

Internal Auditor Follow-Up Report Summary of Audit Corrective Actions

BREVARD COUNTY INTERNAL AUDIT

Audit Report/Subject	Management Comments	Auditor Status Up-Date	Report Issue Date	Corrective Actions			
				Total	Open	Closed	Action Deferred*
Educational Facilities Impact Fees: County Responsibility	July 2022	July 2022	12/02/2013	8	0	8	
Educational Facilities Impact Fees: School Board Responsibility	May 2020	May 2020	12/02/2013	5	0	5	
Educational Facilities Impact Fees: Joint Responsibility	May 2020	May 2020	12/02/2013	1	0	1	

NOTES:

* A column has been included to differentiate items that action has been deferred due to budgetary constraints or other organizational constraints

Internal Auditor Follow-Up Report of Corrective Actions

BREVARD COUNTY INTERNAL AUDIT

Report Issue Date: December 2, 2013

FUNCTION: Educational Facilities Impact Fees

Risk	Issue C2	Management Comments as of July 2022	Auditor Comments as of July 2022	Status
High	<p>(a) 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>REVISED: Subsequent to the issuance of the original internal audit report, a change to Florida Statutes limits administrative charges for the collection of impact fees to actual costs. References to administrative fees in the interlocal agreements is superceded by the revised legislation.</p> <p>(b) 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) Florida Statute 163.31801(4)(c) limits administrative charges for the collection of impacts fee to actual cost. The Planning & Development Department has updated policies and procedures to utilize actual cost in establishing charges for the Educational Impact Fee administration.</p> <p>(b) As of February 2022, all of the 15 municipalities are providing monthly reports and reports are being agreed to payment of applicable Educational Facilities Impact Fees by County personnel.</p>	<p>(a) Closed May 2020.</p> <p>(b) The County is tracking receipt of the monthly reports from all 15 participating municipalities. Procedures are in place for County personnel to review the reports received from the municipalities and agree payment of the applicable Educational Impact Fees to cash receipt records. We selected a sample of reports from January 2022 through June 2022, noting documentation of review and agreement to cash receipt records, as applicable, by County personnel. This audit item is considered closed.</p>	Closed
	Auditor Recommendation	ECD:	Testing Date:	
	<p>(a) We recommend the County execute updated interlocal agreements with all local municipalities that reflect all changes to date of the original ordinance.</p> <p>REVISED: We recommend the County implement policies and procedures to identify the actual costs of administration of impact fees to determine the amount to be assessed as administrative charges to the participating municipalities.</p> <p>(b) 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 (b) Closed</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)