



*Internal Audit Report*

Audit Recommendations  
Status Report  
as of March 31, 2017



Date: April 18, 2017



## BOCC Audit Recommendations Status Report As of March 31, 2017



To: The Honorable Linda Doggett, Lee County Clerk of the Circuit Court & Comptroller  
From: Tim Parks, Chief Internal Audit Officer/Inspector General  
Internal Audit/Inspector General Department  
Date: April 18, 2017  
Re: Lee County Board of County Commissioners (BOCC)  
Audit Recommendations Status Report as of 3/31/2017

Dear Ms. Doggett,

The Internal Audit/Inspector General Department has completed its *BOCC Audit Recommendations Status Report as of 3/31/17*, which reflects the implementation status of outstanding audit report recommendations for the Lee County Board of County Commissioners as of March 31, 2017. The report fulfills the IA/IG Department's accountability for reporting on issues through their resolution.

This audit activity conforms to the Institute of Internal Auditor's (IIA) *International Standards for the Professional Practice of Internal Auditing (Red Book)* and the Association of Inspectors General (AIG) *Principles and Standards for Offices of Inspector General*.

The follow-up on recommendation status was conducted during the first quarter of 2017. We reviewed the status of the audit recommendations with the department personnel responsible for implementing the audit recommendations.

The follow-up procedures covered the audits of the *BOCC Human Resources Department, BOCC Pollution Prevention, BOCC Solid Waste, BOCC GCN Digital Retrofit Project Feasibility, and BOCC Emergency Medical Services*. A summary of the recommendations status is presented in the headings of the attached report.

The follow up report contains information regarding each outstanding recommendation, including recommendation status, management actions taken, and Internal Audit Follow Up Notes. We wish to express our appreciation for the cooperation and assistance provided us by the Departments during this review.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Parks".

Tim Parks, Chief Internal Audit Officer/Inspector General  
Internal Audit/Inspector General Department  
TJP/GK



## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



BOCC Human Resources Department (Project 2014.14, Issued January 2016) Six recommendations - all estimated for implementation by 1/25/17		
Legal Posters		
Observation	Recommendation	Original Management Response
<p>Certain labor law posters, such as Family and Medical Leave Act (FMLA), Fair Labor Standards Act (FLSA), workers compensation, and discrimination, are required to be displayed where they can be easily viewed by employees.</p> <p>HR has a list of the sixteen required posters on the County intranet for all departments to review. HR also notifies the department HR representatives of changes to the poster requirements. HR personnel do not physically examine the posters in the various departments. The departments are responsible for maintaining the proper posters on display.</p> <p>A sample of ten county department bulletin boards was selected for review. Two of the bulletin boards were in HR. The posters on display at each location were examined. Only one of the ten bulletin boards, one from HR, had all of the required posters. Eight of ten bulletin boards were missing multiple posters. One bulletin board had only half of the required posters, and six included outdated posters.</p> <p>Failure to post required state and federal employment law notices can result in fines being imposed. For example, the penalty for violating the Occupational Safety and Health Administration (OSHA) posting requirement can be up to \$7,000.</p>	<p>It is recommended that HR annually distribute a list of all the required posters to the HR representatives in the departments. Consideration should be given to having HR personnel periodically review a sample of County bulletin boards for compliance.</p>	<p>Human Resources agrees with the suggestion of performing site audits for legal postings to ensure compliance. Please note that Lee County is exempt from the OSHA posting requirement and would not be subject to a penalty in that particular instance.</p>



## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



Estimated Implementation Date	Revised Implementation Date	Status
1/25/17	N/A	Closed 3/30/17
Last Status Update	Current Recommendation Action	IA Follow-up Notes
N/A		The SOP for Labor Law Posters has been updated to ensure that departments are providing current and updated labor law information. The Yearly Planning Calendar has also been updated to include the review of labor law posters.
<b>Record Retention</b>		
Observation	Recommendation	Original Management Response
<p>HR records are to meet the retention requirements outlined in the General Records Schedule GS1-SL for State and Local Government Agencies.</p> <p>The HR retention procedures were reviewed and compared to the time frames outlined in the general records schedule.</p> <p>The HR Record Retention Schedule does not reflect all of the proper retention periods.</p> <p>"Employers need to know what they have to keep and for how long and be aware of the possible legal problems should they fail to retain records properly"; (SHRM).</p>	It is recommended that the Record Retention Schedule be updated to reflect the required retention periods.	<p>*No direct response to this recommendation. A general response was added:</p> <p>"HR is committed to a thoughtful evaluation of the audit's recommendations and ongoing reviews of our policies and processes for building organizational compliance and efficiencies."</p>
Estimated Implementation Date	Revised Implementation Date	Status
1/25/17	N/A	Closed 3/30/17
Last Status Update	Current Recommendation Action	IA Follow-up Notes
N/A		The Human Resources Department is now following the retention schedule.
<b>Performance Evaluations</b>		
Observation	Recommendation	Original Management Response



## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



<p>Lee County Policy #502, <i>Performance Evaluations</i> states that, “<i>Supervisors should complete performance evaluations upon the following occasions:</i></p> <ul style="list-style-type: none"> <li>• <i>By the end of the first three months of employment</i></li> <li>• <i>By the end of the first six months of employment</i></li> <li>• <i>Annually</i></li> <li>• <i>At any other time deemed appropriate to recognize improved or deteriorated performance.”</i></li> </ul> <p>HR procedures are to send reminders to County departments as to when performance evaluations are due.</p> <p>A sample of 50 County employee files was selected for review. Their personnel records were reviewed to determine whether all of the appropriate performance evaluations within the last five years had been finalized in a timely manner. The findings are as follows:</p> <ul style="list-style-type: none"> <li>• 16 out of 47 (34%) of the employees that should have had an annual performance evaluation completed, had at least one that was not completed on an annual basis.</li> <li>• 8 out of 21 (38%) of the employees that should have had a completed three month or six month evaluation on file were missing at least one review.</li> </ul> <p>Risk Avoidance: “<i>Generating and managing fair,</i></p>	<p>It is recommended that the word “should” in Lee County Policy #502 be changed to clarify whether the evaluation procedures are required or optional.</p> <p>It is recommended that HR implement follow-up procedures to include a reminder to supervisors when evaluations are not performed in a timely manner.</p> <p>It is recommended that classes on performance evaluations be continued.</p>	<p>Human Resources currently sends a monthly reminder to departments of upcoming performance evaluations to be completed. This monthly list includes a reminder of any evaluations that are past due. Human Resources is reviewing this process to address the "past due evaluations" category, identify efficiencies for completed evaluations to be entered into the personnel data base (PDS) and scanning the completed evaluations into the general personnel file (Kwik Tag).</p>
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## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



<p><i>accurate, and non-biased documentation of employee behavior and performance is one of the most important skills all supervisors need to develop. When supervisors and managers create even as much as handwritten notes, they're creating potential litigation exhibits that could have significant consequences down the road. Good documentation by supervisors and managers can mean the difference between a company winning and losing an employment-related lawsuit".</i></p> <p>The benefits of performance appraisals include: Employees find out how they're doing, receive recognition for accomplishments, help to determine their goals, and learn of opportunities for career development and improvement. Supervisors can develop and improve rapport with employees, improve employee productivity, demonstrate fairness to employees, and improve group morale. The County can communicate goals, build stronger working relationships, and improve overall organizational productivity.</p> <p>The word "should" in the policy doesn't lead to a clear understanding as to whether that specific procedure is required or optional.</p> <p>It was noted that the HR Department offered nine classes on performance evaluations during 2014.</p>		
<b>Estimated Implementation Date</b>	<b>Revised Implementation Date</b>	<b>Status</b>
1/25/17	N/A	Closed 3/30/17
<b>Last Status Update</b>	<b>Current Recommendation Action</b>	<b>IA Follow-up Notes</b>
N/A		Human Resources now sends monthly email reminders, along with a spreadsheet, to all departments. The spreadsheet highlights past due



## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



		evaluations as well as upcoming evaluations.
<b>Personnel Files</b>		
Observation	Recommendation	Original Management Response
<p>Lee County Policy #005, <i>Personnel Records</i>, states that the Human Resources Department shall serve as the official custodian of personnel records.</p> <p>A sample of 30 employee files was selected for review. The documents in their personnel files were reviewed for completeness, including documents related to the initial creation of the employee's file.</p> <p>The findings are included on the following table:</p> <p>Type of Form # Docs Missing            Intent to Hire Cover Sheet 1            Job Application 1            Info Disclosure Form 3            Signed Job Description 3            Reference Checks Form 1            Education Papers 3            FRS Form 6            Good Moral Character Form 1            New Emp. Acknowledgement Form 4</p> <p><i>"A strong defense in an employment-related lawsuit typically depends on the documentation kept by the managers involved in the situation"; (SHRM).</i></p>	<p>It is recommended that steps be taken to ensure that all of the required documentation is included in the personnel files.</p>	<p>The sample of 30 employee files reviewed may have included employees hired before 2012. The FRS form was implemented in 2012. New hires before the 2012 implementation date will not have this form in their personnel files.</p>
Estimated Implementation Date	Revised Implementation Date	Status
1/25/17	N/A	Closed 3/30/17
Last Status Update	Current Recommendation Action	IA Follow-up Notes
N/A		The SOP for New Hire Orientation has been



## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



		updated. The Intent to Hire process was also updated to reflect the Affordable Care Act requirements.
<b>Corrective Action</b>		
Observation	Recommendation	Original Management Response
<p>Lee County Policy 601, Corrective Action/Disciplinary Procedures, outlines the steps that are to be taken in the disciplinary process. The steps include verbal warnings, written warnings, Employee Relations involvement, etc.</p> <p>The Employee Relations section of HR is responsible for monitoring corrective actions.</p> <p>A sample of 25 cases where County employees had been recently discharged or had filed a law suit against the County was selected for review. The case documents were reviewed to determine whether the steps taken were in compliance with the corrective action policy and procedures. The results are as follows:</p> <ul style="list-style-type: none"> <li>• HR personnel were asked to identify which terminations were considered as corrective action cases.</li> <li>• HR identified 10 of the 25 terminations as corrective action cases. The termination in 15 cases was for other reasons, such as “At Will” or for personnel still in their probationary period. Florida is an “At Will” state. <i>“Employees are free to terminate their employment with an employer for any or no</i></li> </ul>	<p>Recommendation</p> <ul style="list-style-type: none"> <li>• Policy 601, Corrective Action/Disciplinary Procedures, should be expanded to include guidelines as to when the County Attorney’s office is to be consulted and how their recommendations are to be documented.</li> <li>• It is recommended that Policy 003, Employment At Will, be expanded to include a reference to Policy 601, Corrective Action/Disciplinary Procedures, which would include the steps to be taken and a guideline as to when the County Attorney is to be consulted.</li> </ul>	<p>Current business practices regarding terminations includes review by the County Attorney. Attached please find correspondence from the County Attorney that confirms that their office was consulted on all of the terminations noted in the audit.</p>





## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



<p><i>reason at all. Likewise, employers have the same rights and are free to hire and discharge employees at any time providing the reason for the discharge or hire is not discriminatory based on race, sex, religious belief, color, national origin, disability/handicap, gender, or other legally protected group/class.”</i></p> <ul style="list-style-type: none"> <li>• Each corrective action case is different and may be handled in a slightly different manner. For example, if an employee’s actions are particularly serious, they might not receive all of the warnings outlined in the corrective action policy.</li> <li>• The ten corrective action cases were handled within the policy guidelines.</li> <li>• In eight of the cases there was evidence that the County Attorney’s office had been consulted. In the other seventeen cases there was no evidence that the County attorney’s office was consulted. Written policies and procedures do not contain guidelines as to when the County Attorney’s office is to be consulted. Therefore, it could not be determined whether the County Attorney’s office had been consulted when appropriate.</li> <li>• Two sets of documents were posted under an incorrect name. HR personnel were notified so that the necessary corrections could be made.</li> </ul> <p>Cases where the employee is involuntary discharged, if not properly handled and documented, can increase the risk of employment-related litigation. The County Attorney’s office</p>		
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## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



