Audit Recommendations
Follow-Up Report
For the Period October 1, 2008
Through March 3, 2009

Project #09-11

Prepared by
Office of Inspector General

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EXECUTIVE SUMMARY

Audit recommendations target the economy and efficiency of District operations and compliance with our policies and statutory responsibilities. Our recommendations also focus on providing District management with suggestions that facilitate their achievement of program goals and objectives. To be effective, audit recommendations must be implemented. Additionally, *Government Auditing Standards* require following up on audit recommendations in previously issued audit reports. Accordingly, the Inspector General's Office periodically surveys departments to determine the implementation status of recommendations and to encourage their completion. This information is maintained in the Inspector General's audit recommendation tracking database. The system allows each audit staff member to update the recommendation's "status" after reviewing information provided by the departments and offices.

This report on the implementation status of audit recommendations is for the period October 1, 2008 through March 3, 2009 (the "Reporting Period"). As shown in Exhibit 1, as of October 1, 2008 there were eight (8) recommendations that were not yet fully implemented, consisting of five (5) that were In-Process and three (3) that were Partially Implemented. Since then, four (4) of these recommendations have been fully implemented. As of March 3, 2009, four (4) remain in various stages of implementation, consisting of three (3) that are In-Process and one (1) that is Partially Implemented.

During the Reporting Period, 12 recommendations were added from three (3) newly issued reports. As of March 3, 2009, four (4) have been fully implemented. Thus, eight (8) recommendations from newly issued reports remain in various stages of implementation (including three (3) that have been partially implemented). In total from all reports, there are currently 12 recommendations that are In-Process of being implemented or have been Partially Implemented as of March 3, 2009.

There were no recommendations changed to the "No Longer Applicable" status during the current Reporting Period. The "No Longer Applicable" category includes items where conditions have changed subsequent to issuance of the audit report that rendered the recommendation no longer relevant, such as:

- Alternative compensating controls have been put in place.
- A decision was made to implement a new system that will address the issue making it impractical to retrofit the existing system.
- The policy, statute, or rule has changed.
- Change in strategic direction.

No recommendations fell into the "Not Implemented" category for the current and the previous report.

Following is a brief description of the attached exhibits:

- **Exhibit 1:** This Exhibit displays a summary of recommendation statuses for all audit reports with recommendations in process of implementation. Exhibit 1 also shows the changes in the status of recommendations from the beginning of the period to the end of the period.
- **Exhibit 2:** This Exhibit shows a summary of the changes in the status of recommendations by each audit report. Exhibit 2 shows only those audit reports that contained one or more recommendations that had not been fully implemented at the beginning of the reporting period.
- **Exhibit 3**: This exhibit displays detail information regarding the status of each audit recommendation. This includes the status of the recommendation for the prior reporting period and the status at the end of the current period. The comment columns provide narrative information regarding implementation progress. Exhibit 3 also includes details regarding recommendations in audit reports issued during the current reporting period (i.e., since September 30, 2008).
- **Exhibit 4**: This exhibit is a report printed directly from our Access database that contains additional information (such as estimated completion dates) for the 12 recommendations that are still in process of being fully implemented as of March 3, 2009.

EXHIBIT 1
Summary of Recommendations Status

	In Process	Partially Implemented	Total
Prior Period Reports			
Status Beginning of Period	5	3	8
Implemented or Partially Implemented During Period	(2)	(2)	(4)
Remaining Recommendations to be Fully Implemented	3	1	4
Reports Issued During Current Period			
New Recommendations*	12	-	12
Implemented or Partially Implemented	(7)	3	(4)
Remaining Recommendations to be Fully Implemented	5	3	8
Current Status			
Remaining Recommendations to be Fully Implemented	**8**	**4**	**12**

* Initial Status is set as "In-Process"

EXHIBIT 2
Audit Reports With Implementation of Recommendations in Progress
As of March 3, 2009

