

Internal Auditor Follow-Up Report Summary of Audit Corrective Actions

BREVARD COUNTY INTERNAL AUDIT

May 2020

Audit Report / Subject	Management Comments	Auditor Status Up-Date	Report Issue Date	Corrective Actions		
				Total	Open	Closed
Individual Functions						
Education Impact Fees: County Responsibility	May 2020	May 2020	December 4, 2013	8	2	6
Education Impact Fees: School Board Responsibility	May 2020	May 2020	December 4, 2013	5	0	5
Education Impact Fees: Joint Responsibility	May 2020	May 2020	December 4, 2013	1	0	1
Parks and Recreation - Facilities Usage and Contracting - Phase II	May 2020	May 2020	May 1, 2018	7	2	5
Procurement Initiation & Contract Review	May 2020	May 2020	November 7, 2018	5	1	4
Tourism Development Office	February 2020	February 2020	July 26, 2019	8	2	6
Fleet Services	May 2020	May 2020	August 7, 2019	5	1	4
Total				39	8	31

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: December 2, 2013

FUNCTION: Educational Facilities Impact Fees

Risk	Observation #: C2	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
High	<p>The County provided copies of interlocal agreements entered into with four (4) local municipalities. From the agreements provided, we noted that Section 4.2.3 of the agreements was not updated to reflect the change in the administrative fee collected from no more than 2.5% to 8.0%.</p> <p>Section 3.5 of the four (4) interlocal agreements required the municipality to remit monthly or annual reports to the County identifying the "address and date of all residential building permits, mobile or manufactured home setup permits, residential certificates of occupancy and certificates of completion for mobile or manufactured home setups for the preceding" reporting period. To date, none of the local municipalities have remitted any reports to the County in compliance with their interlocal agreements or in compliance with Section 62-926(e) of Ordinance 04-34, as amended, in the absence of an interlocal agreement.</p>	<p>(a) Closed.</p> <p>(b) Necessary amendments to the interlocal agreements will be made to provide for receipt of reports "upon request." Periodically, on a rotating basis but no less than annually, the Planning & Development Department will contact each municipality and request information concerning the address of each Certificate of Occupancy or Certificate of Completion issued by that municipality for a one month time period. Based on the responses received from the municipalities, the Department will reconcile the addresses with the County's record of impact fee payments for the same time period in order to verify compliance with the Educational Facilities Impact Fee Ordinance as amended from time to time.</p>	<p>(a) Section 4.2.3 of the interlocal agreements has been modified to, "The County is entitled to retain up to but not more than the percentage of educational facilities impact fees collected prescribed in Ordinance 16-19 as it may be amended from time to time for administration of the ordinance." This modification is appropriate to address the issue related to conflicting language. This language allows the County to modify the administrative fee as needed to comply with Section 163.31801(c), F.S., which limits the administrative charges for the collection of impact fees to actual costs.</p> <p>(b) This will be tested once the amendments to the interlocal agreements have been completed.</p>	Open
Auditor Recommendation		ECD:	Testing Date:	
	<p>We recommend the County execute updated interlocal agreements with all local municipalities that reflect all changes to date of the original ordinance. We further recommend the County develop and implement policies and procedures to collect required reports from the local municipalities in order for the County to ensure fees are being appropriately collected.</p> <p>Through discussions with County personnel, we noted the County's Solid Waste department is already receiving reports from five (5) municipalities listing certificates of occupancy issued during the reporting period. The Planning & Development Department may wish to coordinate such required reporting with reports already remitted by local jurisdictions to the County's Solid Waste department to minimize duplication; however, if the Planning & Development Department wishes to utilize these existing reports, a modification to the language in Section 3.5 of the interlocal agreements would be necessary.</p>	<p>(a) Closed.</p> <p>(b) O: October 31, 2014 R: December 31, 2015 R: December 31, 2016 R: December 31, 2020</p>	June 2021	

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BREVARD COUNTY INTERNAL AUDIT

Report Issue Date: December 2, 2013

FUNCTION: Educational Facilities Impact Fees

Risk	Observation #: C4	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
Moderate	<p>In or around February 2012, the County was contacted by the City of Titusville, via email, regarding a housing project in which an existing apartment building was removed and replaced with nine (9) single family homes. No supporting documentation was remitted to the County. The Planning & Development Department agreed to credit each of the permits an amount equal to the impact fees scheduled for one (1) apartment unit. For the Educational Impact Fee, this agreement resulted in a reduction of the impact fee assessed from \$4,445.40 to \$1,651.15 per home for a total reduced collection of \$25,148.25.</p> <p>The Planning & Development Department looked to Section 62-933(a)(3) of the County Ordinance, as amended, for authoritative guidance to provide this fee adjustment. This section of the County Ordinance provides for an exemption for the replacement of an existing residential building by one of the same type and use provided the existing structure has been occupied at some point during the previous five-year period. While the ordinance did not anticipate these circumstances, the department considered the facts in this case to be analogous enough to warrant a fee adjustment.</p>	Closed.	Section 62-933: Exemption, credits and incentives, was added to Brevard County Ordinance 16-19 to provide for special circumstance adjustments of the educational impact fee. While the ordinance did not clarify the interpretation of "same type" structure, the County believes the language in the ordinance is sufficient for the Planning & Development Department to carry out the intent of the Board of County Commissioners.	Closed
Auditor Recommendation		ECD:	Testing Date:	
We recommend the County review the existing ordinance and, if the County wishes to provide for special circumstance adjustments of the educational impact fee, the County should amend the ordinance to provide for such adjustments, to clarify the intended interpretation of "same type" of structure and establish the authority for review and approval of adjustment requests. In all cases, the County should obtain and retain for audit supporting documents remitted by the requesting party.		Closed.	Closed.	

