

BREVARD COUNTY, FLORIDA

Internal Auditor Follow-Up Report

Summary of Audit Corrective Actions				
Internal Audit Report	Report Issue Date	Corrective Actions		
		Total Items	Total Closed	Total Open
800 MHz Towers	February 3, 2021	1	1	0
Contract Compliance - Golf Operations	January 10, 2022	2	2	0
Public Records Request *	March 25, 2022	5	0	5
Payroll *	June 29, 2022	4	0	4

<i>Audit report closed during current follow-up testing cycle</i>
<i>Audit report not due for follow-up testing during this testing cycle</i>

Internal Auditor Follow-Up Report of Corrective Actions

BREVARD COUNTY INTERNAL AUDIT
FUNCTION: 800 MHz Towers

Report Issue Date: February 3, 2021

Risk	Observation #1: Governance and Update to the Strategic Plan for the Cell Tower Management Process	Management Comments as of February 2023	Auditor Comments as of February 2023	Status
Moderate	<p>Although Administrative Order - 60 has been implemented to provide guidance over cell tower management, there is opportunity to strengthen the related governance structures in support of an optimized and consistently enforced process. Specifically, Internal Audit noted the following items:</p> <ul style="list-style-type: none"> - Although Emergency Management does have strategic plans to proactively increase available 800MHz capacity and to advertise these opportunities through County-driven solicitation of bids, it has been seven (7) years since an in-depth analysis and formally documented strategic plan has been completed (i.e. a "Master Plan.") Without regular Master Plan review under counsel of expert resources having current knowledge of telecommunications industry trends and technical specifications, the County may face inefficient expenditure of resources (personnel time, funds) or may miss opportunities to maximize revenue from towers. - Policies do not explicitly state that all tower guardianship or intent to construct a new tower, or add antenna or other cellular equipment to an existing tower be reported to Asset Management. An incomplete or inaccurate asset inventory may hinder the County's ability to fully capitalize on existing assets. Further, the absence of this requirement makes it more difficult to enforce policy requirements and ensure that Emergency Management is appropriately engaged in all tower management functions - other County agencies seeking to employ this revenue stream may circumvent the intended processes outlined per AO-60. 	<p>(a) On an annual basis, Planning & Development will assess the need to update the Brevard County Wireless Telecommunications Master Plan; based on the wireless industry trends, marketplace, and the number of land acquisitions by the County. Emergency Management will update the AO-60 to include Asset Management's role regarding new towers and wireless collocations.</p> <p>(b) The Wireless Telecommunications Master Plan is held and maintained by Planning and Zoning, with 800 MHz providing input when updates are needed.</p> <p>800MHz did not recommend any changes to the plan for last year and will not be recommending any changes for 2023.</p> <p>Management worked with Asset Management and Planning and Development on the adjusted language of AO-60, as it impacts their departments, to ensure everyone is comfortable with the final product.</p>	<p>We obtained the Brevard County Telecommunications Master Plan, and while no cell tower strategic management updates were incorporated, we performed inquiry with management and verified a process is currently in place to review the plan with Planning and Zoning and obtain input as required.</p> <p>Additionally, we obtained the updated AO-60 language and verified that the document was enhanced to define the role of Asset Management and the related reporting requirement for all agencies.</p> <p>This observation will be closed.</p>	Closed
	Auditor Recommendation	ECD:	Testing Date:	
	<p>In support of a strategic approach to maximize revenue streams through focused solicitation of bids for new tower builds or collocations in prime locations, the County may consider the creation of an up-to-date, forward looking Telecommunications Master Plan. The Master Plan, as owned by Planning and Development (i.e. Zoning), shall consider inputs from internal County experts such as Emergency Management and/or contracted industry resources. We recommend coordination with Planning and Development. The wide-scale approval of a holistic strategic plan could expedite the competitive speed to market during the Board of County Commissioners approval process.</p> <p>In consideration of succession planning needs, the County should continue to invest in training the Radio Frequency Engineer on the procedural tasks currently owned by the 800MHz Manager. Appointment of a full-time, dedicated resource may become more necessary as the number of active license agreements continues to rise, however this expense is likely to be offset with the increased revenue generation over time.</p> <p>Finally, AO – 60 should be enhanced to include a description of the role of Asset Management and the related reporting requirement for all agencies with intent to construct a new tower or add an antenna or other cellular equipment to an existing tower.</p>	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
FUNCTION: Contract Compliance - Golf Operations

