

MEMORANDUM

To: Karen Collins-Fleming, Director of the Environmental Management Department

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

Date: February 22, 2000

Subject: Environmental Management Department Follow-Up Audit #3

The Internal Audit Department has completed a third follow-up audit based on the Clerk of the Circuit Court's Audit Report of the Environmental Management Department issued on October 5, 1994, and the Follow-Up Audit Reports issued December 19, 1997 and November 17, 1998. This follow-up audit consisted of reviewing corrective actions implemented by the Environmental Management Department for the areas where we provided constructive criticism and recommendations. Internal Audit did not perform tests of compliance with these newly implemented controls. We will review compliance during the next regularly scheduled audit of the Environmental Management Department to determine whether the controls are functioning effectively and efficiently in accordance with management's designs and objectives.

Internal Audit reviewed the corrective actions taken to address the outstanding findings and recommendations included in the latest follow-up audit report, and found three remaining areas that continue to require management's attention. Internal Audit believes the controls, when fully implemented, will significantly improve the accountability over the Department's operations. The following areas have been addressed, but require further attention:

1. The Environmental Management Department has not implemented a tracking system of program costs. The Department is currently working with the Clerk's Finance Department to develop a tracking system using the IFAS finance system. Implementation of the system is anticipated by February 2001.

Internal Audit supports management's pursuit of utilizing IFAS to track all of its program costs.

2. The Environmental Management Department still has not pursued increasing its well construction/abandonment permit fees in order to recover more of the costs associated with the program. It has been noted that F.S. 373.309 provides that the fees for well construction permits be based on the costs incurred by the County in carrying out their responsibilities related to the permitting. Management anticipates that when IFAS begins tracking all program costs, they will be able to determine the cost of the wells program. At that time, the Department will be able to determine what fees need to be charged in order to recover most, if not all, of the costs of the program. Management expects to address this issue by August 2001.

Internal Audit supports management's plans to evaluate its well construction and abandonment fees once the costs of operating the program are known. We recommend they consider increasing their fees in order to recover more of the costs of the program.

Clerk of the Circuit Court

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3. The Environmental Management Department is still in the process of automating its records regarding wetland mitigation projects, but has not yet completed its database. The Natural Resources Division has created a computerized inventory of all current projects and is expecting to implement a new computer system in April of 2000 which will maintain the mitigation database and provide management with the ability to track monitoring and reporting requirements. It is anticipated that the new system will be fully operational by February 2001.

Internal Audit supports management's efforts to fully automate its mitigation records to better track its monitoring and reporting requirements.

Internal Audit has discussed these findings with you and your staff, and it is our understanding that you agree with, and are currently implementing the recommendations. An additional follow-up audit will be scheduled at a future date to verify the improvements have been fully implemented. 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.

RBS/RJO/LJS

cc: Board of County Commissioners

Ernie Padgett, County Administrator