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Report Issue Date: December 2, 2013

FUNCTION: Educational Facilities Impact Fees

Risk	Observation #: C5	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
Moderate	<p>The rate applied for administrative costs in support of the impact fee program, which includes the Educational Impact fee, is based on amounts allocated by the County during the budgeting process, including wage and labor costs. While annual labor summary reports were prepared in the past, in support of the wage and labor costs allocated to the impact fee programs, these labor distribution reports (time and effort reports) are not currently being prepared by County employees whose time is included in actual costs of overseeing the impact fee programs. Current labor distribution reports would also provide the basis for the proportional allocation of other departmental costs associated with the administration of the impact fee program. We could not, therefore, test the allocation of shared costs to the administration of the impact fee programs.</p>	Closed.	<p>Beginning with fiscal year 2020, the costs associated with the administration of all impact fees assessed by the County are being accumulated into the Impact Fee Administration Fund. Shared costs such as supervisory compensation and benefits are allocated to the Impact Fee Administration Fund using data provided by the County's Budget Office. On a quarterly basis, the administrative costs accumulated in the Impact Fee Administration Fund are charged to the separate impact fee funds based on the actual number of transactions for each impact fee trust fund multiplied by the average transaction cost.</p>	Closed
Auditor Recommendation		ECD:	Testing Date:	
<p>We recommend the County reestablish the practice of accumulation and retention of labor distribution information (time and effort reports) in support of wage and labor costs and other shared costs allocated to the administration of the impact fee programs.</p>		Closed.	Closed.	

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Report Issue Date: December 2, 2013

FUNCTION: Educational Facilities Impact Fees

Risk	Observation #: C7	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
Low	<p>Section 62-923(10) of Ordinance 04-34 refers to "an educational impact fee exemption" for low-income and very-low-income families. The use of the word "exemption" in this section of the ordinance is not consistent with the incentive program described in Section 62-933(c) of the ordinance. That section of the ordinance refers to an incentive to promote construction of new affordable housing for low-income families in which the County will loan a portion of the educational impact fee to the homebuyer to be forgiven over a 10-year period, as long as the homebuyer remains in the residence. The incentive program is contingent upon funding to be provided in the County's budget. To date, the program has not been funded.</p>	Closed.	Section 62-923(10) of Brevard County Ordinance 16-19 has been updated to refer to "impact fee incentive" rather than "impact fee exemption," consistent with the intent of the Board of County Commissioners.	Closed
Auditor Recommendation		ECD:	Testing Date:	
	<p>In discussions with the County's Program Manager, we understand the County's intent was to provide an incentive, not an exemption. If this is the case, we recommend the County amend Section 62-923(10) of Ordinance 04-34 to refer to the incentive program and remove the reference to the term "exemption" as it relates to housing for low-income families.</p>	Closed.	Closed.	

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Report Issue Date: December 2, 2013

FUNCTION: Educational Facilities Impact Fees

Risk	Observation #: C8	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
Low	<p>Section 62-926(c) of Ordinance 04-34, as amended, requires a municipality, in the absence of an interlocal agreement that states otherwise, to require a proof of payment receipt from the County be presented prior to the issuance of an impact-fee-eligible residential building permit. This section is inconsistent with Section 62-928 of the ordinance which allows a municipality to require a proof of payment receipt at any point prior to issuance of the certificate of occupancy or certificate of completion.</p>	<p>Approval of legislative intent to amend Brevard County's impact fee ordinances including amendment to Section 62-926(c) of Ordinance 04-34 to remove the requirement for municipalities without an interlocal agreement with the County to obtain proof of payment receipt prior to issuance of a building permit has been prepared and is pending a request to be added to the Board meeting agenda. Following approval of legislative intent, a public hearing will be need to be held to amend the Ordinance.</p>	<p>This will be tested once the amendment to the Ordinance has been presented to and accepted by the Board of County Commissioners.</p>	Open
Auditor Recommendation		ECD:	Testing Date:	
<p>We recommend the County review sections 62-926(c) and 62-928 of Ordinance 04-34, as amended, to resolve any conflicting language.</p>		<p>O: October 31, 2014 R: October 6, 2015 R: October 31, 2016 R: December 31, 2020</p>	<p>June 2021</p>	

**Internal Auditor Follow-Up Report
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Report Issue Date: December 2, 2013

FUNCTION: Educational Facilities Impact Fees

Risk	Observation #: S1(a)	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
Moderate	<p>Section 2.1 of the interlocal agreement between the County and the School Board requires the School Board to “establish a separate, interest-bearing account for each of the four (4) Educational Facilities Impact Fee Benefit Districts.” Per our discussions with School Board staff and review of reports from their general ledger, all impact fee activity is currently recorded in one capital project fund entitled “Impact Fee Capital Project Fund” and monies are deposited in to the School Board’s pooled cash and pooled investment accounts. Impact fee revenues and expenditures for each of the benefit districts are tracked by the School Board’s Facilities Department through the use of spreadsheets.</p>	Closed.	<p>The School Board previously addressed the recommendation related to accounting for the individual Educational Facilities Impact Fee Benefit Districts in separate funds.</p> <p>Section 2.1 of the interlocal agreement between the County and the School Board has been amended to allow the School Board to deposit educational facilities impact fee funds in an interest bearing, pooled account.</p>	Closed
	Auditor Recommendation	ECD:	Testing Date:	
	<p>The School Board and County may wish to review Section 2.1 of the interlocal agreement and modify the language, as necessary, to align the intended compliance requirement with the use of pooled cash accounts.</p>	Closed.	Closed.	

