures.

# *Operations*

## **Audit Selection Process**

To ensure the most efficient and effective utilization of resources, it is essential that areas selected for audit be carefully considered. An annual audit plan is prepared by the Division of Inspector General (“IG office”) to identify planned audits. Because of the large number of possible areas to audit and limited staff resources to audit them, a strategic risk-based audit selection process is in place. The audit plan is the result of the development of a risk model to assess risks of various operations for the purpose of indicating the need for audit. As a part of the audit selection process, we also solicit input from the Clerk of the Circuit Court & Comptroller, Clerk’s officers and management.

In addition to executing the audit plan, the available hours of the IG staff were used to conduct investigations, provide support to the IG office’s Guardianship Integrity Assurance Program and the Office of Public and Professional Guardians (“OPPG”) Memorandum of Understanding (“MOU”), manage tips received from the two hotlines in place (Ethics Hotline and Guardianship Integrity Assurance Hotline), and various other activities. Performance results are detailed in the following section.

## ***PERFORMANCE RESULTS***

### *Audits & Reviews*

The objective of these projects within the Audit Services Unit (“ASU”) is to provide auditees with an independent appraisal of whether desired results and objectives are achieved economically, efficiently and in accordance with prescribed laws, regulations, policies and procedures. Opportunities for improvement represent our philosophy to work with management to improve the delivery of government services to citizens.

During FY 2023-2024, the IG office issued two audit reports and one supplemental memo with 10 opportunities for improvement containing 33 recommendations.

Recommendations are an integral part of our audits and reviews, as this is where an opportunity for change or improvement takes place. Management has proactively committed to implementing the agreed upon actions to address the recommendations provided. We monitor management responses to our recommendations and track the responses to ensure final completion and closure. For all audit reports previously issued, 61 recommendations remained open and in various stages of implementation at fiscal year-end.

The following chart shows the status of all audits on the Annual Audit Plan for FY 2023-2024. Each audit falls into one of four status categories:

- **Completed** – audit completed and report issued.
- **In Progress** – audit is in progress and the report will be issued.
- **Risk Reassessed** – As part of our continuous monitoring of the annual audit plan, some scheduled audits may have risk factors re-evaluated, which causes a change in the current year’s audit plan.
- **Rescheduled** – audit was rescheduled to a future fiscal year.

AUDIT	STATUS	REPORT ISSUED
South County Branch Audit	Completed	7/3/2024
South County Supplemental Memo	Completed	7/3/2024
Clerk’s Accounting Audit	Completed	9/10/2024
Clerk’s Procurement Audit	Rescheduled	
Gun Club Branch Audit	Risk Reassessed	

Refer to the Highlights of Audit Findings section (page 20) for details of the audits issued by the Division of Inspector General during this fiscal year.

## Investigations

The objective of these projects within the IG’s Public Integrity Unit (“PIU”) is to determine whether allegations of fraud, waste, abuse and ethical misconduct can be substantiated. Projects that uncover administrative wrongdoing typically identify violations of policies or regulations. These investigations also identify the individuals responsible for the violations and we make recommendations for administrative action. Equally important to the investigative process is the identification of internal control weaknesses.

Therefore, the reports frequently make specific recommendations to:

- Correct the identified deficiencies;
- Provide guidance on the applicable laws and regulations; and
- Strengthen the internal control environment.

When investigative findings are indicative of criminal conduct, they are presented to the appropriate law enforcement authorities for further action.

Within each investigation, the standard or degree of proof required to establish a conclusion of fact is at least “by a preponderance of evidence,” which indicates evidence that establishes the fact sought to be true is more probable than not.

The investigation will reach one of the following three conclusions of fact for each allegation deemed legally sufficient:

- **Substantiated:** There is sufficient information to justify a reasonable conclusion that the allegation is true.
- **Unfounded:** There is sufficient information to justify a reasonable conclusion that the allegation is false.
- **Unsubstantiated:** There is insufficient information to prove or disprove the allegation.

The IG office implemented the Ethics Hotline to fight against fraud, waste, abuse and ethical misconduct and to promote honesty and efficiency in our governmental agency. The hotline is managed by an independent third-party agency – Ethical Advocate. Reports may be made in several convenient ways, anonymously if desired:

1. **Online:** Create a report at:  
[www.mypalmbeachclerk.com/departments/division-of-inspector-general](http://www.mypalmbeachclerk.com/departments/division-of-inspector-general)
2. **Phone:** Dial 1-888-WARN-PBC
3. **Mail:** 205 North Dixie Highway, West Palm Beach, Florida 33401

When reporting online, the third-party application prompts the reporter to create a secure username and password so that the individual can remain anonymous and check the status as desired. This feature provides a means of ongoing communication with the anonymous complainant to enable our IG office to obtain any further details required to perform the investigation in a confidential and secure manner. In addition, the hotline provides 24 x 7 accessibility and multi-lingual communication capabilities. Investigations are initiated upon the receipt of credible information alleging an act of fraud, waste, abuse or ethical misconduct that falls within the IG’s jurisdiction and is deemed legally sufficient.