Audit No.	Audit Title	No. of Recs		In Process	Partially Implemented	No Longer Applicable	Implemented	
	Recommedations - Prior Period Reports							
01-11	Hydrologic Modeling Program	7	Status Prior Period	0	1	0	6	Complete
			Change in Status	0	-1	0	1	
			Status Current Period	0	0	0	7	
05-15	Review of the Procurement Process	8	Status Prior Period	0	1	0	7	Complete
			Change in Status	0	-1	0	1	
			Status Current Period	0	0	0	8	
06-18	Audit of State and Federal Cost Share Agreements (Non-KRR & CERP)	3	Status Prior Period	1	0	0	2	Complete
			Change in Status	-1	0	0	1	
			Status Current Period	0	0	0	3	
06-19	Audit of the KRR Restoration Project In-Kind Credit Request Process	10	Status Prior Period	4	1	0	5	Open
			Change in Status	-1	0	0	1	
			Status Current Period	3	1	0	6	
	Recommendation - Report Issued During Current Period							
07-36	Audit of the Information Technology Department	2	Status Prior Period	2	0	0	0	Open
			Change in Status	0	0	0	0	
			Status Current Period	2	0	0	0	
08-04	Audit of CERP Land Acquisition costs Incurred by Other Organizations	7	Status Prior Period	7	0	0	0	Open
			Change in Status	-5	3	0	2	
			Status Current Period	2	3	0	2	
08-12	Review of the GEPS Services Contracts	3	Status Prior Period	3	0	0	0	Open
			Change in Status	-2	0	0	2	
			Status Current Period	1	0	0	2	
	TOTAL	40	Status Prior Period	17	3	0	20	
			Change in Status	-9	1	0	8	
			Status Current Period	8	4	0	28	
	Number of Recommendations Remaining to Be Fully Implemented	12		8	4			

Prior Period = As of September 30, 2008

EXHIBIT 3

Detail of In-Process and Partially Implemented Audit Recommendations

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Recommendation	Management Response	Prior Period Comments Regarding Status	Current Period Comments Regarding Status
01-11	5	Hydrologic Modeling Program	Partially Implemented	Implemented	Ensure that a disaster recovery backup copy of the server data is created and stored at an off-site location.	IT will review the backups and the procedures used for this server to make sure they adhere to the recommendations.	IT is implementing a full disaster recovery plan for the entire District. The HESM systems is a portion of the comprehensive disaster recovery plan. However, the phase of the project they currently in does not include HESM's systems and data. They have assessed HESM's immediate needs for phase 2, which include all of the modeling equipment necessary to support District Emergency operations. Terremark, Inc., also known as the NAP (network access point/provider), has been engaged and already possesses District infrastructure on their premises.	HESM has worked with the Information Technology Department to identify critical modeling data to be stored offsite. The volume of information is estimated at one (1) Terabyte of data. This data is backed up to tape and stored off-site with U and Me Records Management and Destruction on a weekly basis. The Network Access Point of the Americas is for critical systems that must be functioning immediately after a disaster whereas U and Me Records Management and Destruction is the preferred method of storing data off-site.
05-15	8	Review of the Procurement Process	Partially Implemented	Implemented	Develop a plan to monitor P-Card activity and consider increasing the maximum threshold for both P-Cards and PD's to $2,500.	Agree with this recommendation.	The Bank of America "Works" software was partially implemented on 8/7/07. The procurement card administration portion has been implemented and all cardholder data is in the "Works" software. The complete implementation requires special programming for SAP to communicate with the "Works" software. The program has been written: however, software testing has been interrupted due to data format issues which are currently being resolved. After the program testing is completed Procurement will complete training for users, and then roll out the new software to all cardholders, finance, and managers. The "Works" software will allow the District to monitor transactions on a daily basis and improve our auditing capabilities. Once the benefits of the new software are proven, we will ask for an increase to the $2,500 single purchase limit. The new target date for increasing the threshold is 12/31/08.	The Bank of America "Works" Program has been fully implemented. 80% of the District staff who allocate the P-Card purchases to the correct accounts or internal orders have been trained on the use of the program. At this time, Procurement is not recommending an increase in the threshold amount. As a cost savings initiative, Procurement and Finance will investigate the possibility of paying vendors via credit card in lieu of a check. Purchases will be tracked in SAP using the materials management functionality just as is done today. The only difference is the method of payment.