**Internal Auditor Follow-Up Report
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BREVARD COUNTY INTERNAL AUDIT

Report Issue Date: December 2, 2013

FUNCTION: Educational Facilities Impact Fees

Risk	Observation #: S2	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
Moderate	<p>Construction projects may be funded from multiple funding sources, as was the case for Meadowlane Intermediate. For these projects, the School Board establishes a “spending priority” for accounting for construction costs when it is necessary to allocate costs to more than one fund to track spending of restricted funds. This “spending priority” is not a written policy, as it is determined on a project-by-project basis.</p> <p>Section 2.2 of the interlocal agreement between the County and the School Board requires the School Board to “expend impact fees exclusively for new or expanded public educational facilities.”</p> <p>As noted in the Background section of this report, some projects included remedial or renovation costs in addition to costs of new student stations. Expenditures for renovation costs are recorded in funds separate from the impact fee capital projects fund.</p> <p>As part of the Meadowlane Intermediate project, a chiller plant was constructed to serve three (3) school sites, only one (1) of which qualified as an impact fee eligible project. The costs associated with the chiller plant that serves the two (2) existing school sites were funded entirely with ad valorem revenue. In the accounting records, however, \$1,258,702 was inadvertently misallocated to the impact fee capital project fund for these costs. This misallocation has been separately identified in the annual status report submitted to the County and was the only instance of misallocation noted during our review of projects for this internal audit.</p>	<p>(a) Closed in previous follow-up.</p> <p>(b) Closed.</p>	<p>(a) Closed in a previous follow-up.</p> <p>(b) The District has updated their procedures related to accounting for construction projects funded by multiple sources that include impact fees to include process improvements for the accounting of spending for construction projects funded from multiple sources. We selected a sample of transactions from impact fee-eligible projects from the twelve months ended June 30, 2019, noting the District adhered to their policies and procedures and expenditures were for appropriately spent under the impact fee interlocal agreement.</p>	Closed
Auditor Recommendation		ECD:	Testing Date:	
<p>We recommend the School Board prepare a journal entry to re-allocate \$1,258,702 to the impact fee fund for Benefit District 1.</p> <p>We further suggest the School Board review procedures for accounting for construction costs for projects that are funded from multiple sources to ensure the “spending priority” applied for accounting purposes effectively reflects the allocation of funds used to complete the project. For example, a project may be funded by Classrooms for Kids monies and ad valorem monies as well as impact fee monies. How the School Board prioritizes the use of the multiple funding sources impacts which fund(s) may have excess funds at the end of the project.</p>		<p>(a) Closed.</p> <p>(b) Closed.</p>	Closed.	

Internal Auditor Follow-Up Report of Corrective Actions

BREVARD COUNTY INTERNAL AUDIT

Report Issue Date: December 2, 2013

FUNCTION: Educational Facilities Impact Fees

Risk	Observation #: J1	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
Low	Section 3.2 of the interlocal agreement between the County and the School Board sets forth a monthly remittance of impact fees and accrued interest collected by the County during the prior month to the School Board. Per our discussions with County staff, monthly remittances are not feasible.	Closed.	Section 3.2 of the interlocal agreement has been revised to specify the School Board will initiate the request for funds and the County will remit funds to the School Board within forty-five (45) days of approval by the Board of County Commissioners. The County provided documentation supporting remittance of funds for the last four (4) requests made by the School Board was made within the required timeframe.	Closed
	Auditor Recommendation	ECD:	Testing Date:	
	We recommend the County review Section 3.2 of the interlocal agreement and, in coordination with the School Board, modify as necessary to align with actual practice and more feasible timelines.	Closed.	Closed.	