During FY 2023-2024, the IG office performed the following investigative activities:

- Handled 32 tips involving allegations from a variety of sources including the Ethics Hotline, citizens, and Clerk management.
- Completed and issued three investigative reports, with four investigations in progress at fiscal year end.
- Referred 11 cases to various law enforcement agencies and other Clerk departments.

For the three completed investigations, the allegations and final conclusions are summarized below.

- A complaint was submitted alleging that the Clerk’s office violated its procedures by not properly docketing the complainant’s Fourth District Court of Appeals (“DCA”) mandate and order of the court within the Clerk’s office case management system (“ShowCase”). We determined the allegation was unfounded (false). The DCA mandate was appropriately and timely docketed by the Clerk’s office on the

same day the DCA issued the mandate, and the DCA included the Clerk's office on the service list. With respect to the DCA order, the Clerk's office was not included in the service list and there was no evidence to indicate the Clerk's office received or was otherwise directed to docket the DCA order. As such, the order was not docketed and the Clerk's office followed established procedures. Additional allegations were made that were not within the IG office jurisdiction.

- A complaint was submitted alleging a Clerk's office employee accepted a gift of a turkey from a customer. We determined the allegation was substantiated (true). The employee's request to a customer to purchase and deliver a turkey as a gift to the employee's neighbor was a direct violation of Section 112.313(2), Fla. Stat., the Clerk's Administrative Gift Policy (95-01), the Clerk's Ethics & Conflict of Interest Administrative Policy (21-02) as well as the Clerk's Standards of Conduct (7-04, item 7). The act of soliciting and accepting a gift or service from a customer is explicitly prohibited.
- A complaint was submitted alleging the Clerk's office, possibly in collusion with opposing counsel, had inappropriately sealed divorce case records without a court order, hearing or posting notice. The investigation determined the allegation was unsubstantiated as there was insufficient information to either prove or disprove the allegation. While we were able to determine that the court records (the entire case and dockets) had not been sealed on the specific dates reviewed, we did not conclusively determine whether the court records had ever been sealed during the lifecycle of the case, due to the lack of a comprehensive audit trail within ShowCase. There was also no definitive indication of collusion between the Clerk's office and opposing counsel. The investigation also identified clerical errors in marking the entire case and one docket as confidential, which are accessible only to authorized parties (e.g., attorney of record). The issues identified were related to clerical errors and system limitations rather than an intentional misconduct by the Clerk's office. The absence of a comprehensive system to track status changes for cases and dockets in ShowCase created a challenge to conclusively determine if and when records were improperly sealed or marked as confidential. The report included recommendations to enhance ShowCase with audit trails for better transparency, provide additional training to employees on confidentiality of records, and conduct periodic audits to ensure compliance with record confidentiality requirements.

# Guardianship Program

We continued our efforts to investigate allegations or indications of fraud, waste and financial mismanagement by anyone exploiting the County's most vulnerable residents: elderly, minor children and incapacitated individuals who are served by Florida Guardianship Law. This program supplements the Clerk of the Circuit Court's monitoring role with supporting the Court's oversight process applicable to the protection of wards' health, welfare, and safety according to Chapter 744 of the Florida Statutes and the related Administrative Order of the Fifteenth Judicial Circuit (No.: 6.306-12/10). There are approximately 3,000 open guardianship cases in Palm Beach County, and guardians control in excess of an estimated \$1 billion in assets.

The IG office Public Integrity Unit ("PIU") conducts varying levels of assessments, reviews, and audits to monitor guardianship activities, which may originate from a variety of sources including but not limited to: the Guardianship Integrity Assurance Hotline, Clerk Guardianship auditors, the Court or Court Administration, and IG office analyses. An assessment is the initial phase for all requests, reviews, and audits (though Level 1 audits as described below are handled separately). Upon completion of the assessment, the IG office may discontinue any further review, prepare a memorandum to the judiciary, or proceed with a Level 2 or Level 3 audit.

