



CITY OF RIVIERA BEACH

600 WEST BLUE HERON BLVD. • RIVIERA BEACH, FLORIDA 33404
(561) 845-4010 FAX (561) 840-3353

January 21, 2015

City Manager's Response to the Jan. 21, 2015 Office of Inspector General's Report

The City of Riviera Beach began working with the Palm Beach County Office of Inspector General (OIG) in February of 2014 as part of the OIG's standard review of municipal financial reporting and tracking systems. Despite the changing scope, objectives, and level of detail of the audit, the City fully cooperated with the OIG staff during the audit process, including the hundreds of hours of staff time for the production of thousands of pages of documents, policies and records, answering inquiries and requests, and interviews with multiple City staff members.

The City does not agree with the "questioned cost" or "avoidable cost" figures determined by OIG guidelines. These purchases were made according to our standards, transparent purchasing procedures, have been properly approved, and are for valid business expenses within the budget. The City agrees with the OIG report that these amounts are not indicative of waste or fraud, but internal controls and processes in the city's financial tracking systems can be improved.

The report identified 15 areas that should be improved, 10 of which the City had already identified through its own controls and had begun working on new procedures and controls up to 9 months before the report was issued.

The City has hired a Contract Administrator (Dec. 2014) and an Internal Auditor (Aug. 2014) to further improve financial tracking and contract administration. These administrators will provide recommendations to the City Manager to address many of the concerns identified by both the City and/or Inspector General. The City is also implementing a new fuel tracking system to improve controls.

Though the City disagrees with the OIG on a number of its findings and recommendations, which are addressed in detail within the City's response to the OIG Audit Report, it is appreciative of the manner in which this review was undertaken, as it is the City of Riviera Beach's goal to operate as responsibly and efficiently as possible on behalf of its citizens.

Ruth Jones
Riviera Beach City Manager