- 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: May 16, 2018

FUNCTION: Parks and Recreation - Facilities Usage and Contracting

Risk	Observation #1: Rental Receipts (Permit Applications) (Recurring)	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
High	<p>During our inspection of the 50 facility rental receipts (permit applications) selected for testing, we noted the multiple exceptions broken down by the respective North, Central and South Areas:</p> <p>North Area (15 samples) [See original report for details]</p> <p>Central Area (10 samples) [See original report for details]</p> <p>South Area (25 samples) [See original report for details]</p> <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>	<p>a. The Department developed a Facilities Rental Training Checklist and Operation Guide in March 2018 and trained current staff and will train all future staff as part of the hiring process.</p> <p>b. Once the deposit and final payment is received, a signature page is printed at the completion of the rental process and scanned electronically into RecTrac. This was completed January, 2019.</p> <p>c. Random audits, beginning June 2018, have been completed quarterly by the Parks Support Services Manager or designee.</p> <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>a. We obtained a list of employees and selected a sample of five new hires since the Facilities Rental Training Checklist and Operation Guide was put in place. We obtained and reviewed Facilities Rental Training Checklist noting each employee had completed the training and the checklist was properly approved by the supervisor as evidenced by the supervisor's signature and date. There were other matters related to phone in reservations, which is separately addressed in observation 2 and closed.</p> <p>b. In conjunction with the sample rental testing above, we noted that the signature page and relevant supporting documentation was scanned electronically into RecTrac. This is considered closed.</p> <p>c. We obtained the August 2019 calendar that listed the scheduled spot audits. We obtained and reviewed the Financial Audit Checklist noting that the audit checklist was signed by the auditor and facility staff. This is considered closed.</p> <p>d. We obtained a copy of the Approval Authority Matrix developed by management dated June 2019. The Area Managers stated that they started utilizing the matrix beginning in June 2019, but the approvals when required were 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.</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 #1: Rental Receipts (permit applications) (recurring) (continued)			Status
High	Auditor Recommendation	ECD:	Testing Date:	Open
	<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>	<ul style="list-style-type: none"> a. Closed. b. Closed. c. Closed. d. Completed, Pending Testing. 	<ul style="list-style-type: none"> a. Closed. b. Closed. c. Closed. d. March 2020; revised September 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 #2: Phoned-in Reservation / Application Process	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
High	<p>Based on discussions with Area Managers and staff in the field as well as senior management, during our period of testing many of the reservations, if not the majority are completed via phone. When the Department staff took the reservation over the phone and completed the various steps outlined above in the Background section to complete the application process, we noted that this then requires the Department staff to take additional steps and the respective applicant additional steps to sign the application and thereby agree to the waiver and terms and conditions noted in observation 1 above. The normal process is for the Department staff to email the completed application directly from RecTrac to the applicant. The applicant is requested to return the signed application in person or electronically (via scan and email or fax). Upon inquiry of various department staff during our six site visits noted in the procedures above, we noted that there is no standardized or consistent follow-up process in place to obtain the signed applications from the applicants. Further, the applicant was not required to return or provide a signed copy of the application to attend the scheduled event. Additionally, the County Ordinance that governs this process (Section 78-82) also stipulates that the applicant must present current photo identification.</p> <p>The receiving and approving of applications for rentals via phone exacerbates the risk of the potential liabilities noted at Observation 1 since with this process it is even more difficult to ensure the applicant signs the application with its waiver and other terms and conditions.</p>	<p>a. The Facilities Rental and Training Checklist and Operation Guide addresses staff attempting to have the rental permit signed by the applicant prior to approval and issuance of a permit. This was completed March, 2018. Additionally, to accommodate our customers, the Department will recommend to the Board of County Commissioners an amendment to Chapter 78, Parks and Recreation, Code of Ordinances of Brevard County, to delete the following to remove the indemnification requirement for obtaining a permit: "The applicant has agreed to indemnify and hold the county harmless as established by resolution by the board of county commissioners."</p>	<p>a. We obtained and reviewed the Facilities Rental and Training Checklist and Operation Guide noting that it directs the staff to attempt to have the rental permit signed by the applicant prior to approval and issuance of a permit. Additionally, we noted in conjunction with our sample rental testing in observation 1 (Auditor Comments) that for the phoned-in reservations, attempts made by staff to contact the applicant to sign the application via fax or in person was documented but the staff were unable to obtain the applicant's signature - the application includes the waiver and terms and conditions noted in observation 1 above. We obtained Ordinance 78 after it was amended and verified the proposed update to remove the indemnification requirement was completed. This matter is considered closed</p>	Closed

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 #2: Phoned-in Reservation / Application Process (continued)	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
High		<p>b. The Department continues to encourage online reservations. The electronic check box was added. No credit card information is stored in RecTrac. Completed October, 2018.</p>	<p>b. We noted via the Parks and Recreation homepage links and use of social media the Department continues to encourage online reservations. We attempted to reserve a facility online and was not able to process the reservation unless we checked the electronic box agreeing to the terms and conditions noted above in Observation 1. This matter is considered closed</p>	Closed
		<p>c. To accommodate our customers, the Department will recommend to the Board of County Commissioners an amendment to Chapter 78, Parks and Recreation, Code of Ordinances of Brevard County, to delete the following: "The applicant has provided current photo identification."</p>	<p>c. We obtained Ordinance 78 after it was amended and verified the proposed update to remove the requirement for photo identification was completed. This matter is considered closed.</p>	

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 #2: Phoned-in Reservation / Application Process (continued)	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
	<p>Auditor Recommendation</p> <p>We recommend that management consider the following:</p> <ul style="list-style-type: none"> a. Put a process in place to help ensure that rental permits are signed by the applicant and returned to staff prior to approval and issuance. b. Encourage applicants to utilize the RecTrac online reservation portal to complete the reservation in lieu of phoned-in reservations (where practical)* c. Take steps to consistently enforce the County Ordinance requirement for the applicant to provide photo identification to acquire a permit or take the proper steps to remove or revise this requirement from the ordinance. <p>*As management notes in their response (b.), the online household / reservation process includes a copy of the permit's "Other Information and Conditions for Issuance of Use Permit" that requires the applicant to check a box acknowledging agreement before the permit application can be issued. We tested this control by attempting to make a rental reservation noting that the portal required us to check the box noted. Further, management indicated that no credit card information is retained in the RecTrac system.</p> <p>However, to help ensure that the other personal data that is stored on the RecTrac Vendor's server has the proper IT security controls in place, management should seek to obtain a SOC report on an annual basis from the Vendor.</p>	<p>ECD:</p> <ul style="list-style-type: none"> a. Closed b. Closed c. Closed 	<p>Testing Date:</p> <ul style="list-style-type: none"> a. Closed b. Closed c. Closed 	

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 #3 RecTrac – Automated Controls	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
High	<p>We noted through our walkthroughs and discussions of the RecTrac software with the Area super users, managers and superintendents and various observations of employees processing reservations in the field, that the current configuration of RecTrac allows the employee to override the fee schedule built into the RecTrac pull down menus and lacks key preventative controls. In addition, the capability of the updated version of RecTrac may not be fully utilized with respect to potential automation features, such as:</p> <ul style="list-style-type: none"> • Override: For example, depending upon which facility rental selected, the RecTrac menu will default to the fee assigned to the rental per the fee agreement. However, the employee can manually override the default fee in RecTrac • Preventative controls – no automated control to prevent a front desk employee from processing a high risk rental without obtaining supervisor approval (program coordinator or above) 	<p>a. Automated controls were implemented so that the default fees cannot be overridden by anyone other than the system administration.</p> <p>b. Other software compatible automated controls, including discount fee rules, employee fees, key deposits, etc. were implemented in the Parks and Recreation software system during the internal auditor follow-up period.</p> <p>c. We were unable to create automated preventative controls for high risk rentals due to the system hardcodes limitations of RecTrac. The Authority Matrix was put in place in November 2019 to specifically address high risk rentals and the staff have been trained appropriately to adhere to the respective approval thresholds as stipulated in the Authority Matrix. Testing can proceed in June 2020 but would exclude March 20, 2020 through May 18, 2020; County facilities were closed due to COVID-19.</p> <p>d. Due to software limitations various other automated controls that were suggested to explore cannot be configured in RecTrac.</p>	<p>a. b. We performed a walkthrough to test the automated controls that were implemented including automated controls related to default fees and discounts noting that the front desk user group does not have the ability to override the default fees or change the discount rules. Additionally, we tested the various other automated controls / features implemented by management noting that such controls / features operated effectively as designed.</p> <p>c. Due to hardcode limitations of RecTrac, management indicated that the recommended automated preventative controls cannot be implemented. We noted that the Authority Matrix and proper staff training therein is considered an adequate compensating control. This matter is considered closed.</p> <p>d. Due to the software limitation, management indicated that some of the other suggested automated controls cannot be implemented. We noted that there are compensating manual controls in place related to these processes and therefore consider this matter closed.</p>	Closed