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Recommendation	Management Response	Prior Period Comments Regarding Status	Current Period Comments Regarding Status
06-18	2	Audit of State and Federal Cost Share Agreements (Non-KRR & CERP)	In Process	Implemented	Eliminate any liability that may exist when the critical projects are complete through amendment or other offset.	Staff will review the remaining work to be completed for the critical Restoration Projects and work with the USACE to determine how to complete the projects such that the cost share is as close to 50/50 as possible.	Item 2 legislative changes have not occurred. When or if, they will take place is uncertain. The District and Corps did review the Critical Restoration Project cost balancing last spring. The costs for the projects appear to be in balance enough that the Corps is currently not asking for additional cash payments. There have been delays in the completion of the Lake Okeechobee Water Retention Critical Restoration Project and the Ten Mile Creek Reservoir Critical Restoration Project. These delays have made the final costs of these two projects more uncertain, thus, the cost share balance is more uncertain. The Lake Okeechobee project was delayed due to the drought. Construction is complete and the project is in the final operational testing phase. Due to the drought, there was not enough water available to test the facility. With this year's summer rains, there is now enough water for the operational testing. This project should be finished by the end of FY09 and cost balancing can be done at that time. There are uncertainties about what is needed to finish the T	The SFWMD has drafted new federal legislative language that has been submitted to the Florida Delegation. This new language may be included in a Water Resource Development Act or an Appropriations Bill, this year or in 2010, to provide authorization for the Army Corps to carry over credit from one Critical Project to another. This would allow the Corps' to cost share across Critical Projects in the future. If this legislation amendment occurs, then liability will be eliminated as described in Recommendation #2.
06-19	2	Audit of the KRR Restoration Project In-Kind Credit Request Process	In Process	In Process	Submit future restoration In-Kind Credit Requests at least annually to the USACE for restoration expenses and land acquisition expenses not charged to specific tracts.	As noted in the audit, the District has elected to complete some Critical Restoration Projects (Lake Trafford, Southern CREW and Tamiami Culverts) on its own. This has created an imbalance in the 50/50 cost share. The District did this because the USACE was approaching its legislative spending cap for the Critical Projects. This would have prevented them from further financial participation.	Claims of all land acquisition expenses have been submitted to the USACE up through 8/18/08. All expenses have been assigned to a tract number. The Kissimmee Division is still working with the USACE to finalize the backlog of restoration expenses for 1992-2004.	The Kissimmee Division is working with USACE to finalize the backlog of in-kind credit requests for 1992-2004. USACE staff are currently reviewing these requests and have informed the District of an estimated completion date of 3/10/09. The remaining backlog of requests (2005-2008) will be submitted shortly. Future requests will be submitted at least annually.