estimates litigation costs. The estimates for cases in the audit sample have a potential cost of as much as \$300,000 for back pay, damages, and attorney's fees for a single case.		
<b>Estimated Implementation Date</b>	<b>Revised Implementation Date</b>	<b>Status</b>
1/25/17	N/A	Closed 3/30/17
<b>Last Status Update</b>	<b>Current Recommendation Action</b>	<b>IA Follow-up Notes</b>
N/A		The Employee Relations staff now follows the attached workflow process and consults with the County Attorney's office before providing recommendations to departments when handling policy violations or performance based issues that result in suspensions or terminations.
<b>Education Reimbursement Appeals Process</b>		
<b>Observation</b>	<b>Recommendation</b>	<b>Original Management Response</b>
<p>The reimbursement of education costs is offered to County employees if the course work will enhance the employee's ability to perform their official duties.</p> <p>During Fiscal Year 2014, educational reimbursements totaled \$46,124. All of the reimbursements except one were for Public Safety/EMS personnel. During Fiscal Year 2013 the total reimbursed was \$24,261.</p> <p>A sample of 10 approved applications and 5 disapproved applications from 2013 and 2014 were reviewed to determine whether the proper procedures and forms were utilized. No exceptions were found</p> <p>Some of the courses approved for reimbursement to</p>	It is recommended that details of the appeals process for education reimbursement be added to the written procedures.	Attached please find correspondence from the County Attorney's office regarding educational reimbursement for EMS and the collective bargaining agreements.



## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



<p>EMS personnel were not work related, such as a course on Art and Society. However, according to the contract between Lee County and the Southwest Florida Professional Firefighters and Paramedics Local 1826 International Association of Firefighters, Inc. employees may be reimbursed for courses of study towards their degree.</p> <p>Some of the disapproved applications from non-unionized employees were appealed; however, the appeals process is not outlined in either the standard operating procedures or the HR manual.</p>		
<b>Estimated Implementation Date</b>	<b>Revised Implementation Date</b>	<b>Status</b>
1/25/17	N/A	Closed 3/30/17
<b>Last Status Update</b>	<b>Current Recommendation Action</b>	<b>IA Follow-up Notes</b>
N/A		The SOP for educational reimbursement has been updated to include the appeals process.
<p><b>BOCC Pollution Prevention</b> (Project 2014.12, Issued April 2016) Four recommendations - all estimated for implementation by 2/28/17</p>		
<b>Enforcement Activities</b>		
<b>Observation</b>	<b>Recommendation</b>	<b>Original Management Response</b>
<p>Lee County Ordinance 07-03 authorizes County officials to address the compliance and enforcement of the federal and state regulations for generators and transporters of hazardous waste, owners and operators of hazardous waste facilities, generators of universal waste and used oil.</p> <p>A random statistical sample of 43 ECS enforcement cases was reviewed in order to identify the activities being performed by the ECS employees. Some of the Environmental Crimes report cases included:</p> <ul style="list-style-type: none"> <li>● Sending letters to property owners</li> </ul>	<p>We recommend ECS' current operating procedures be reviewed and approved by management to ensure the activities being conducted are in compliance with the governing statutes and ordinances. Risk, employee safety, and whether the organizational needs are being met should be considered.</p> <p>We recommend that the Environmental Crimes Tip Line voice message notes that the program enforces hazardous waste, universal waste, and used oil related issues only; and mention some common examples in order to avoid conducting non-related</p>	<p>The review identifies a concern that staff is conducting activities that are outside the scope of responsibility. Clarification is necessary. On many occasions staff involvement is limited to assessing situations and alerting proper authorities and/or agencies. Some occasions require staff to conduct fact-finding pursuant to their authority as Code Enforcement Officers and write a citation to an alleged violator of Ordinance 03-07. Current policies and procedures provide staff with a framework in which to handle such situations, depending on the facts and conditions encountered.</p>



## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



<p>addressing non-hazardous waste related issues</p> <ul style="list-style-type: none"> <li>● Removal and transporting hazardous waste for disposal</li> <li>● Patrolling for dumpsites</li> <li>● Conducting surveillance</li> <li>● Investigating sites involving narcotics or non-hazardous waste</li> </ul> <p>Prior correspondence from the Lee County Attorney's Office (LCAO) pertaining to the removal and clean-up of hazardous waste states that "...undertaking an effort to clean up the site or remove the material can legally lock the County into liability."</p> <p>Risk Reduction: <i>"Reviewing data for process effectiveness is one form of internal control and should be an integral part of any business process. Are your objectives being achieved? Are the objectives meaningful and reflect the processes' importance and risk? Using internal controls, the necessary corrections can be identified and implemented as a result of the review. Your procedures describe your process and its internal controls"</i></p>	<p>activities.</p>	<p>The Environmental Crimes Tip line exists to both solicit information on potential violations as well as provide customer service from this department for potential environmental harm that may be otherwise un-noticed or un-abated.</p>
<b>Estimated Implementation Date</b>	<b>Revised Implementation Date</b>	<b>Status</b>
2/28/17	N/A	Closed 3/27/17
<b>Last Status Update</b>	<b>Current Recommendation Action</b>	<b>IA Follow-up Notes</b>
N/A		<p>The P2 Dept.. met with the County Attorney &amp; Assistant County Manager to discuss the recommendations. The original manager's response was done after that meeting took place and they disagreed with these recommendations.</p>



## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



Policies and Procedures		
Observation	Recommendation	Original Management Response
<p>The Natural Resources Department has not produced written policies and procedures to provide direction, guidance, sustainability, and oversight of the P2 Program. Formal policies and procedures would help to ensure that the program is in agreement and aligned with its organizational goals, and it is in compliance with the governing Florida Statutes as well as Lee County’s hazardous waste and code enforcement ordinances.</p> <p>The lack of these controls has resulted in:</p> <ul style="list-style-type: none"> <li>● P2 creating and performing a self-styled potential generator program that does not meet its stated goal to operate under Florida Statute 403 and its mandated requirement to establish and perform a Lee County SQG program.</li> <li>● The P2 Environmental Crimes Section (ECS) developing and operating under its own ad hoc procedures without considering the wider and longer-term legal and regulatory compliance issues of these actions</li> </ul>	<p>We recommend that the department formalize the P2 Program operational policies and procedures to ensure compliance with FDEP statutes and abate the adverse consequences of following procedures that have not been vetted and approved by Natural Resources management.</p>	<p>Staff follows established local, state and federal guidelines in carrying out the functions of the Pollution Prevention Program. However, in order to provide more clarity to future and current hires as well as to better respond to public inquiries, Natural Resources has adopted formal written policies and procedures.</p> <p>Natural Resources staff has operated the Small Quantity Generator Assessment (SQG) program within the guidelines established by the Florida Department of Environmental Protection (FDEP) to ensure compliance with FS 403. The SQG program was established by the County in 1988. By BoCC action the program was changed in 2005. One change made was a directive to include all businesses for inspection. This action added a larger universe of businesses including any SQG business.</p> <p>Natural Resources will evaluate subscribing to the NSIC database to create a second database of SQG businesses. Natural Resources will also begin discussions with the Tax Collector’s Office regarding any discrepancies in database management.</p>
Estimated Implementation Date	Revised Implementation Date	Status
2/28/17	N/A	Closed 3/27/17
Last Status Update	Current Recommendation Action	IA Follow-up Notes
N/A		
<b>Compliance</b>		



## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



Observation	Recommendation	Original Management Response
<p>Florida Statute 403 - Environmental Control mandates the county to conduct a Small Quantity Generator Assessment, Notification and Verification (SQG ANV) Program. It consists of three parts, which are to be repeated every five years:</p> <ul style="list-style-type: none"> <li>Identify all known and potential Small Quantity Generators of Hazardous Waste within the county, and compile this information into a list called the SQG Assessment Roll.</li> <li>Notify all SQGs on the Assessment Roll and inform them of their legal responsibilities regarding proper waste management practices including pollution prevention options and opportunities.</li> <li>Verify the waste management practices for each SQG identified on the assessment roll by conducting on-site inspections at a rate of 20% of the SQGs per year</li> </ul> <p>The results of the program must be provided to the Florida Department of Environmental Protection (FDEP) on an annual basis.</p> <p>The Natural Resource's Pollution Prevention Program does not operate in compliance with its governing Statute 403 - Environmental Control.</p> <p>The current program and its SQG Assessment Roll:</p> <ul style="list-style-type: none"> <li>Does not require the identification, notification and verification of the county's SQGs</li> <li>Does not produce specific SQG results</li> <li>Is dependent on its consistency with Lee</li> </ul>	<p>We recommend that the P2 Program:</p> <ul style="list-style-type: none"> <li>Update procedures to meet the Florida Statute 403 mandated SQG program requirements, and migrate away from using the P2 potential generator information for reporting purposes.</li> <li>In the interim, collaborate with the Tax Collector to improve the consistency between lists to mitigate errors in reports and potential negative effects on P2 operations.</li> </ul>	<p>Staff follows established local, state and federal guidelines in carrying out the functions of the Pollution Prevention Program. However, in order to provide more clarity to future and current hires as well as to better respond to public inquiries, Natural Resources has adopted formal written policies and procedures.</p> <p>Natural Resources staff has operated the Small Quantity Generator Assessment (SQG) program within the guidelines established by the Florida Department of Environmental Protection (FDEP) to ensure compliance with FS 403. The SQG program was established by the County in 1988. By BoCC action the program was changed in 2005. One change made was a directive to include all businesses for inspection. This action added a larger universe of businesses including any SQG business. Natural Resources will evaluate subscribing to the NSIC database to create a second database of SQG businesses. Natural Resources will also begin discussions with the Tax Collector's Office regarding any discrepancies in database management.</p>



## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



<p>County Tax Collector’s monthly lists of all businesses obtaining new or renewed Local Business Tax licenses (LBT)</p> <ul style="list-style-type: none"> <li>• Is not screened to place a priority for on-site inspections of those businesses that are anticipated to generate more hazardous waste as compared to the other businesses</li> <li>• Has a significant disparity between the P2 Program’s assessment roll and the Tax Collector’s LBT lists.</li> </ul> <p>The result is the ineffective and inefficient use of the inspectors’ time in selecting and reporting the results of the on-site Educational Assessment. The generated data doesn’t provide compliant SQG results to the Florida Department of Environmental Protection (FDEP).</p>		
<b>Estimated Implementation Date</b>	<b>Revised Implementation Date</b>	<b>Status</b>
2/28/17	N/A	Closed 3/27/17
<b>Last Status Update</b>	<b>Current Recommendation Action</b>	<b>IA Follow-up Notes</b>
N/A		<p>The P2 Program and NRD are currently working on additional technological advances to improve the reporting of inspections to the FDEP. Included in this effort is coordination between IT and the Lee County Tax Collector (LCTC) to remedy any errors in exchange of reporting data.</p>
<b>Cash Management</b>		
<b>Observation</b>	<b>Recommendation</b>	<b>Original Management Response</b>
<p>The Lee County External Fees &amp; Charges Manual allows a charge of \$10 for each Hazardous Material Generating Report. This report consists of an educational hazardous waste assessment conducted by a P2 Program employee.</p>	<p>We recommend that two people be involved in receiving and doing the daily/periodic reconciling of cash payments.</p> <p>We recommend that a more secured delivery method be used in order to prevent the cash/check</p>	<p>The department receives no more than \$100 per year on average for report requests. Given the minimal staff effort involved, the service will be offered free of charge in the future.</p>



## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



<p>Payments collected for the request of educational hazardous waste assessments are received and reconciled by the same person. The cash is then sent in an envelope through interoffice mail to the fiscal manager.</p> <p>There's a risk that the cash receipts can be lost or stolen in the process.</p>	<p>payments from being lost or stolen.</p>	
<b>Estimated Implementation Date</b>	<b>Revised Implementation Date</b>	<b>Status</b>
2/28/17	N/A	Closed 3/27/17
<b>Last Status Update</b>	<b>Current Recommendation Action</b>	<b>IA Follow-up Notes</b>
N/A		
<p><b>BOCC Solid Waste</b> (Project 2016.07, Issued August 2016) Three recommendations – Estimated for implementation January 29, 2017</p>		
<b>Delinquency Balance</b>		
<b>Observation</b>	<b>Recommendation</b>	<b>Original Management Response</b>
<p>Effective since October 1998, solid waste assessments have been collected by the Lee County Tax Collector's office pursuant to the Uniform Collection Method. Delinquent assessments since that date have been collected by Solid Waste. There were at that time approximately \$8,168,000 in delinquent assessments. As of April 2016, the amount is approximately \$2,167,000 (including lien fees, late fees, and interest).</p> <p>Solid Waste management is considering an incentive program similar to one initiated in the Utilities Department for their delinquent accounts. That incentive program forgave</p>	<p>It is recommended that a program to address the delinquent assessments be created, approved, and implemented.</p>	<p>The Division concurs with the proposed recommendation.</p>





## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



<p>interest and fees in an attempt to maximize collections prior to approaching the BOCC about a write-off of the delinquent account balances.</p> <p>Delinquent commercial charges for current billings are monitored and an aging report is utilized. Few of those billings are past due.</p>		
<b>Estimated Implementation Date</b>	<b>Revised Implementation Date</b>	<b>Status</b>
1/29/17	N/A	Closed 4/17/2017
<b>Last Status Update</b>	<b>Current Recommendation Action</b>	<b>IA Follow-up Notes</b>
N/A		\$571,000 is to be written off in a blue sheet Aug/Sept 2017.
<b>Accounting Postings</b>		
<b>Observation</b>	<b>Recommendation</b>	<b>Original Management Response</b>
In Fiscal Years 2014 and 2015, some revenue entries were posted to incorrect account strings. Entries were made to accounts in business units OB5340040104 (Recycling) and OB5340040106 (Right of Way Clean-up). They should have been posted to accounts in business units OB5340640104 and OB5340140106 respectively.	It is recommended that steps be taken to ensure that all entries are made to the correct account strings.	The Division concurs with the proposed recommendation.
<b>Estimated Implementation Date</b>	<b>Revised Implementation Date</b>	<b>Status</b>
1/29/17	N/A	Closed 4/17/2017
<b>Last Status Update</b>	<b>Current Recommendation Action</b>	<b>IA Follow-up Notes</b>
N/A		New procedures have been implemented with the assistance of the Fiscal Pool
<b>Prorated Fees on New Construction</b>		
<b>Observation</b>	<b>Recommendation</b>	<b>Original Management Response</b>
Solid Waste fees charged on new construction projects are prorated based on the month in which a certificate of occupancy is obtained.	It is recommended that Solid Waste personnel monitor the Solid Waste revenues collected by Public Works to ensure that the receipts are	The Division concurs with the proposed recommendation.



## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



<p>The fees are processed in the Public Works building and are split between the operations and the right-of-way general ledger accounts. Some of the fees collected from Bonita Springs in Fiscal Year 2015 were collected, but they were not split between the two accounts. The total amounts were posted to the operations account. The fees collected from other locations in our audit sample were correctly split.</p>	<p>correct and are posted to the appropriate accounts.</p>	
<b>Estimated Implementation Date</b>	<b>Revised Implementation Date</b>	<b>Status</b>
1/29/17	N/A	Closed 4/17/2017
<b>Last Status Update</b>	<b>Current Recommendation Action</b>	<b>IA Follow-up Notes</b>
N/A		New procedures have been implemented with the assistance of the Fiscal Pool

**BOCC GCN Digital Retrofit Project Feasibility**  
(Project 2016.12, Issued January 2017)  
One recommendation – Estimated for implementation June 30, 2017