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Report Issue Date: May 16, 2018

FUNCTION: Parks and Recreation - Facilities Usage and Contracting

Risk	Observation #3 RecTrac – Automated Controls (continued)	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
	<p>Auditor Recommendation</p> <p>We recommend that management explore the full capability of RecTrac to configure automated controls in order to address the following areas, including but not limited to:</p> <ul style="list-style-type: none"> • No default fee override without Area Manager or above approval • Commercial activities open to the public with 50 or more attendees requires coordinator or above approval • Questions / responses that constitute “High Risk Conditions” requires proper insurance • Open to the public and a commercial activity requires a security plan • Discounts rules • Refund rules • Employee fees requirements • Employees utilization rules • Key deposit requirements • Fifty percent (50%) of the total rental cost down payment requirements • Reservation cancellation fees • Fee payment requirements - paid in full 72 hours prior to facility rentals. • Proof of sales tax exemption if sales tax not charged • Parking plan for special events open to the public 	<p>ECD:</p> <ul style="list-style-type: none"> a. Closed. b. Closed. c. Closed. d. Closed. 	<p>Testing Date:</p> <ul style="list-style-type: none"> a. Closed. b. Closed. c. Closed. d. Closed. 	

Internal Auditor Follow-Up Report of Corrective Actions

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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 May 2020	Auditor Comments as of May 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>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 May 2020	Auditor Comments as of May 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</p>	<p>Testing Date:</p> <p>October 2020</p>	

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 #6: Unpaid Fees / Processing Errors	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
Low	<p>We obtained and sorted RecTrac data to identify amounts that RecTrac showed as “unpaid” for events that had already occurred prior to January 26, 2018 that were still owed as of January 26, 2018. 50% of the rental fee is due within two days of making the reservation to secure the reservation and the full amount, plus the deposit, is due 3 days prior to the rental date. The following represents fees owed as of 1/26/18:</p> <p>Total Fees Paid / Fees Still Owed = \$9,900 - this represents 1.24% of total rental revenue. Fees paid = \$2,937 – represent fees that were collected subsequent to the rental date as of the date of testing. Fees Still Owed = \$6,693 – represents fees owed as of the date of testing.</p> <p>We also noted amounts classified as unpaid fees that were really processing errors totaling - \$5,990.</p> <p>This total amount included Fees Cancelled* of \$5,180 – this represents fees showing as unpaid that should have been automatically credited/removed by RecTrac due to the lack of 50% payment of fee within 48 hours of the reservation – management corrected these errors as of the date of testing.</p> <p>This amount also included fees Misapplied of \$810 – this represent credit card payments that were coded to deposits and should have been applied to the customer’s balance – management corrected these errors as of the date of testing.</p> <p>*Management identified these matters prior to our procedures and has been seeking to work with the Vendor to correct these RecTrac processing glitches.</p>	<p>a. Facility rental payment reminder e-mails have been set to be sent out 14 days and 4 days prior to facility rental. This was completed August, 2018.</p> <p>b.c. Efforts are continually being made to collect unpaid fees and identify and resolve any processing errors. For departmental consistency, it has been decided that the unpaid balance reports will be run in the administrative offices monthly and the area managers will be provided the reports for follow up.</p> <p>The procedure was put in place in October 2019.</p>	<p>a. We reviewed examples of reminder e-mails that were sent noting reminder e-mails were sent out 14 days and 4 days prior to the facility rental date. This matter is considered closed.</p> <p>b.c. We obtained and inspected a sample of the unpaid fees' reports run from RecTrac for the North, Central and South Areas for January through April 2020. The reports included documentation of efforts made to collect unpaid fees. This matter is considered closed.</p>	Closed