- **Level 1 Audit:**

A Level 1 audit consists of the IG office review of the Clerk's Guardianship auditors' desk worksheet review to ensure guardianship reports are prepared timely, completely and accurately. If significant discrepancies or concerns are identified, the IG staff review the documents and determine if a more detailed review (Level 2 or Level 3 audit) is warranted.

- **Level 2 Audit:**

A Level 2 audit consists of an IG office examination of the guardianship report and the attempted verification of selected questionable items. Limited inquiries and/or requests for supporting documentation may be necessary to resolve issues.

- **Level 3 Audit:**

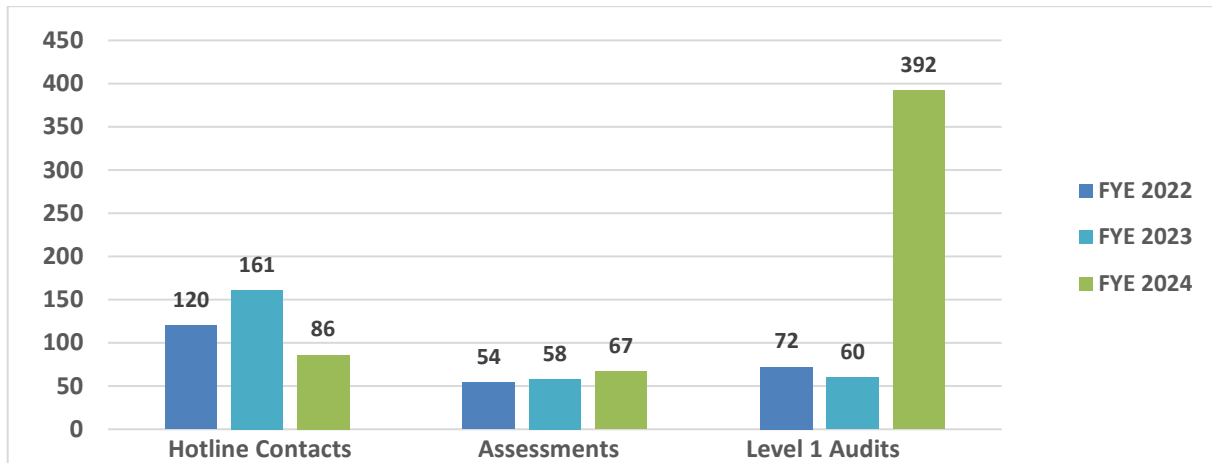
A Level 3 audit consists of an IG office comprehensive examination and attempted verification of all significant items pertinent to the guardianship report.

The IG office PIU Guardianship Section prepares reports for Level 2 and Level 3 audits for the Court but does not issue reports for Level 1 audits. Assessments may result in the issuance of a memo to the Court, depending on the results. Some information in these audit reports and memos are not available to the public pursuant to Florida Statute (Section 744.3701) and Administrative Order of the Fifteenth Judicial Circuit Court (No.: 6.306-12/10). The reports are issued to the Court for their review and any actions deemed appropriate.

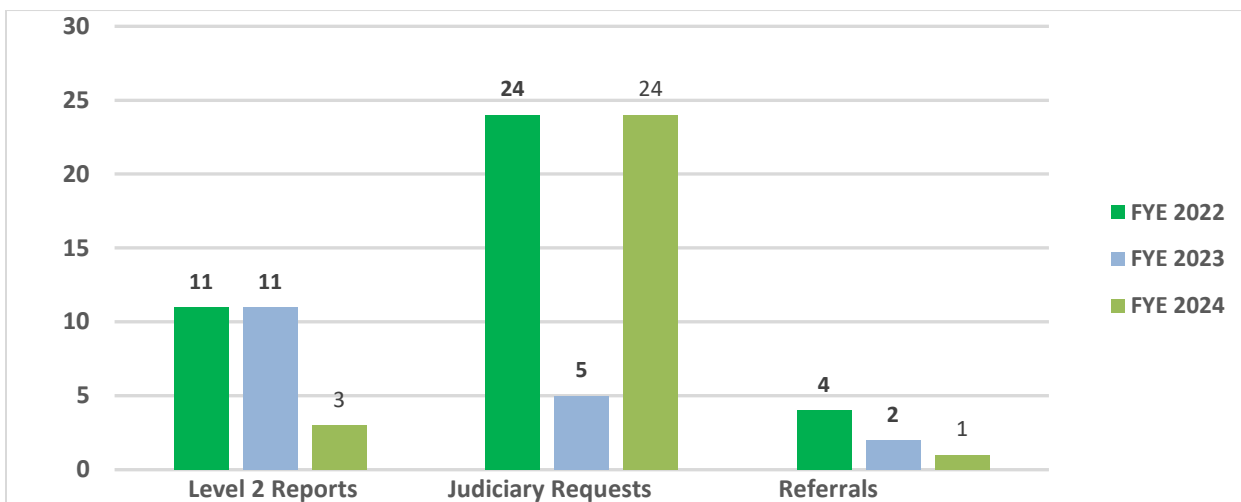
The Guardianship Integrity Assurance Hotline is in place to enable anyone suspecting fraud, waste or financial mismanagement of a ward's property and assets to report such concerns, anonymously if desired. Reports may be made in several convenient ways.

