

Internal Auditor Follow-Up Report Summary of Audit Corrective Actions

BREVARD COUNTY INTERNAL AUDIT

October 2020

Audit Report / Subject	Management Comments	Auditor Status Up-Date	Report Issue Date	Corrective Actions		
				Total	Open	Closed
Individual Functions						
Educational Impact Fees: County Responsibility	May 2020	May 2020	December 4, 2013	8	2	6
Parks and Recreation - Facilities Usage and Contracting - Phase II	October 2020	October 2020	May 1, 2018	7	2	5
Procurement Initiation & Contract Review	October 2020	October 2020	November 7, 2018	5	1	4
Space Coast Office of Tourism	February 2020	February 2020	July 26, 2019	8	2	6
Central Fleet Services	October 2020	October 2020	August 7, 2019	5	0	5
Total				33	7	26

NOTES:

Follow-up Not Required as no ECD's or testing was applicable this reporting cycle.

Internal Auditor Follow-Up Report of Corrective Actions

BREVARD COUNTY INTERNAL AUDIT

Report Issue Date: May 16, 2018

FUNCTION: Parks and Recreation - Facilities Usage and Contracting

Risk	Observation #1: Rental Receipts (Permit Applications) (Recurring)	Management Comments as of October 2020	Auditor Comments as of October 2020	Status
High	<p>During our inspection of the 50 facility rental receipts (permit applications) selected for testing, we noted the following exceptions broken down by the respective North, Central and South Areas:</p> <p>North Area (15 samples)</p> <ul style="list-style-type: none"> • 2 of 3 with the special conditions "Commercial and Open to the Public" did not have the required permits • 2 of 3 with the special conditions "Commercial and Open to the Public" did not include the required security plan • 2 of 3 with the special conditions "Commercial and Open to the Public" did not have the required certificates of insurance • 3 of 15 did not have documentation to support the fee charged per the fee schedule • 7 of 15 were not signed by the applicant • 6 of 15 were not signed by Department staff <p>Central Area (10 samples)</p> <ul style="list-style-type: none"> • 4 of 10 were not signed by the applicant • 4 of 10 were not signed by Department staff <p>South Area (25 samples)</p> <ul style="list-style-type: none"> • 4 of 7 with the special conditions "Commercial and Open to Public" did not include the required security plan • 3 of 7 with the special conditions "Commercial and Open to the Public did not have evidence of approval by the recreation coordinator or above • 1 of 25 - 50% of the fee was not collected within the required time (48 hours) • 10 of 25 were not signed by the applicant • 8 of 25 were not signed by Department staff 	<p>d. Approval authority matrix was developed June, 2019. Area Managers have been using the matrix beginning in June 2019, however the documentation of the approvals when required by the authority matrix was either granted orally or if via email, not retained. Controls will be put in place to ensure the approvals are documented within RecTrac. See additional comments at observation 3.</p> <p>The Authority Matrix and documentation thereof was formally put in place by the end of November 2019.</p> <p>Testing can proceed in June 2020 but would exclude March 20, 2020 through May 18, 2020 as County facilities were closed due to COVID-19.</p> <p>October 2020 update: Management is in the process of working with the internal auditors to provide a list of facility rentals for testing.</p>	<p>d. We obtained a copy of the Approval Authority Matrix developed by management dated June 2019. However, based on discussions with management, although the Area Managers stated that they started utilizing the matrix beginning in June 2019, documentation of the approvals when required by the authority matrix was either granted orally or if via email, not retained. We noted during our rental sample testing above that for the 2 out of 15 samples that were considered high risk, there was no documented evidence of approvals. We need to allow for several months of data to test the effective implementation of the Authority Matrix.</p> <p>October 2020 Update: Time of testing was delayed due to COVID-19.</p>	Open

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BREVARD COUNTY INTERNAL AUDIT