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 #6: Unpaid Fees / Processing Errors (continued)	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
	<p>Auditor Recommendation</p> <p>We recommend that management perform the following:</p> <p>a. Put a control in place to identify and collect fees 3 days prior to the rental date (management could address this matter in concert with observation 3 related to the RecTrac – Automated Controls as a preventative control. Additionally, as a detective control, in concert with the recommended spot audits in observation 1, management could identify and address any unpaid fees in a timelier manner – see c. below).</p> <p>b. Continue to seek to collect the unpaid fees identified by Area Management (“Fees Still Owed”).</p> <p>c. Run reports from RecTrac by Area on a monthly basis to identify and resolve any processing errors or collectability issues on a timely basis.</p> <p>This will help facilitate the prevention of uncollected fees as well as the timely identification and resolution of any processing errors and collectability issues related to unpaid fees due to the County</p>	<p>ECD:</p> <p>a. Closed. b.c. Closed.</p>	<p>Testing Date:</p> <p>a. Closed. b.c. Closed.</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 #1: Formal Contract Review and Approval	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
Moderate	<p>For two of the 20 RFP/RFQ's selected for testing, we noted that the User Agency did not obtain the County Attorney's review and approval of the vendor contract prior to contract execution.</p> <p>The relevant section in AO-29 that addresses the contract review and approval requirement by Risk Management and the County Attorney is Step 3 in Section III. A, B and C:</p> <p>"The User Agency shall determine the appropriate contract type and content (see Attachment A) using a "Form" or "Standard" contract whenever possible. The contract document will be forwarded to Risk Management and the County Attorney for review under cover of an Initial Contract Form."</p> <p>This step also applies to contracts proposed by vendors as implied by the phrase, whenever possible. However, this requirement that vendor proposed contracts are also to be reviewed by Risk Management and the County Attorney could be made more explicit.</p>	<p>a. A new Initial Contract Form adding a second review session (Authority to Advertise and Authority to Execute) was implemented in May 2018. Since that time, all county provided contracts are now reviewed prior to the solicitation package being released for bidding and then a subsequent review is completed with the selected contractor and all the terms and conditions input into the actual contract for County Attorney and Risk Management review prior to execution. Implementing this new Initial Contract Form has improved the contract review process in that anyone with authority to execute a contract is now looking for a completely signed Initial Contract Form prior to executing a contract.</p> <p>b. The formal language relative to this revised Initial Contract Form was included in the revised AO-29 which was implemented and published to County BEACH website in January 2020.</p>	<p>a. We obtained and inspected a sample of RFP/RFQ's for testing noting that the User Agency obtained proper approval and review by the County Attorney prior to contract execution as evidenced via the signature and date on the Initial Contract Review and Approval Form. This matter is considered closed.</p> <p>b. We obtained and inspected the revised AO-29 noting that for any formal sealed bid/proposal packages, language was added to require the User Agency to submit a "draft contract" prior to contract execution under cover of a Contract Review and Approval Form to Risk Management, County Attorney and Purchasing prior to advertising. This matter is considered closed.</p>	Closed
	Auditor Recommendation	ECD:	Testing Date:	
	<p>We recommend the following:</p> <p>a. Purchasing should advise/remind the applicable departments that all vendor contracts must be submitted to Risk Management and the County Attorney for review and approval prior to contract execution. Additionally, Purchasing should return any vendor contracts to the User Agency that lack an Initial Contract Review and Approval Form signed by Risk Management and the County Attorney to obtain these required approvals prior to contract execution.</p> <p>b. The County should revise AO-29 to make it clear that if the vendor's contract is used by the User Agency, the User Agency is required to submit the vendor contract to Risk Management and the County Attorney prior to execution by the appropriate parties via the revised "Initial Contract Review and Approval Form" Section III.</p> <p>This will help mitigate the risk of unfavorable and/or ambiguous contract terms and conditions being included that could lead to negative, financial consequences.</p>	<p>a. Closed.</p> <p>b. Closed.</p>	<p>a. Closed.</p> <p>b. Closed.</p>	

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 May 2020	Auditor Comments as of May 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. It was determined that a contract template did not need to go through a LSS team and that staff involved in creating and approving documents would be involved in creating the new contract template. Staff are from Purchasing, County Attorney, Risk and Public Works department. The CAO is still in the process of drafting templates. The CAO is working on the professional services contract template - trying to combine the different ones used by multiple departments. The estimated completion date has been extended primarily due to the shifting of this assignment multiple times within the CAO.</p> <p>b. In lieu of a separate process or policy, the signed initial contract review and approval form would be the evidence that the CAO has signed off on the contract terms and conditions which would include ensuring they were up-to-date with local ordinances, Federal and Florida Statutes, as applicable.</p>	<p>a. This item is in process and will be tested when the contact templates have been completed.</p> <p>b. We concur that a separate process or policy is not needed; the CAO's sign-off on the initial contract review and approval form represents the evidence that the CAO has signed off on the contract terms and conditions which would include ensuring the terms and conditions were up-to-date with local ordinances, Federal and Florida Statutes as applicable. This matter is considered closed.</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 Statutes 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 b. Closed.</p>	<p>Testing Date:</p> <p>a. October 2020 b. Closed.</p>	

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 #4: Insurance and Bond Requirements	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
Moderate	<p>Each of the current formal solicitation templates (RFP/RFQ, ITB, ITQ) include standard terms conditions related to insurance and bonding requirements.</p> <p>However, based on discussions with a Deputy Attorney of the CAO, since insurance and bonding requirements can vary for each project, service, etc. being solicited, these requirements need to be evaluated for each solicitation.</p> <p>In the case where a formal contract is used pursuant to AO-29, these insurance and bond requirements are subject to the review and approval process by Risk Management and the County Attorney.</p> <p>However, for formal solicitations that do not result in formal contracts, there is no requirement that the User Agency submit the insurance and bonding requirements to Risk Management and the County Attorney for review and approval.</p> <p>Additionally, for the solicitation templates noted above that include a section for bond data, the template has the default selection of "No" to "Vendor must provide." Since this is a template, this choice should not be preselected.</p>	<p>a. Risk management has developed a matrix related to bonds and insurance to assist the User Agency in identifying any special bond or insurance requirements that may need to be addressed with their respective vendors agreements. This is a tool to which a User Agency may refer when constructing their RFP/RFQ or contract/agreement. The RFP/RFQ, contract or agreement must be routed to Risk Management for final approval. Risk scrutinizes the nature of the activity and ensures appropriate insurance requirements have been included before we signal acceptance via the Initial Contract Review and Approval Form.</p> <p>b. Templates have been changed.</p>	<p>a. We obtained and inspected the risk matrix noting that it broke out the agreements by the primary categories and within each category provided various examples for each category. Additionally, for each example agreement, the risk matrix included questions to consider to assist the User Agency in identifying any bonding and/or specialty insurance requirements beyond the standard bonding and insurance terms and conditions. This matter is considered closed.</p> <p>b. We obtained and reviewed the formal solicitation templates noting that the Bond data section that says, "Vendor must provide" was revised so that it was not preselected as "No." This matter is considered closed.</p>	Closed
	Auditor Recommendation	ECD:	Testing Date:	
	<p>a. We recommend that Risk Management, with input from the County Attorney (as needed), develop a matrix to assist the User Agency and Purchasing to identify any bonding and/or specialty insurance requirements beyond the standard bonding and insurance terms and conditions included in the respective formal solicitation templates. Upon identification of such instances, the User Agency should submit the formal solicitation to Risk Management and the County Attorney for review and approval preferably prior to posting the solicitation.</p> <p>b. We recommend that the formal solicitation templates be revised so that the Bond data section that says, "Vendor must provide" not be preselected as "No."</p> <p>This will help ensure that proper insurance and bonding requirements are put in place for each respective project, service, etc.</p>	<p>a. Closed.</p> <p>b. Closed.</p>	<p>a. Closed.</p> <p>b. Closed.</p>	