1. **Online:** Create a report at [www.mypalmbeachclerk.com/fraud](http://www.mypalmbeachclerk.com/fraud). Click on “File a report online” in the middle of the page.
2. **Telephone:** Dial 561-355-FRAUD
3. **Email:** Send email to [fraud@mypalmbeachclerk.com](mailto:fraud@mypalmbeachclerk.com)
4. **Mail:** 205 North Dixie Highway, West Palm Beach, Florida 33401

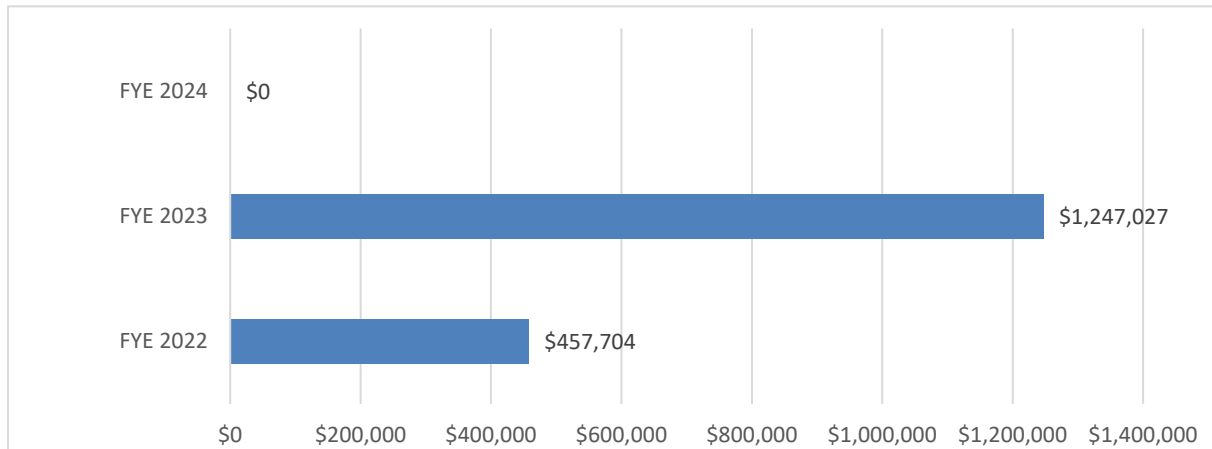
During FY 2023-2024, we received 86 Guardianship Integrity Assurance Hotline contacts, of which 16 contacts required further monitoring, review, or investigation. In addition, we conducted 67 assessments and 392 Level 1 audits. Trends over the past three fiscal years are presented as follows:



During FY 2023-2024, we released three (3) Level 2 audit reports. In addition, we issued 24 memos to the Fifteenth Judicial Circuit and Clerk’s Circuit Civil Guardianship Operations to provide time-sensitive updates on key issues and to satisfy research assistance requests. With one formal referral made this fiscal year, our IG team has ongoing conversations with law enforcement and other agencies to discuss possible criminal charges on guardianship cases and other related matters. Trends over the past three fiscal years are presented below.



The Level 2 audit reports and judiciary memos did not identify unverifiable and questionable expenditures and/or misreported assets during FY 2023-2024 though identified a combined total of \$1,704,731 for guardianship audits over the last three years as shown in the graph below. While it is impossible to eliminate all fraud, the program’s biggest attribute is the deterrence of guardianship fraud and exploitation of guardianship assets.



