



Inspector General Insights

Background: On December 1, 2020, Leo Ochs, County Manager, announced to staff that Nick Casalanguida, Deputy County Manager, was pursuing other opportunities. His last day worked was to be at the end of 2020. This was discussed at BCC Board meetings beginning December 8, 2020, and also noted in a number of local publications. Mr. Casalanguida's LinkedIn page indicates he began work for Barron Collier Companies in January 2021.

The Board of County Commissioners (BCC) employs an "exception" payroll, which means that salaried employees are automatically paid their regular salaries unless an "exception" is entered to reflect that they have taken sick time, vacation time, or other time off. Their regular salary begins or ends when BCC Human Resources (HR) enters a Personnel Action Report (PAR). The PAR and supporting backup are then furnished to the Clerk's Payroll staff to audit prior to payment.

Objective: The Office of Inspector General (OIG) reviewed to determine if the BCC violated associated Florida Statutes or Collier County Human Resources Administrative Practices and Procedures (CMAs) when they approved additional pay for time not worked and employee benefits for Nick Casalanguida to include, but not limited to:

- Payment of an extended 40 hours of vacation time beyond what he was entitled because he did not comply with his vacation extension terms (480 hours vs. 440-hour cap).
- Health, vision and dental benefits during the period of January 1, 2021 - April 30, 2021, when he was no longer working for the County.
- 457 Plan retirement benefits of \$3,000 paid in January 2021 for active employees, when he had not worked since December 2020.
- Holiday pay (3-8 hour days) paid in 2021 after he was no longer employed.
- Florida Retirement System benefits on additional pay after leaving County employment.

Scope: We limited our review to fiscal years 2020 and 2021. We reviewed only the correspondence included in the payroll and personnel files regarding Mr. Casalanguida's payout. We did not review his Medical and Dental claims submitted in 2021, to determine the impact on the County's self-insurance plan while he continued to have these coverages.

Observations: On 1/15/2021, Mr. Casalanguida was paid for his time worked through 12/31/2021, which properly included two 8-hr holidays for Christmas Eve and Christmas Day. Another 8-hr holiday for New Year's Day was also included, although this should not have been paid, as he did not record hours worked after 12/31/2021.

At that time, none of Mr. Casalanguida's 480 hours of vacation were paid out, as is typical with a terminated employee and so noted in CMA 5360. The BCC's vacation maximum accrual is 440 hours, although the SAP payroll system reflects that Mr. Casalanguida's vacation maximum was adjusted because of an extension granted, to allow his maximum hours to reach 480 hours. One condition detailed on his extension agreement is that the employee forfeits the extended amount (40 hours) if

they do not take at least 80 hours of vacation within that year. Mr. Casalanguida took only 24 hours of vacation in 2020, technically forfeiting the additional hours allowed by the extension. CMA 5360 also notes that vacation pay at separation shall not exceed 440 hours unless an extension was approved by the County Manager or his designee.

On February 26, 2021, a deduction of \$1,277.99 was made from Mr. Casalanguida's pay, supported by a PAR noting that he was reimbursing the County for non-returned equipment of an iPad and related accessories. These were purchased directly by Mr. Casalanguida on November 11, 2020 on his County Purchasing Card, two weeks prior to his termination letter of November 25, 2020. Although the County does not enjoy any discounted purchasing relationship with the vendor used, purchasing this equipment through the County's tax-exempt certificate allowed a sales tax savings of \$89.46.

On April 13, 2021, BCC HR entered a PAR to terminate Mr. Casalanguida's employment as of April 2, 2021. The PAR was signed by the HR Director on November 25, 2020, nearly four months after the date of separation. The PAR indicates the Clerk's Payroll staff review at 3:23 pm on April 13, 2021. The Clerk's Payroll Supervisor (PR) contacted the HR Director on April 19, 2021, and she indicated that she believed that the termination PAR for Mr. Casalanguida must have been missed earlier. PR furthered questioned that more than his final vacation hours at the time of termination had been paid out, as Mr. Casalanguida continued to accrue vacation hours after he left employment. PR also observed that Mr. Casalanguida had been paid holiday time when he was not working.

The HR Director supported the payment of the vacation time paid over the four months, the accrual of additional vacation time during those four months he did not work, and the payment of holidays after he had stopped working for the County, citing leave slips signed by the County Manager (Ochs).

The financial impact of these questioned amounts paid for services in 2021 is as follows:

Description	Hours	Amount
Vacation Hours (520 hours paid out vs. 440 hours due at termination)	80	\$ 7,139.41
2021 Holiday Hours paid, when he was no longer an employee	24	2,142.09
457 Retirement Plan match paid in 2021, the annual maximum per the plan		3,000.00
Florida Retirement Plan contributions made by the BCC on the excess payments		2,533.17
Employer Health Plan payments made by the BCC for 2021		7,154.16
Employer Taxes paid by the BCC in 2021 on the excess payments		710.03
COBRA premiums on Medical and Dental coverage supplied through April 2021		7,267.48
Total of Overpayments, Employer Portion of Benefits and COBRA Premiums		\$ 29,946.34

Recommendations & Actions: These payments and benefits were not made in accordance with BCC policies, yet the County Manager has the legal authority to override policies at his discretion. The amounts in question do not exceed the 20-week maximum severance allowed under Florida Statute 215.425. The OIG determined that these payments were legal, and since the Clerk is bound by statute to make only legal payments, that provision has been satisfied.

BCC Human Resources has an inherent conflict in interpreting the pay provisions for the County Manager and the Deputy County Manager, as HR reports to those positions. We recommend the BCC consider alternate approval arrangements for personnel transactions for those senior positions.

Total # Transactions	Amounts Audited or Reviewed	Questioned Costs	Taxpayer Savings	Observations / Recommendations
9	\$ 68,143.99	\$ 29,946.34	N/A	1