



MEMORANDUM

To: Cheri Coryea, Neighborhood Services Director

From: R. B. "Chips" Shore, Clerk of the Circuit Court and Comptroller
for *David Walton*

Date: September 2, 2010

Subject: Neighborhood Services Department Community Development Division Follow-up Audit #1

The Internal Audit Department has completed a follow-up audit based on the Clerk of the Circuit Court's Audit Report of the Neighborhood Services Department Community Development Division issued on September 23, 2009. The follow-up consisted of reviewing the management action plans implemented by the Community Development's management for areas where we provided constructive criticism and recommendations.

Since the original audit report was issued, the Community Development Division implemented adequate controls to ensure that recipients of SHIP funds are being monitored as required. For the HOME program, Management created and filled an Administrative Compliance Officer position responsible for overseeing that all required meetings are held and properly advertised. In addition, Management has taken steps to ensure that adequate documentation is included in each approved HOME applicant's paper file showing the applicant has paid off all delinquent fees owed to Manatee County before becoming HOME eligible. Internal Audit is pleased with the corrective actions implemented on the findings and recommendations included in the original audit report. The controls implemented will improve accountability over the Department's operations.

We noted only one area that continues to require Management's attention. In the original audit it was noted that developments which eliminated affordable housing stock were required to pay a mitigation fee to compensate for such loss. The calculation of these fees had not been approved by the Board of County Commissioners as required by Chapter 13 Section 1304 of the Land Development Code. No mitigation fees have been assessed since the original audit. Management has subsequently developed an Affordable Housing Mitigation Strategy which provides options for mitigating the loss of affordable housing. This strategy, however, has not yet been approved by the Board of County Commissioners.

Management has created a draft resolution to establish the Affordable Housing Mitigation Strategy. It will be forwarded to the County Attorney's Office for review by September 8, 2010. Upon approval, it will be submitted to the Board of County Commissioners for final approval.

We would like to thank you and your staff for the attention given to the audit findings and the cooperation given to the Internal Audit staff. Another follow-up audit will not be necessary. Please provide our staff with the copy of the resolution upon the Board's approval.

RBS/MDB/LJS

cc: Board of County Commissioners
Ed Hunzeker, County Administrator