Report Issue Date: January 10, 2022

Risk	Observation #1: Reporting Package Documentation	Management Comments as of February 2023	Auditor Comments as of February 2023	Status
Moderate	<p>Exhibit D of the contract agreement between the County and Golf Brevard, Inc. outlines the required monthly and annual reporting due to the County from Golf Brevard, Inc. A total of nine (9) reports are expected to be provided by Golf Brevard, Inc. monthly and for the Agreement Year to date. The detailed reporting and frequency requirements per the contract are outlined in the table below. Through detail testing, we noted that not all reporting was provided by Golf Brevard, Inc. to the County, as required by the contract.</p> <p>In addition to monthly reporting, audited financial reports are to be provided to the County at Golf Brevard, Inc.'s fiscal year end. We selected one (1) annual reporting period, FY2020, to verify compliance with the contract. An annual report summarizing high-level overview of the operational performance, course conditions, and goals was provided to County staff on December 3, 2021, but did not include audited financial statements. Audited annual financial reports are required by the agreement to be submitted to the County, and the financial reporting required by Exhibit D were either unaudited, incomplete and/or missing, and therefore not in compliance with the terms of the contract.</p> <p>We noted that Golf Brevard, Inc. is undergoing a change in accounting process, transitioning from an in-house bookkeeper to an outsourced accounting firm. Historical reconciliation is being performed by the newly contracted accounting firm. We have communicated with the new accounting firm who has confirmed that they are working with Golf Brevard, Inc. management to catch up with reporting requirements, however at the time of this report, this process is still ongoing. At the time of this report, an annual audited financial reporting package for FY2021 has not yet been provided to the County. These reports are intended to provide the County with a comprehensive financial perspective and summarized operational performance of Golf Brevard, Inc.'s management and business at the County's Golf Properties. Without timely reporting, the County may not be able to evaluate the financial stability of golf operations and make strategic decisions timely.</p>	<p>a. County staff attend monthly Golf Brevard, Inc. meetings and hold quarterly joint meetings with Golf Brevard, Inc. Additionally, staff and an independent golf consultant inspect the two golf courses four times per year. County staff receive monthly maintenance reports and maintenance is discussed in advance with County staff.</p> <p>In April 2021 Golf Brevard, Inc. began working with the professional accounting firm CRI to evaluate our organization's accounting procedures and internal controls. As a consequence, new and improved procedures have been adopted. CRI also is assisting Golf Brevard, Inc.</p> <p>b. Golf Brevard has currently engaged CRI to perform its accounting function, which has resulted in improvements in its financial reporting. The County is regularly receiving monthly reporting packages on time and has not identified any concerns regarding the accuracy of the data provided. Golf Brevard provided annual financial statements on time. The intent of the 2022 Agreement was not to have Golf Brevard, Inc. provide audited annual financial statements. Language in the previous Agreement was purposefully removed from the 2022 Agreement but Exhibit "D" was not correctly updated.</p> <p>Currently, Parks and Recreation Finance team members review each monthly financial report submitted by Golf Brevard, and to date have not identified any concern regarding the data provided. Therefore, County staff is satisfied to accept the annual financial statements as submitted.</p>	<p>We performed detailed testing of two (2) monthly reporting package and verified all required reports and contractually required reporting fields were provided completely and timely.</p> <p>We noted that management elected to remove the requirement of annual audited financial statements from the new 2022 Agreement with Golf Brevard. Per discussion with management, this decision was made after considering the mitigating controls which include consistent coordination between the County staff and Golf Brevard, the monthly reporting packages provided, and the addition of professional accounting services obtained by Golf Brevard. We verified that nonaudited annual financial statements were provided by Golf Brevard timely.</p> <p>Due to management's acceptance of this risk, this observation will be closed.</p>	Closed
	Auditor Recommendation	ECD:	Testing Date:	
	<p>We recommend that Golf Brevard, Inc. continue to evaluate their accounting processes to ensure that all required reporting can be completed and timely communicated to the County in compliance with the requirements of the contract. We acknowledge that the County is in the process of evaluating changes to the contractually required reporting documents. Based on the monitoring performed by the County Parks and Recreation team and the repayment of the County's loan, we would support a reduction in the reporting required of Golf Brevard..</p>	Closed	Closed	