Report Issue Date: May 16, 2018

FUNCTION: Parks and Recreation - Facilities Usage and Contracting

Risk	Observation #1: Rental Receipts (Permit Applications) (Recurring) (Cont'd.)	Management Comments as of October 2020	Auditor Comments as of October 2020	Status
High	<p>These types of exceptions can lead to the following: misappropriation of assets and / or failure to capture and collect the appropriate revenue due to the County for facility rentals and usage; risk of liability, claims and damages against the County including rental receipts (permit applications) not signed by the customer whereby the applicant acknowledges and agrees to the following:</p> <p>"I am 18 years of age (21 years of age if alcohol will be present) or over and understand as a representative of said event/organization, that I take full responsibility for each and every participant of said function. I have read and agree to follow the rental rules I have been given for my activity. I hereby waive any and all claims against the Board of County Commissioners and its employees and agents arising out of any personal injury or property damage that is incurred during said function. I have also read the information on the reverse side of this permit and agree to the terms and conditions hereof."</p>			Open
	<p>Auditor Recommendation</p> <p>We recommend that the County consider the following:</p> <ul style="list-style-type: none"> a. Provide training to staff regarding the proper steps to complete the rental (permit application) process including all required approvals and supporting documentation. b. Scan the final signed rental receipts (permit applications) and any relevant supporting documentation electronically into RecTrac. c. Carry out periodic spot audits of rental receipts (permit applications) and relevant supporting documentation. d. Develop a formal, documented approval authority matrix for supervisor and above to review rentals of a certain category that presents more risk of loss of revenue (sponsored / cosponsored vs. commercial etc. category) or safety or reputational risk due to significance and nature of the activity, public vs. private activity, alcohol / no alcohol, attendance, etc. <p>Note: These were both carryover recommended actions from the previous internal audit that management informed us was still open prior to the commencement of our procedures.</p>	<p>ECD:</p> <ul style="list-style-type: none"> a. Closed. b. Closed. c. Closed. d. Completed, Pending Testing. 	<p>Testing Date:</p> <ul style="list-style-type: none"> a. Closed. b. Closed. c. Closed. d. March 2020; revised September 2020; revised November 2020. 	

Internal Auditor Follow-Up Report of Corrective Actions

BREVARD COUNTY INTERNAL AUDIT

Report Issue Date: May 16, 2018

FUNCTION: Parks and Recreation - Facilities Usage and Contracting

Risk	Observation #4: Facility Keys Inventory (recurring)	Management Comments as of October 2020	Auditor Comments as of October 2020	Status
Moderate	<p>Management provided a consolidated listing of the key's assigned (checked out) for each Area, but was not able to provide an up-to-date master inventory for each Area to account for the completeness of the population such as Keys:</p> <ul style="list-style-type: none"> • Not checked-out • Unaccounted for (Missing / Lost) • "Overdue" <p>The Central Area provided a Master Key Inventory Registry but the report had not been updated for over a year (last updated 1/17/2017) and there were a number of keys unaccounted for. Further, the disposition column of the report did not indicate the action taken to resolve these matters.</p> <p>The South Area provided two separate reports: an unsigned key list; and an assigned key list that included: name of key holder, date issued, location of key, title of employee, key #, and date issued; but the column for date due was blank, and for department and there was no column for management/staff approval/authorization of the key assignment.</p> <p>The North Area did not provide key list reports beyond the consolidated listing of keys checked out noted above.</p> <p>The lack of proper maintenance of the facility keys can lead to the unauthorized or misuse of assets.</p>	<p>The South Area has implemented the Best Lock system. The Central Area will have the Best Lock system installed by June 2020. The North Area staff ordered hardware in October, 2019 and that hardware has been replaced. The remaining cores were ordered in March 2020. We spoke with Best Lock on May 7, 2020 and they informed us that due to COVID-19, the cores will not ship at least until June 2020.</p> <p>October 2020 update: Due to the extended nature of the effects of COVID-19, installation was further delayed.</p>	<p>This recommendation is being implemented in phases for each Parks and Recreation Area. We will test the implementation as a whole after it is completed.</p>	Open

Internal Auditor Follow-Up Report of Corrective Actions

BREVARD COUNTY INTERNAL AUDIT

Report Issue Date: May 16, 2018

FUNCTION: Parks and Recreation - Facilities Usage and Contracting

Risk	Observation #4: Facility Keys Inventory (recurring) (continued)	Management Comments as of October 2020	Auditor Comments as of October 2020	Status
	<p>Auditor Recommendation</p> <p>We recommend that management develop a complete, standardized Key Registry inventory (keys checked-out and checked-in) consistent by Area that includes, but is not limited to the following data:</p> <ul style="list-style-type: none"> • Key Number • "Assigned To" – this section of the Key Registry should contain: the full name of the assignee along with a title / description of who they are / represent. • Key Location – facility number, name, room number, etc. • Date issued / checked out • Date Due – recreation instructors, recreation partners, other rental users as applicable; upon completion of the contractual usage period, the key(s) could be checked in to the respective Areas • Department management approval – column for tracking proper approval of the key assignments / check out • Disposition – this column could indicate any keys not accounted for and the disposition / resolution thereof <p>Based on our discussions with management, we understand that management is in the process of updating the key inventory system to address these matters.</p>	<p>ECD:</p> <p>O: October 1, 2018 R: September 30, 2020 R: March 2021</p>	<p>Testing Date:</p> <p>O: October 2020 R: April 2021</p>	

