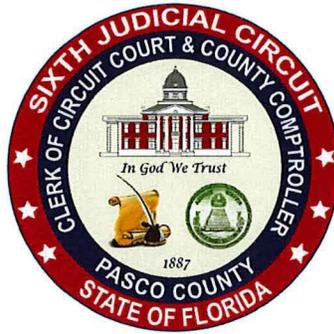


OFFICE OF NIKKI ALVAREZ SOWLES, ESQ. PASCO COUNTY CLERK & COMPTROLLER



INSPECTOR GENERAL CHARTER

MISSION

The mission of the Department of Inspector General (Department) is to preserve the public trust and improve government by providing independent reviews, inquiries, investigations, and audits designed to add value and improve the operations of the Board of County Commissioners (BCC) and the Clerk & Comptroller (Clerk).

AUTHORITY

This authority has been granted to the Clerk by the Constitution of the State of Florida, Article V, Section 16 and Article VIII, Section 1(d). The duties specified include ex-officio clerk of the BCC, auditor, recorder, and custodian of all county funds.

Pursuant to the legal authority cited above, the Clerk established the Department to fulfill the responsibilities of the office as they relate to auditing functions other than the pre-audit of disbursements from the BCC's funds. The pre-audit function is performed by the BCC Financial Services Department of the Clerk's Office. As authorized by Sections 125.01(1)(x), 11.45(1)(e), and 11.45(3)(a)3, Florida Statutes, the BCC retains an independent certified public accounting firm to perform an annual financial audit of its accounts and records including the accounts and records of all county officers named in Section 1(d), Article VIII, State Constitution.

SCOPE

The scope of the Department's authority includes any operation under the direction of the BCC and the Clerk. It also includes other functions for which the BCC provides financial support as separate entities within its budget or for which the BCC is the ex-officio governing body, with the exclusion of other constitutional officers. The Department will conduct audits to monitor compliance with the BCC and the Clerk's internal policies and procedures, Administrative Orders, Florida Statutes, Ordinances, and the Clerk's Fraud and Ethics Policies. Investigations of suspected fraud, waste, or abuse of any public asset or reported ethics violations in the Clerk's office may be conducted by the Department. In the event that an allegation is made against the BCC, the BCC or the County Administrator may make a formal written request for the Department to conduct an investigation. It is the intent of the Department to promote awareness of the potential for fraud, waste, and abuse throughout the County and to provide

guidelines and assign responsibility for the development of adequate internal controls and systems.

The scope of the work includes the following two general areas:

A. Audit Services – Clerk and BCC Offices

1. Review the reliability and integrity of financial and operating information, including the means used to identify, measure, classify, and report such information.
2. Review the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on operations and reports. In cases where compliance may be in question, suggestions on ways to make corrections are provided.
3. Review the means of safeguarding assets and, as appropriate, verify the existence of such assets.
4. Appraise the economy, efficiency, and effectiveness with which resources are employed, as well as management's operational control within and outside of the scope of financial statements.
5. Review operations or programs to ascertain whether the results are consistent with established objectives and goals and whether the operations or programs are being carried out as approved and/or planned.

B. Public Integrity Investigations-Clerk's Office only

1. Investigate any suspected inappropriate activity as defined in the Clerk's Fraud and Ethics Policies.
2. If any substantiated fraudulent act has criminal implications, the Department will consult with law enforcement agencies as necessary to assist in the preparation and presentation of criminal findings in a court of law.
3. The Department is authorized by the Clerk to perform investigations and, for that purpose, may administer oaths and compel the production of books, papers, and other evidence material(s) to said inquiries.

RESPONSIBILITIES

Pursuant to the legal authority and responsibility cited above, the Clerk has established the Department to fulfill the responsibilities of the office as they relate to investigations and auditing functions, not to include the pre-audit of disbursements from BCC funds which will continue to be performed by the Financial Services Department of the Clerk's Office. However, the Department's responsibilities may include a post-audit review of that function.

The Inspector General appointed to lead the Department shall be accountable to the Clerk to perform the following functions:

- Conduct audits of operations of the BCC and the Clerk's Office.

- Report significant issues related to the processes for controlling the activities of the BCC operations and the Clerk's Office including potential improvements to those processes and provide information concerning such issues through resolution.
- Coordinate with and provide oversight of other control and monitoring functions (risk management, compliance, security, ethics, environmental, external audit, etc.) as directed by the Clerk.

To perform the duties of the Department, team members must have the following:

- Unrestricted access to all functions, records, property, and personnel.
- Allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit or investigative objectives.
- Obtain the necessary assistance of personnel within the County where they perform audits, as well as other specialized services from within and outside the County.

RESTRICTIONS

The Department of Inspector General staff members are restricted from the following:

- Performing any operational duties for the Clerk and the County.
- Performing investigations of the BCC, unless requested in writing.
- Initiating or approving accounting transactions external to the Department.
- Directing the activities of any BCC or Clerk employee not employed by the Department except to the extent such employees have been appropriately assigned to the Department or to otherwise assist the Department.

INDEPENDENCE

To provide for the independence of the Inspector General activity, the Inspector General reports functionally and administratively to the Clerk & Comptroller. The Clerk, as County Auditor, communicates with the BCC and other agencies as necessary. The Department has no direct responsibility to or authority over any area subject to its audit, review, or investigation. Therefore, the Department is organizationally independent from those areas which it will be auditing, reviewing, and investigating.

ACCOUNTABILITY

The Clerk will work with the Department to facilitate the following:

- Development of a flexible annual audit plan using appropriate risk-based methodology, including any risks or control concerns identified by management.
- Implementation of the annual audit plan and initiation of other audits/investigations as needed.

- Maintenance of a professional audit/investigative team with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this charter. The Inspector General should hold at appointment or be required to obtain within a time certain after appointment certification as a Certified Inspector General.
- Establishment of a quality assurance program by which the Inspector General assures the operations of audit and investigative services.
- Performance of consulting services, beyond Inspector General's assurance services, to assist management in meeting its objectives. Examples may include reviews of policies and procedures, contracts and grants, training, and advisory services.
- Inform the Clerk of emerging trends and successful practices in auditing and investigations.
- Maintenance of a fraud, waste, and abuse hotline and conduct investigations as indicated in the circumstances.
- Investigation of suspected instances of fraud in the Clerk's Office.

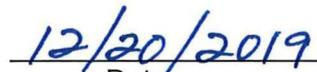
STANDARDS OF AUDIT AND INVESTIGATIVE PRACTICES

The Department will meet or exceed the following standards:

1. *International Standards for the Professional Practice of Internal Auditing* of The Institute of Internal Auditors (Auditing Standards). These auditing standards are part of the *International Professional Practices Framework*. This framework prescribes mandatory compliance with the *Definition of Internal Auditing, Code of Ethics and Auditing Standards*.
2. *Principles and Standards for Offices of Inspector General* of the Association of Inspectors General.

While this Charter is not intended to fully reiterate the 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 Department.


 Patrice Monaco-McBride, CIG, CIGA, CGFO
 Inspector General


 Date


 Nichole Alvarez-Sowles, Esq.
 Pasco County Clerk & Comptroller


 Date