



John A. Carey  
Inspector General

## OFFICE OF INSPECTOR GENERAL PALM BEACH COUNTY



Inspector General  
Accredited

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*“Enhancing Public Trust in Government”*

# Audit Report

## 2023-A-0006

# City of Belle Glade - Expenditure of Coronavirus State and Local Fiscal Recovery Funding

## September 11, 2023



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## AUDIT REPORT 2023-A-0006

DATE ISSUED: SEPTEMBER 11, 2023



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## CITY OF BELLE GLADE - EXPENDITURE OF CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDING

### SUMMARY

#### WHAT WE DID

We conducted an audit of the expenditure of Coronavirus State and Local Fiscal Recovery Funding (CSLFRF) for the City of Belle Glade (City). This audit was performed as part of the Office of Inspector General, Palm Beach County (OIG) 2023 Annual Audit Plan.

Our audit focused on City CSLFRF funding activities and related expenditures for the period September 9, 2021 through April 6, 2023.

#### WHAT WE FOUND

We found that the City had generally adequate controls related to the expenditure of CSLFRF funding. Additionally, we found the expenditure of CSLFRF funding by the City was in compliance with requirements, allocated to appropriate activities, properly documented, and properly reviewed and approved.

#### WHAT WE RECOMMEND

We had no findings during the audit; therefore, we made no recommendations.

## BACKGROUND



The City of Belle Glade was originally incorporated in 1928 as the Town of Belle Glade, and as the City of Belle Glade in 1945. The current Charter of the City was adopted on May 14, 1990. The City is located in western Palm Beach County on the southeast corner of Lake Okeechobee. As of April 1, 2021, the City's estimated population was 16,893.

The City operates under a Commissioner-Manager form of government. The government of the City is vested in the City Commission, which is composed of five (5) members elected to staggered three (3) year terms. The City Commission at its annual organization meeting appoints one of its members as Mayor and one Vice-Mayor. The Mayor is head of the City government for all ceremonial purposes. The City Commission is responsible for enacting local legislation, adopting budgets, determining policies, and appointing the officers and officials of the City. The City Commission appoints the City Manager and is responsible for executing the laws and administering the government of the City.

### **Coronavirus State and Local Fiscal Recovery Funding**

On March 11, 2021, the President of the United States signed the American Rescue Plan Act of 2021 (ARPA)<sup>1</sup> into law. ARPA established the Coronavirus State and Local Fiscal Recovery Funds that allocated \$350 billion to state, local, and Tribal governments to support their efforts to respond to the COVID-19 pandemic and its economic effects and to build a stronger, more equitable economy during the recovery. Florida local governments and municipalities were allocated \$2.93 billion, of which the City was allocated \$10,084,187.

CSLFRF funds may only be used for eligible costs incurred within a specific time period, beginning March 3, 2021, with all funds obligated by December 31, 2024 and all funds spent by September 30, 2026 for Surface Transportation projects and Title I projects,<sup>2</sup> and by December 31, 2026 for all other eligible uses. According to the Department of Treasury's Final Rule, 31 CFR Part 35, eligible uses of CSLFRF funds consisted of:

- 1) Responding to the public health and negative impacts of the pandemic,
- 2) Providing premium pay to essential workers,
- 3) Providing government services to the extent of a reduction in general revenue due to the pandemic, and
- 4) Making necessary investments in water, sewer, and broadband infrastructure.

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<sup>1</sup> The American Rescue Plan Act of 2021, also called the COVID-19 Stimulus Package or American Rescue Plan, is a \$1.9 trillion economic stimulus bill passed by the 117th United States Congress and signed into law by the President, to speed up the country's recovery from the economic and health effects of the COVID-19 pandemic.

<sup>2</sup> Projects initiated by Federal, State and local governments in line with HUD's Community Development Block Grant program to eliminate blight, to conserve and renew older urban areas, to improve the living environment of low and moderate income families, and to develop new centers of population growth and economic activity.

On December 29, 2022, the President signed the Consolidated Appropriations Act, 2023 (CAA) into law which made amendments with respect to the CSLFRF funding and provided for the following new eligible uses of CSLFRF funding:

- 1) Providing emergency relief from natural disasters,
- 2) Making necessary investments in infrastructure, including surface transportation projects, and
- 3) Title I projects.

The OIG FY 2023 Audit Plan had multiple entities selected for Accounts Payable Expenditures/Cash Disbursements audits. The OIG selected the City to assess its expenditure of Coronavirus State and Local Fiscal Recovery Funding.

## OBJECTIVES, SCOPE, AND METHODOLOGY

The overall objectives of the audit were to determine if:

- Internal controls were adequate related to the expenditure of CSLFRF funding, and
- The expenditure of CSLFRF funding was in compliance with requirements, allocated to appropriate activities, properly documented, and properly reviewed and approved.

The scope of the audit included but was not limited to CSLFRF funding activities and related expenditures for the period September 9, 2021 through April 6, 2023.

The audit methodology included but was not limited to:

- Completion of data reliability and integrity assessments of related computer systems;
- Review of policies, procedures, and related requirements;
- Completion of process walk-throughs;
- Review of internal controls related to the expenditure of CSLFRF funding;
- Interview of appropriate personnel;
- Review of records, reports, contracts, and agreements;
- Detailed testing of selected transactions.

As part of the audit, we completed a data reliability and integrity assessment of the City's financial system, Logics/Edmunds GovTech. We determined that the computer-processed data contained in Logics/Edmunds GovTech was sufficiently reliable for the purposes of the audit.

This audit was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

## CONCLUSION

We found that the City had generally adequate controls related to the expenditure of CSLFRF funding. Additionally, we found that the expenditure of CSLFRF funding by the City (see Chart 1 below) was in compliance with requirements, allocated to appropriate activities, properly documented, and properly reviewed and approved.

**Chart 1**

Fiscal Year	Use of CSLFRF Funding	Amount
2020-2021	Revenue Loss - PBSO Police Services <sup>3</sup>	\$1,000,000
2021-2022	Revenue Loss - PBSO Police Services	\$3,000,000
2022-2023 (through April 6, 2023 only)	Revenue Loss - PBSO Police Services	\$1,750,000
	<b>Total</b>	<b>\$5,750,000</b>

## ACKNOWLEDGEMENT

The Inspector General's audit staff would like to extend our appreciation to the City of Belle Glade's staff for their assistance and support in the completion of this audit.

*This report is available on the OIG website at: <https://www.pbcgov.com/OIG>. Please address inquiries regarding this report to the Director of Audit by email at [inspector@pbcgov.org](mailto:inspector@pbcgov.org) or by telephone at (561) 233-2350.*

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<sup>3</sup> The City of Belle Glade has an agreement with the Palm Beach County Sheriff's Office (PBSO) to perform law enforcement services.