Open/Closed

- = On schedule to complete ECDs
- = Missed ECD (1st time), planned to complete by next stated ECD.
- = Missed ECD (2nd time since latest revised ECD)

Internal Auditor Follow-Up Report of Corrective Actions

BREVARD COUNTY INTERNAL AUDIT

Report Issue Date: October 24, 2018

FUNCTION: Procurement and Contract Review

Risk	Observation #2: Contract Standardization	Management Comments as of October 2020	Auditor Comments as of October 2020	Status
Moderate	<p>Based on discussions with the Central Services Director and a Deputy County Attorney of the CAO, we noted the following:</p> <ul style="list-style-type: none"> • There were inconsistencies among attorneys in the contract review feedback that were provided to the respective User Agency. • Many departments have developed their own contract templates for similar types of services/product procurements that vary significantly in terms of form, structure and content (Utilities, Facilities, Parks and Recreation, Solid Waste Management, etc.). <p>Based on follow-up discussions with the LSS Contract Review Team Lead, the LSS team's final presentation will include the recommendation to establish a new LSS project to develop standardized contract templates for Department and Countywide use.</p>	<p>a. The CAO has incorporated most of the language into standard contracts although some items are unique to departments. The CAO has to run the changes through department directors and in some cases the Assistant County Manager and then the documents can be completed.</p>	<p>a. This item is in process and will be tested when the contract templates have been completed.</p>	Open
	<p>Auditor Recommendation</p> <p>a. We recommend that the County develop standard contract templates for the most common projects, services, etc. The development and final approval of standard contract templates should include Risk Management and CAO participation.</p> <p>b. We recommend that a process or policy be put in place for the County Attorney to review the established contract templates annually to help ensure the terms and conditions are up-to-date with local ordinances, Federal and Florida Statues as applicable.</p> <p>This will help facilitate consistency, efficiency and contract compliance in the contract development, review and approval process for each Department and Countywide.</p>	<p>ECD:</p> <p>a.O: May 31, 2019; R: September 2020; R: Jan 2021. b. Closed.</p>	<p>Testing Date:</p> <p>a. O: October 2020; R: Feb 2021. b. Closed.</p>	

Open/Closed

- = On schedule to complete ECDs
- = Missed ECD (1st time), planned to complete in next 3 month review
- = Missed ECD (2nd time or over 3 months for revised ECD)

Internal Auditor Follow-Up Report of Corrective Actions

BREVARD COUNTY INTERNAL AUDIT

Report Issue Date: August 7, 2019

FUNCTION: Central Fleet Services

Risk	Observation #3: Vehicle Maintenance & Billing	Management Comments as of October 2020	Auditor Comments as of October 2020	Status
Moderate	<p>We noted the following exceptions related to our review of the 40 work orders selected for testing:</p> <ul style="list-style-type: none"> • 3 of 40 – there was no evidence of approval by the FS fleet manager on the work order. <p>Additionally, we noted that currently the FS Fleet manager obtains the hard copies of the work orders that were provided to the vehicle technicians to complete and enters the data into iMaint for the respective technicians</p>	<p>b. The techs were all provided laptops on June 1, 2020 and starting entering the work order data into iMaint via their laptops at that time.</p>	<p>b. We observed that the technicians utilize laptops that interface with iMaint to input the work order details.</p>	Closed
	<p>Auditor Recommendation</p> <p>We recommend that management perform the following:</p> <p>a. There should be evidence of the FS manager’s approval on the hard copy of the work order or it should be approved electronically within iMaint.</p> <p>b. The technicians should be granted input access only to iMaint to input the work order details upon completion. Currently, only the technician who repairs the generators has this access.</p>	<p>ECD:</p> <p>a. Closed. b. Closed.</p>	<p>Testing Date:</p> <p>a. Closed. b. Closed</p>	

Open/Closed

- = On schedule to complete ECDs
- = Missed ECD (1st time), planned to complete in next 3 month review
- = Missed ECD (2nd time or over 3 months for revised ECD)