<b>BOCC GCN Digital Retrofit Project Feasibility</b>		
Observation	Recommendation	Original Management Response
<p>The risks associated with the analog portion of the GCN include:</p> <ul style="list-style-type: none"> <li>The current analog system does not meet the Department of Homeland Security’s inoperability standards. In the event of large-scale emergencies and disasters, communication with external government agencies could potentially be difficult, and require workarounds.</li> <li>The production of existing analog radio system equipment was discontinued in 2010-2011, with correlated supplier repair and technical support ending as of</li> </ul>	<p>We recommend rapid adoption and completion of the BOCC GCN all-digital conversion to:</p> <ul style="list-style-type: none"> <li>Comply with Department of Homeland Security interoperability standards.</li> <li>Get beyond the end-of-life system issues that may cause continued difficult radio maintenance issues.</li> <li>Prepare for future County-wide growth and expansion.</li> <li>Allow for effective communications between authorities during large-scale emergencies and disasters.</li> </ul>	<p>The Department of Public Safety (DPS) is currently working with County Administration and Budget Services to move forward in the development of a plan for update and replacement of the GCN to an all-digital radio network. This project will include acquisition of a contracted consultant to design and plan the system, and working with County Administration and Budget Services to thoroughly explore all available funding sources, and develop a Capital Improvement Plan for the project.</p> <p>The Department of Public Safety is committed to a thoughtful and thorough evaluation of the audit’s</p>



## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



<p>December 31, 2018. Thus, there is the potential impact of GCN communication services which are difficult to repair. There is no assurance that analog parts will be obtainable from government agency surplus donations or from online used equipment suppliers.</p> <ul style="list-style-type: none"> <li>There are currently fewer towers than is necessary to remedy poor outdoor and in-building radio coverage in Central, South, and East Lee County.</li> </ul>		<p>recommendation, and will assure the information contained herein remains relevant in the Government Communications Network replacement plan moving forward.</p>
<b>Estimated Implementation Date</b>	<b>Revised Implementation Date</b>	<b>Status</b>
6/30/17	N/A	In Progress
<b>Last Status Update</b>	<b>Current Recommendation Action</b>	<b>IA Follow-up Notes</b>
N/A		

**BOCC Emergency Medical Services  
(Project 2016.18, Issued March 2017)  
Two recommendations – Estimated for implementation by September 30, 2017**

<b>Policies and Procedures</b>		
Observation	Recommendation	Original Management Response
<p>Written policies and procedures were insufficient to document the processes that are followed by EMS to monitor or reconcile service billing and collection activities.</p>	<p>We recommend that documentation be developed and implemented to formalize the policy and maintenance procedures. Written policies and procedures are industry standards that define how organizations deal with everyday operational items to comply with regulations and codes. Failure to have and maintain current policies and procedures can lead to inefficiencies and confusion.</p>	<p>The Department of Public Safety (DPS) is currently working with McKesson to develop a process to allow more specific monitoring of patient accounts. DPS leadership is also inquiring with other similar EMS agencies around the country how they handle account reconciliation in their services. Our goal is to have these processes in place by the end of this fiscal year.</p>
<b>Estimated Implementation Date</b>	<b>Revised Implementation Date</b>	<b>Status</b>
9/30/17	N/A	In Progress
<b>Last Status Update</b>	<b>Current Recommendation Action</b>	<b>IA Follow-up Notes</b>
N/A		



## Lee County BOCC Audit Recommendation Status Report As of March 31, 2017



Formal Reconcilements		
Observation	Recommendation	Original Management Response
<p>EMS does not formally monitor or reconcile data to ensure all transports are efficiently and effectively billed and collected by the third party vendor.</p>	<p>We recommend that EMS take a more proactive role in monitoring financial aspects of the contract. Monitoring procedures should be developed to enable EMS to analyze and document the contractual write-downs of insurance agreements prior to submitting write-off requests to the Board of County Commissioners. We are aware of the enormous amount of Patient Care Reports added each month and the strain this would put on the staff, therefore a cost/benefit analysis should be performed to determine the feasibility of a periodic reconciliation.</p> <p>The third party vendor can provide a number of reports to facilitate the monitoring of their services. Once the department has obtained a complete set of baseline data for performance measurement, it will be able to enhance its monitoring and reporting through the use of trend analysis. This would allow EMS to maintain confidence that the third party vendor is fulfilling their contract.</p>	<p>The DPS Fiscal Staff has begun working with Lee County Human Resources to develop written policies and procedure documents to provide clarity to how processes are completed, and what steps are necessary to complete EMS billing procedures. These policies and procedures should be completed within the next three to six months.</p>
Estimated Implementation Date	Revised Implementation Date	Status
8/31/17	N/A	In Progress
Last Status Update	Current Recommendation Action	IA Follow-up Notes
N/A		