### Education & Awareness

One of our goals is to educate the community and increase public awareness of guardianship fraud, waste, abuse and exploitation. Our team attends meetings and makes presentations to professional organizations and community groups. During the past year, our Palm Beach County Guardianship Program, under the leadership of Anthony Palmieri - Deputy Inspector General & Chief Guardianship Investigator, has been very proactive in sharing best practices at conferences and training programs hosted by various guardianship associations and related agencies at the national, state and local levels. For example, presentations were provided for the following organizations:

- National Investigator Training Class
- National Guardianship Association
- Florida Court Clerks and Comptrollers
- Florida Clerks’ Statewide Investigation Alliance Annual Training Symposium
- Palm Beach Guardianship Association
- Jacksonville Guardianship Association

The IG PIU Guardianship Section is committed to disseminating information through a variety of channels to shine the spotlight on guardianship awareness, such as:

- Coordinating efforts with the Clerk’s Communications Department to respond to media requests accurately and rapidly (e.g., television and newspapers).
- Attending events sponsored by a variety of organizations dedicated to supporting guardianship programs.

## Alliance with Department of Elder Affairs – Office of Public & Professional Guardians - Concluded in July 2024

The Florida Department of Elder Affairs (“DOEA”), Office of Public and Professional Guardians (“OPPG”), has the statutory authority to educate, regulate, and if necessary, discipline public and professional guardians under Chapter 744, Florida Statutes. Six Clerk’s Inspectors General (“Clerk’s IG”) offices entered into a partnership through a Memorandum of Understanding (“MOU”) with OPPG, referred to as the Clerks’ Statewide Investigation Alliance (“SIA”), to investigate legally sufficient complaints about the conduct of state-registered professional guardians. The six Clerk’s IG offices conducting the investigations include: Palm Beach, Pinellas, Polk, Lee, Okaloosa and Sarasota. Our Palm Beach County Clerk’s IG office was designated as the administrative coordinator in the MOU.

OPPG receives complaints about the conduct of public and professional guardians on their hotline and determines whether each complaint is legally sufficient. OPPG forwards the complaints to our Palm Beach County IG administrative coordinator (“AC”). The AC logs the cases and independently verifies whether the complaint is legally sufficient. If legally sufficient, the AC initiates the investigative case and assigns the case to an SIA member based on geographic location, subject matter expertise, or other considerations. The SIA members conduct a thorough investigation and determine if any violations of Florida Statutes or standards of practice for professional guardians have occurred. The AC monitors the progress of each investigation, issues interim memos as needed, provides feedback on draft investigative reports prepared by SIA members, and issues the final investigative reports to OPPG. The AC also can prepare an investigation report if there is sufficient evidence to indicate that an allegation is not true.

Section 744.20041, Florida Statute, established the rulemaking authority for OPPG to adopt disciplinary guidelines, which specify a range of designated penalties based upon the severity and repetition of specific offenses. OPPG is responsible for making a final determination of the disciplinary actions for the guardians. OPPG will utilize, but is not limited to, the information provided in the Clerk IG’s reports.

Investigations by the SIA will reach one of the following four conclusions of fact for each allegation: substantiated, unfounded, unsubstantiated and legally not sufficient.

- **Substantiated** means there is sufficient information or evidence to justify a reasonable conclusion that the allegation is true; the guardian’s conduct was contrary to statutes or standards, and there were actual damages, financial, physical, or otherwise, to the Person Subject to Guardianship.
- **Unfounded** means there is sufficient information or evidence to justify a reasonable conclusion that the allegation is not true; the allegation is false, or no relevant statutes or standards were violated, or there were no actual damages, financial, physical or otherwise, to the Person Subject to Guardianship, or the allegation is outside of the SIA’s jurisdiction.
- **Unsubstantiated** means there is insufficient information or evidence to either prove or disprove the allegation; some information or evidence indicates the allegation may be true and or some information or evidence indicates the

allegation may be false, neither rising to an appropriate evidentiary standard.

- **Legally Not Sufficient** means assuming the allegations are true, the conduct does not violate statute or standards, or allegations are outside of the SIA’s jurisdiction.

On May 15, 2024, the six Clerk’s IG offices exercised the provision of the termination clause in the outdated MOU. During the sixty (60) day transition period provided for in the outdated MOU, the Clerk’s IG offices continued to provide support, which terminated on July 15, 2024,

Significant work was accomplished by the SIA during this fiscal year prior to the MOU’s termination. The Palm Beach County Clerk IG administrative coordinator (AC) received a total of 85 cases from OPPG, of which 24 were assigned to our office; the other 61 cases were distributed to the other five Clerk IG SIA members.



During the year, our IG office:

- Completed 18 investigations and issued the related reports to OPPG, with financial impacts identified totaling \$509,887.

In conjunction with our role as AC, our IG office assisted the five other Clerk IG offices in issuing 72 additional investigative reports. Below is a summary of the metrics for the cases received from OPPG and investigative reports issued by the entire SIA, as well as the cases that were assigned to our Palm Beach Clerk’s IG office for investigation and reports issued for the fiscal year ending September 30, 2024.

