



City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Dan Gelber and Members of the City Commission
Alina T. Hudak, City Manager

FROM: Rafael A. Paz, City Attorney

A blue ink signature of Rafael A. Paz, consisting of a stylized 'R' followed by a horizontal line.

FIRST READING

DATE: September 13, 2023

SUBJECT: AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING CHAPTER 2 OF THE CODE OF THE CITY OF MIAMI BEACH, ENTITLED "ADMINISTRATION" BY AMENDING ARTICLE IV, ENTITLED "OFFICERS AND EMPLOYEES," BY AMENDING DIVISION 4, ENTITLED "INDEPENDENT CITY AUDITOR," TO CREATE SECTION 2-254 THEREOF, ENTITLED "CITY'S INTERNAL AUDIT" TO ESTABLISH A CITY INTERNAL AUDITOR; AMENDING ARTICLE IV, ENTITLED "OFFICERS AND EMPLOYEES," BY AMENDING DIVISION 5, ENTITLED "OFFICE OF INSPECTOR GENERAL," BY AMENDING SECTION 2-256 THEREOF, ENTITLED "OFFICE OF INSPECTOR GENERAL," TO REFLECT THE REASSIGNMENT OF THE INTERNAL AUDIT FUNCTION UNDER THE AUSPICES OF THE CITY ADMINISTRATION; AND, PROVIDING FOR REPEALER, SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE.

The proposed Ordinance has been prepared at the request of Commissioner David Richardson and is submitted for consideration on First Reading at the September 13, 2023 City Commission meeting.

The City of Miami Beach is one of the few municipalities in the State of Florida that has demonstrated its commitment to transparency and accountability in government by creating, and empowering, its own Office of Inspector General (OIG). The OIG, which was approved by the voters as part of the November 2018 general election, exists to identify efficiencies and detect, investigate and prevent fraud, waste, mismanagement, misconduct, and abuse of power in City government.

Currently, under the City Code, one of the functions of the Office of the Inspector General ("OIG") is to serve as the City's internal auditor. The internal audit function, which largely relates to the performance of routine resort tax audits, parking audits, franchise waste audits, and audits of certain city vendors, concessionaires or lessees, is an administrative function that is entirely separate from the traditional powers and duties of an inspector general with respect to detecting and investigating fraud, waste and abuse.

Historically, the Office of Internal Audit resided within the Office of Management and Budget, and the Internal Auditor reported directly to the City Manager.

The proposed ordinance seeks to realign the internal audit function to reside with the City Administration, while expressly providing that the budget for the Office of Inspector General shall continue to include funding for auditors to remain staffed within the Office of Inspector General, to thereby provide the Inspector General with the ability to perform any audit the Inspector General determines may be necessary in the performance of the OIG's powers and duties under the City Charter or City Code.

The foregoing was discussed at the July 28, 2023 Finance and Economic Resiliency Committee meeting, with the express, unanimous direction that the realignment shall occur and the proposed realignment of administrative internal audit functions shall in no way diminish the audit resources available to the Inspector General to perform the duties of the OIG.

As part of the discussion of this ordinance at the September 13, 2023 City Commission meeting, the sponsor requests that the City Commission discuss and identify the appropriate number of audit personnel necessary to perform audits conducted by the OIG, as well as the number of personnel which will be required for the separate City internal audit function.

RAP/FA/ag