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 #5 AO-29: Updates/Revisions	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
Low	<p>The Initial Contract Form presently attached to AO-29 (Exhibit I) does not include a section for the requirement for Bid Packages with formal contracts to be reviewed by Risk Management and the County Attorney prior to advertising. The LSS Contract Review Team identified this discrepancy and made the following recommendations to Purchasing:</p> <ul style="list-style-type: none"> • Modify the Initial Contract Form (Exhibit I) accordingly to add a section for "Review and Approval Prior to Advertising." • Instruct the User Agency to include the revised form in the Bid Package and with the contract to be executed. • Use this revised form in place of the County Manager Contract Review Form (Exhibit V) <p>These recommendations were implemented by Purchasing.</p> <p>Given change in the name, structure and content of the Initial Contract Form, there are various inconsistencies between AO-29 and this revised form including sections within AO-29 and Exhibits I and V.</p> <p>Additionally, Section III. C is missing step 4.</p>	<p>The recommended changes related to recommendations a-d were included in the revised AO-29, including those recommended in observation 1 / recommendation 1. b.</p> <p>A revised AO-29 and Initial Contract Form were put in place effective January 2020 and the new AO-29 and Initial Contract Form are both available to all county staff and departments via the County's internet BEACH site.</p>	<p>We obtained and inspected the revised AO-29 noting that the recommended additions/edits were included. This matter is considered closed.</p>	Closed
	<p>Auditor Recommendation</p> <p>We recommend that management revise AO-29 as follows:</p> <ul style="list-style-type: none"> a. Revise Section II. P. Implementation Forms to reflect the modifications to the Initial Contract Form (Exhibit I) and the removal of the County Manager Contract Form (Exhibit V) accordingly. b. Add step 4 from Section III. B to Section III. C. c. Replace the Initial Contract Form in Exhibit I with the revised Initial Contract Form (Initial Contract Review and Approval Form). d. Remove the County Manager Contract Review Form (Exhibit V) and replace all references to this document throughout AO-29 with the Initial Contract Review and Approval Form noted in c. above. 	<p>ECD:</p> <p>Closed.</p>	<p>Testing Date:</p> <p>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 #1: Fuel Site Inspections & Security	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
High	<p>We visited four sites noting the following exceptions:</p> <p>Fuel Site Inspections</p> <p>a. The newest format of the Monthly Monitoring Compliance Form has a yes/no format. There was noticeable confusion as to whether that meant it was just present or if it was satisfactory. In terms of rust it was “yes rust is present”, in terms of other areas it was “yes it is functional.”</p> <p>b. There were multiple instances in which inspection items were left blank. There was marked improvement in the April 2019 fuel site inspections when two FS staff conducted the inspections together for all 9 fuel sites.</p> <p>The Department of Environmental Protection has strict requirements and significant penalties when it comes to maintaining the fuel sites and tanks.</p> <p>Fuel Site Security</p> <p>We noted that there was no clear security at any of the fuel sites. None of the fuel sites have security cameras. Each site has a gate with a padlock that is closed and locked at night, but during the day, they are open. At one of the fuel sites, by taking certain steps, we were able to gain access to obtain fuel.</p>	<p>a. The monthly fuel check off sheet has been updated with the check box: Yes, No, N/A. The new form requires that a mark be made with N/A if an item is applicable rather than a blank.</p> <p>b. Fuel Site Security: Additional fuel usage security protocols have been put in place to help prevent the unauthorized use of fuel. Further, in concert with observation 2, the new fuel billing system to be put in place by the end of fiscal year 2020 will provide even more effective safeguards to protect the unauthorized usage of fuel.</p>	<p>a. We selected a sample of three months and inspected the revised "Monthly Monitoring Compliance Form" noting that the forms had been updated to provide sufficient clarity in reporting any potential issues needing resolution as indicated by management's comments. This matter is considered closed.</p> <p>b. We selected two sites noting that additional safeguards were put in place to mitigate the risk of misappropriation of fuel. As noted, management also indicated that in concert with observation 2, the new fuel billing system to be put in place by the end of fiscal year 2020 will provide even more effective safeguards to protect the unauthorized usage of fuel. The additional security protocols put in place are deemed sufficient to mitigate the identified fuel usage security risk. This matter is considered closed.</p>	Closed
	<p>Auditor Recommendation</p> <p>We recommend that management perform the following:</p> <p>a. Update and provide clarity related to the Monthly Monitoring Compliance Form to facilitate accuracy and consistency in the reporting of potential issues for resolution.</p> <p>b. Additional requirements should be put in place to mitigate the risk of the misappropriation of fuel. Our understanding is that the system allows for additional safeguarding to be utilized to prevent unauthorized access</p>	<p>ECD:</p> <p>a. Closed. b. Closed.</p>	<p>Testing Date:</p> <p>a. Closed. b. Closed.</p>	