KEY METRICS	SIA TOTAL	PALM BEACH CLERK’S IG
New Cases Received	85	24
Open Cases at Year End	0	0
Investigative Final Reports Issued to OPPG	90	18
Number of Allegations Investigated	266	45
Number of Substantiated Allegations	29	4
Number of Unfounded Allegations	210	31
Number of Unsubstantiated Allegations	18	2
Number of Non-Legally Sufficient and Insufficient Evidence Allegations	9	8
Number of Additional Observations	21	12
Financial Impact in Final Reports	\$631,728	\$509,887

*Note: This data is for activity from October 1, 2023 through July 15, 2024 when the MOU terminated.*

In further support of our role as AC and as requested by OPPG, our IG office conducted monitoring of case proceedings for select professional guardians. Updates and time sensitive memos were provided to OPPG as appropriate.

Other key updates and accomplishments during this past fiscal year included the following.

- Based on the investigations performed and final reports issued by the entire SIA, OPPG was able to issue close-out letters to professional guardians, which included various disciplinary actions.
- The SIA referred various cases to law enforcement and state attorney offices to pursue prosecution of potential criminal conduct.
- The SIA held its seventh annual training symposium, with each of the six SIA offices participating. A diverse group of practitioners in the guardianship community throughout Florida presented a variety of topics to the SIA members and partners, enabling the SIA members to continue developing their awareness of issues and key challenges and enhancing their skills in conducting investigations.

## **Guardianship Legislation**

Since 1989, Florida's Clerks have been directed by state statute (Chapter 744) to audit guardianship reports and advise the court of their audit findings. In 2011, we initiated the current Guardianship Integrity Assurance Program to perform enhanced audits through an administrative order in partnership with the Chief Judge of the Fifteenth Judicial Circuit.

Legislation was passed in the State of Florida in 2014 and 2015 that broadened the definition of an audit to be more consistent with professional auditing standards and improved the transparency of guardianship court proceedings while protecting the due process rights of wards. Legislation passed in 2016 provided incremental oversight of public and professional guardians by the Department of Elder Affairs, Office of Public and Professional Guardians ("OPPG"). In 2017, additional legislation was passed that made information involving the person filing a complaint against public and professional guardians with the OPPG confidential and exempt from Florida's public records laws. Also, legislation improved due process and provided additional protection to persons under guardianship with Emergency Temporary Guardianship procedures.

In 2018, legislative changes to Chapter 744, Florida Statute, codified processes and procedures related to guardianships that were performed in many Clerks' offices. The additional provisions stipulated the following:

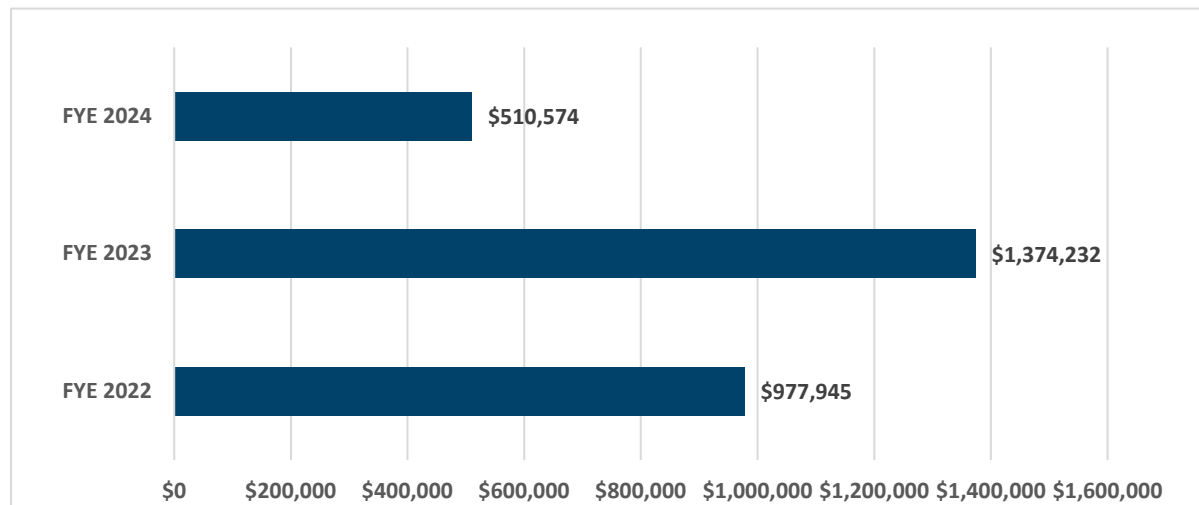
- Required records held by Clerks' offices were to be provided to OPPG.
- Affirmed the Clerks' authority to conduct audits of initial and annual guardianship reports.
- Allowed the Clerk to disclose confidential information to the Department of Children and Families and law enforcement agencies.
- Authorized the guardian to provide confidential information to the Clerk and OPPG for investigations that arise.