Internal Auditor Follow-Up Report of Corrective Actions

BREVARD COUNTY INTERNAL AUDIT
FUNCTION: Contract Compliance - Golf Operations

Report Issue Date: January 10, 2022

Risk	Observation #2: Maintenance Policies and Procedures	Management Comments as of February 2023	Auditor Comments as of February 2023	Status
Low	<p>Per Section 8.2 Obligations of GOLF BREVARD, INC. and COUNTY for Repairs, Replacements, and Maintenance, Golf Brevard, Inc. is required to keep the Golf Course Properties, including all fairways, greens, tees and tee boxes, bunkers, water hazards, and practice ranges in good condition and repair. Exhibit B of the contract agreement requires that Golf Brevard, Inc. develop formal programs and procedures to document and plan for the maintenance of all properties. Through testing, we noted that no formal process or procedural documentation was provided for the following maintenance programs, as required by the agreement.</p> <p>Although the County has not identified persistent or emergent maintenance concerns at either golf facility, documentation does not exist to describe the policies and procedures, frequency, or maintenance expectations of the golf properties. Currently, Golf Brevard, Inc. relies on institutional expertise of management to identify regular maintenance needs, plan for scheduled and unscheduled maintenance operations, and determine whether maintenance is being performed in the manner specified by the agreement.</p> <p>Without formal policies or procedures to guide maintenance activities or a process to track all maintenance performed, the County must rely on their own inspection to independently verify that preventative and standard maintenance practices, including top-dressing and overseeding, bunker maintenance, mowing, and other critical maintenance procedures are being performed in line with the expectations of the County, and is unable to identify maintenance procedures that should be performed by Golf Brevard at any given point in time. Additionally, without sufficient policies and procedures in place, Golf Brevard, Inc. may not be able to provide for effective succession planning. Without sufficient succession planning, the County may not be able to efficiently and effectively continue operations in the instance that changes that may occur with key Golf Brevard, Inc. personnel.</p>	<p>a. County staff attend monthly Golf Brevard, Inc. meetings and hold quarterly joint meetings with Golf Brevard, Inc. Additionally, staff and an independent golf consultant inspect the two golf courses four times per year. County staff receive monthly maintenance reports and maintenance is discussed in advance with County staff. An Annual Preventative Maintenance Program will be submitted at the beginning of each fiscal year. An Annual Tree Plan will be submitted at the beginning of each fiscal year. A summary of the Annual Preventative Maintenance Program and the Annual Tree Plan for the previous year will be included in the year-end report. Golf Brevard, Inc. performs customer service satisfaction surveys annually through the Rosen School of Hospitality Management.</p> <p>b. We have continued to attend monthly Golf Brevard meetings and perform bi-annual inspection of the properties. All maintenance reporting requirements as specified by the updated agreement are currently being fulfilled.</p>	<p>We obtained the FY2022 Annual Preventative Maintenance Program and Tree Plan reports from Brevard County Parks and Recreation. We verified both reports were provided to County management by Golf Brevard completely and timely, with no exception.</p> <p>This observation will be closed.</p>	Closed
	Auditor Recommendation	ECD:	Testing Date:	
	<p>We recommend Golf Brevard, Inc., in collaboration with the County, formally document all maintenance procedures performed to golf course properties. This documentation should be designed to promote consistent and defined expectations in the performance of course maintenance.</p> <p>Further, we recommend that Golf Brevard, Inc. formally identify and track all upcoming planned and unplanned maintenance to achieve the maintenance standards identified in the contract.</p>	Closed	Closed	

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