Internal Auditor Follow-Up Report of Corrective Actions

BREVARD COUNTY INTERNAL AUDIT

Report Issue Date: August 7, 2019

FUNCTION: Central Fleet Services

Risk	Observation #2: Fuel Billing	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
Moderate	<p>During our walkthrough and testing of the fuel billing process, we noted that the new fuel-billing module (FluidSecure), which is a highly automated billing system, appears to be underutilized. Many manual steps and reconciliations are being performed each month in order to produce a monthly billing.</p> <p>We contacted a representative of the vendor who indicated that this system is a fully automated system and is fully capable of performing all of the fuel billing functions.</p>	<p>The Fuel System Specialist is more effectively utilizing FluidSecure applications for billing (the current fuel billing system), thus requiring less manual inputting every week in order to send out the monthly billings to departments. This process has sped up the billing process flow from weeks to days now. Additionally, the current fuel management system is due to be replaced within this fiscal year with an even more automated system eliminating the need for manual inputting.</p>	<p>Based on the improvement in gaining greater efficiency in taking advantage of the automated capacity, the original recommended action has been sufficiently addressed. The future replacement of the current system with an even more sufficient fuel billing system is considered to be an additional improvement in the process. This matter is considered closed.</p>	Closed
	Auditor Recommendation	ECD:	Testing Date:	
	<p>We recommend that management contact the vendor of FluidSecure to obtain further guidance and training in order to achieve the full, automated capability of this system to facilitate greater efficiency in the billing process.</p>	<p>Closed.</p>	<p>Closed.</p>	

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 May 2020	Auditor Comments as of May 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>a. Work Orders are reviewed at the end of each month to ensure approval has been signed on all Work Orders.</p> <p>b. We are putting in measures that will allow the techs to interface with iMaint and the new fuel management software through the use of laptops at each station.</p>	<p>a. We selected a sample of closed work orders for testing noting work orders were properly reviewed by the Fleet manager evidenced on the hard copy and signed off electronically in iMaint. No exceptions were noted. This matter is considered closed.</p> <p>b. This item is in process and will be tested when the new measures have been put in place.</p>	Open
	Auditor Recommendation	ECD:	Testing Date:	
	<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>a. Closed.</p> <p>b. August 2020</p>	<p>a. Closed.</p> <p>b. October 2020</p>	

Internal Auditor Follow-Up Report of Corrective Actions

BREVARD COUNTY INTERNAL AUDIT

Report Issue Date: August 7, 2019

FUNCTION: Central Fleet Services

Risk	Observation #4: Performance Metrics	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
Moderate	<p>Based on discussions with the FS manager, he has not been actively monitoring the performance metrics listed on page 8 of the background section to FS's actual performance throughout this fiscal year. Based on the work order stats for the last 12 months ending May 31, 2019 compared to the last 12 months ending May 31, 2018, there has been notable improvement in FS performance in various areas. Most notably the average days to complete a work order decreased from 7.4 days to 3.0.</p> <p>The FS manager came to the County in July of 2018 and has focused his time this first full year on many other projects such as cleaning up the motor pool and closing many work orders that had been left open for a long period of time.</p> <p>Additionally, the FS manager needed assistance by us in the extraction of the work order stats from iMaint noted on page 7 of the background as well as the extraction of other helpful performance reports.</p>	<p>a.b. With the use of report 1211 monthly, we are able to monitor labor and jobs as a tool for coaching/motivating the techs to actively show individual metrics.</p>	<p>a. b. Management developed reports via iMaint that details work order activity by technician that the Fleet manager utilizes on a monthly basis. This matter is considered closed.</p>	Closed
	Auditor Recommendation	ECD:	Testing Date:	
	<p>We recommend the following:</p> <p>a. FS management should utilize the County recommended metrics listed above on page 8 of the background section to help FS management measure its performance in the various areas noted to facilitate continuous improvement in its customer service and vehicle repair and equipment turnaround efficiency and cost effectiveness.</p> <p>b. The FS manager and staff should continue to pursue training in the usage of iMaint available from the vendor or other County users who are familiar with the software to become more proficient in its daily usage and to generate meaningful performance metric reports and dashboards.</p>	<p>Closed.</p>	<p>Closed.</p>	

Internal Auditor Follow-Up Report of Corrective Actions

BREVARD COUNTY INTERNAL AUDIT

Report Issue Date: August 7, 2019

FUNCTION: Central Fleet Services

Risk	Observation #5 BCC-75	Management Comments as of May 2020	Auditor Comments as of May 2020	Status
Low	Board of County Commissioners Policy 75 (BCC-75) addresses "County Vehicle Fleet Management" laying out the Objective and Directives.	BCC-75 was updated and approved on August 20, 2019. The changes made were consistent with those made to the related administrative order (AO-56).	We obtained the updated BCC-75 noting it was revised and approved on August 20, 2019. We compared the updates made to BCC-75 with the updates made to the related administrative order (AO-56) for consistency noting no discrepancies. This matter is considered closed.	Closed
	We noted that BCC-75 is past due for review. The review date was October 9, 2015. Further, the related Administrative Order 56 (AO-56) sets forth the administration of BCC-75 including the Purpose and Scope and Procedure. We noted that AO-56 was updated / approved on February 22, 2017 and is due for review on February 22, 2020.			
	Auditor Recommendation	ECD:	Testing Date:	
	We recommend that County management review BCC-75 and revise as needed and review and compare to AO-56 to ensure consistency with any revisions made to BCC-75 as applicable.	Closed.	Closed.	

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)