Our office provided support and subject matter expertise to legislators, legislative committees, organizers and various other stakeholders during the 2021 legislative session. The overriding desire was to enhance independent guardianship auditing practices to detect mismanagement or fraudulent use of the ward’s assets.

Our office assisted with legislation in 2022 to improve what data is available to document problems and successes within the guardianship system in Florida. Even basic statewide information such as the number of people under guardianship, the number of guardians, how many cases each guardian has, how much money and property are under the control of guardians, and why the individuals are under guardianship, is not readily available. Upon codification, the Clerk’s guardianship data collection system remains a practical solution to efficiently implement statewide data collection processes required by the legislation and streamline the processes of guardians, attorneys and clerks.

## *Financial Impacts Identified*

During FY 2023-2024, as shown in the graph below, the Division of Inspector General identified financial impacts totaling \$510,574 primarily related to unverifiable and questionable expenditures and misreported assets within guardianship audits in the Clerk’s Office and OPPG investigations of public and professional guardians. Over the past three years, the Division of Inspector General has identified similar financial impacts totaling \$2.9 million.



The IG’s importance extends beyond just the financial considerations. The impact of maintaining transparency and preserving public trust in local county government is invaluable. The IG office strives to ensure taxpayers get a fair and honest accounting of their money.

# Highlights of Audit Findings

The following highlights are provided of the audits issued by the IG office during the fiscal year ending September 30, 2024. If you would like to read the entire reports, please visit the IG's website at [www.mypalmbeachclerk.com](http://www.mypalmbeachclerk.com) (click on Departments and then on Division of Inspector General).

## **South County Branch Audit (report issued July 3, 2024)**

A risk assessed audit was performed of the South County Branch that is located in Delray Beach, Florida.

The Branch provides a full range of Clerk functions and services. The workload encompasses criminal and civil case initiation and updates, payment processing, attendance at court hearings, and assistance via the self-service center. The Branch also provides non-case related services such as recording documents, handling marriage license applications and ceremonies, accepting passport applications and Value Adjustment Board ("VAB") petitions, and various other services.

The objectives of this audit included the following:

- Perform a risk assessment to identify risks and vulnerabilities impacting the South County Branch processes.
- Evaluate the overall effectiveness and efficiency of processes and related internal controls to mitigate the risks.
- Assess whether controls are in place to facilitate compliance with pertinent laws and regulations as well as established Clerk policies.
- Compare processes with accepted standards and best practices.

The audit scope included testing performed primarily for the period from October 1, 2022 through September 30, 2023.

The audit determined that the South County Branch ("Branch") was functioning in a generally satisfactory manner and mostly aligned with established policies and procedures though opportunities for improvement were noted. Specifically, the opportunity to enhance the review of the process to expunge and seal court records was noted. The audit identified one court case was expunged instead of sealed, and one docket within a case was improperly sealed. Also, there were inconsistencies in the application of fee waivers and opportunities to enhance oversight of the Self-Service Center management of legal packet forms sold to customers. In addition, there were opportunities to improve the inventory management of Type II evidence (e.g., documents, exhibits). The Branch's mail management processes, including the handling of returned payments, and tracking of non-traceable mail required strengthening. These observations suggested an enhancement of the existing policies and procedures to address operational effectiveness and efficiency.

The report contains six (6) observations and 18 recommendations.

## **Clerk's Accounting Department (report issued September 10, 2024)**

A risk assessed audit was performed of the Clerk's Accounting Department.

Clerk's Accounting is responsible for recording and distributing the revenue from court fees, fines, and service charges. The department processes vendor payments, court-related disbursements, and refunds as well as disburses funds to local municipalities and state agencies pursuant to Florida Statutes. The department conducts pre-audits of travel reimbursements and reviews invoices before payment submission. Key activities also include administering payment processing across various systems, conducting bank account and general ledger reconciliations as well as submitting required reports to various agencies.

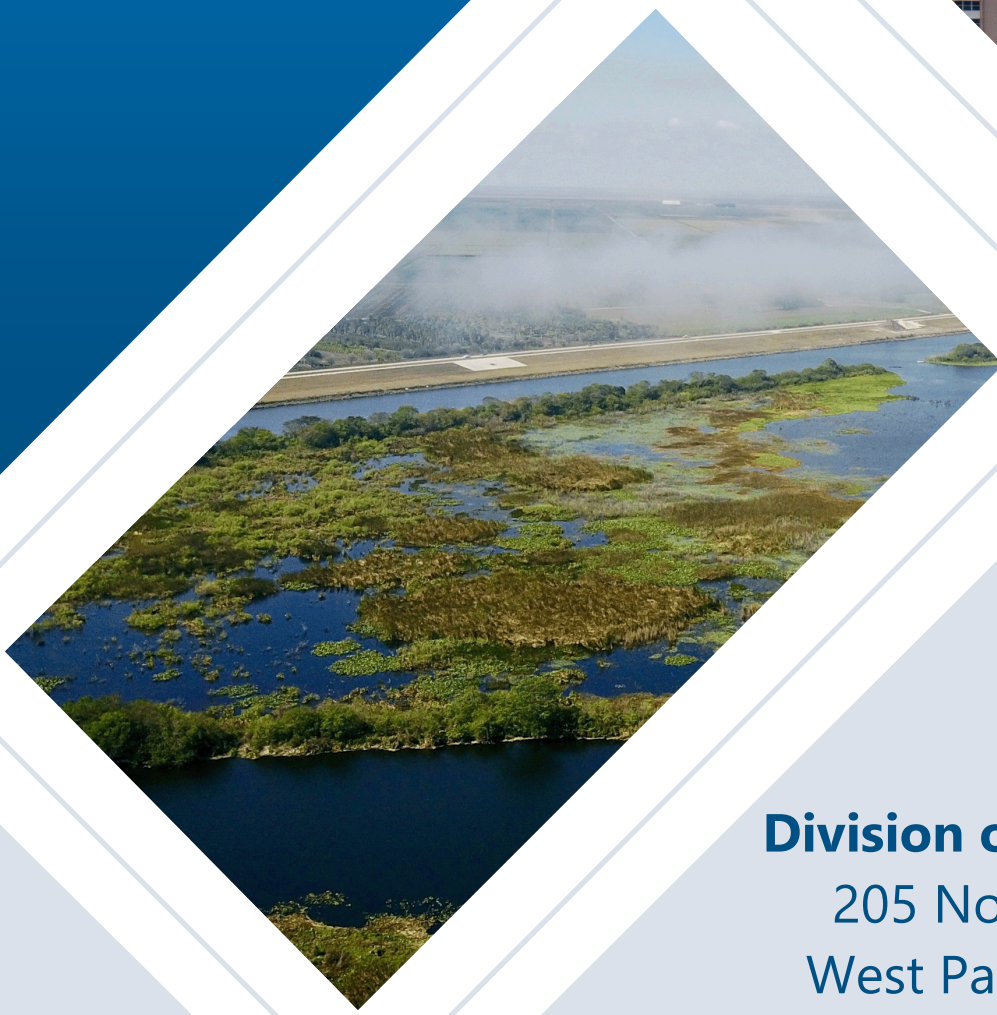
The objectives of this audit included the following:

- Perform a risk assessment to identify risks and vulnerabilities impacting Clerk's Accounting processes.
- Evaluate the overall effectiveness and efficiency of processes and related internal controls to mitigate the risks.
- Verify compliance with pertinent laws and regulations as well as established policies.
- Compare processes with accepted standards and best practices.

The audit scope included testing performed for the period from October 1, 2022, through February 29, 2024. Testing and analytical reviews were performed outside of this range as deemed appropriate.

The audit determined that Clerk's Accounting was functioning in a generally satisfactory manner and mostly aligned with established policies and procedures though improvement opportunities were noted. Specifically, the disbursement approval process and the classification of payment types required improvement. The segregation of duties related to the approval and recording of goods as well as the custody of assets (check stock, check printing and inventory reconciliation) were insufficient. While the utilization of Positive Pay significantly reduces the risks associated with check handling, these practices should be strengthened to prevent errors. Discrepancies existed between the department's documented procedures and actual practices, particularly regarding the processing of special payables disbursements and the confirmation of the vendors' wire banking information. Opportunities existed to strengthen the processes and controls associated with the handling of incoming checks and cash. Although cash is infrequently received, ensuring strong controls is important to maintain the security and integrity of these transactions. These observations suggested an enhancement to the policies and procedures to address operational effectiveness and efficiency.

The report contains three (3) observations and 14 recommendations.



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