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Recommendation	Management Response	Prior Period Comments Regarding Status	Current Period Comments Regarding Status
06-19	3	Audit of the KRR Restoration Project In-Kind Credit Request Process	In Process	In Process	Remind the USACE that the District is awaiting a response to the request for approval to use the same fringe benefit and indirect cost rates as those approved for CERP.	Water Resource Development Act (WRDA) 2007 became law on November 8, 2007 and will help reduce this cost-share imbalance. WRDA 2007 increased the USACE authorized spending cap for Critical Restoration Projects from $75 million to $95 million. The USACE will allocate a portion of this increased funding to the District sponsored projects.	Staff continues to remind the USACE that we are waiting on a response for this issue. We will continue to work with the USACE until we receive a response.	An e-mail was sent to USACE representatives on February 20, 2009 inquiring whether they have accepted the District's Indirect Cost Rate plan for the Kissimmee River Restoration Project. As of 3/5/09, the USACE has not responded.
06-19	5	Audit of the KRR Restoration Project In-Kind Credit Request Process	In Process	In Process	Determine the amount of unclaimed expenses incurred for environmental assessments and submit a claim for these expenses as construction costs.	Each Critical Restoration Project is covered by a separate Project Cooperative Agreement, which outlines cost-sharing responsibilities for the project. Currently, there is no provision to balance the 50/50 cost-share across all of the projects. This sets up a situation where the USACE is required to request cash contributions for some projects and provide reimbursement for others. In the upcoming Water Resource Development Acts or	Land Acquisition staff is still in the process of determining all the expenses associated with the environmental assessments and reporting them as construction expenses, instead of land acquisition expenses. Since completion of the audit, the environmental assessment expenses have not been submitted as land acquisition expenses.	Previously, it was reported that this recommendation had been complied with through Kissimmee Division's submittal of the pre-acquisition environmental land assessment costs as part of the construction cost submittal. Kissimmee Division and the Land Acquisition Department are verifying the records were submitted. This requires examining prior documents and consulting with the USACE. Staff anticipates this will take 3 months for verification.
06-19	9	Audit of the KRR Restoration Project In-Kind Credit Request Process	In Process	Implemented	Ensure that Land Acquisition expedites its reconciliation to determine the claim status of completed acquisitions.	Agree. Land Acquisition and Management will submit annual credit reconciliation status report within five months of the preceding fiscal year. (October 2006 – September 2007 would be submitted by February 28, 2008.)	Land Acquisition staff have completed reconciling the costs up through 8/18/08. Staff is working with the USACE to review this information.	For the past two years, the Land Acquisition Department has gone through a process with the USACE to arrive at a base report regarding the status of Kissimmee acquisitions and crediting. There is now agreement and that this base report is captured in IRIS. At the beginning of each calendar year, the updated report is sent to the USACE for their review. The first annual report for review was sent out this week.
06-19	10	Audit of the KRR Restoration Project In-Kind Credit Request Process	Partially Implemented	Partially Implemented	Reconcile total expenditures charged to the KRR program per the District's financial system ("F" program code) to total expenditures claimed for in-kind credit (or will be claimed in the future under the established process.)	Agree. Watershed Management now uses P3E project management software for the Kissimmee River Restoration Project and updates are made monthly to reflect budget expenditures.	Reconciliation of the expenses in the Land Acquisition and Land Management Department and Kissimmee Division has been completed, so the expenditures are charged to the Kissimmee River Restoration Program. Under the realignment, Everglades Restoration will coordinate with the Operations and Maintenance Resource Area to determine if there are any outstanding expenditures that will need to be reconciled.	Total expenditures charged to the KRR program have been reconciled with total expenditures claimed for in-kind credit. All future expenditures and in-kind credit claims will be reconciled under the established process. We are in the process of verifying that Everglades Restoration and Operations and Maintenance Resource areas are coordinating to determine if there are any outstanding expenditures that will need to be reconciled.

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Recommendation	Management Response	Prior Period Comments Regarding Status	Current Period Comments Regarding Status
Audit Reports Issued During Period								
07-36	1	Audit of the Information Technology Department	N/A - New Recommen-dation	In Process	Consider hiring full time employees for IT positions considered permanent and ongoing.	We agree that the addition of the 39 FTEs to cover core functions that are currently performed by contractors would result in a savings of approximately $2.6 million dollars per year on an ongoing basis. We would prefer to have FTEs performing these core functions because we believe our staffing model would be more stable. We also recognize that there may be limitations to the number of FTEs that can be added at this time.	N/A - New Recommendation	Coordination with the Governors Office was delayed due to uncertainty regarding impacts to revenues in the FY09 and FY10 budgets and the need for staff to focus on other budget priorities. During the last 6 months it did not seem feasible that permission to hire 39 FTEs would be forthcoming. The same deadline of October 2009 would be proposed for coordination of this issue with the governor's office.
07-36	2	Audit of the Information Technology Department	N/A - New Recommen-dation	In Process	Consider hiring full time employees for IT positions considered permanent and ongoing.	We agree that a strategy and a plan of action and milestones should be completed to optimize the use of contract workers. We already have several processes in place that control this function.	N/A - New Recommendation	The production of this plan was delayed due to uncertainties on whether it would be feasible to proceed with the IT contractor/FTE conversion. The revised date for completion of the draft plan is May 31, 2009.
08-04	1	Audit of CERP Land Acquisition Costs Incurred by Other Organizations	N/A - New Recommen-dation	Partially Implemented	Reduce the cost of the tracts identified in this audit report as being overstated in the District's accounting records.	Management concurs with the recommendation and will research the tracts identified in the audit and adjust the carrying values accordingly.	N/A - New Recommendation	Four tracts have been researched and adjustments have been booked to the general ledger. Seven tracts are still being researched.
08-04	2	Audit of CERP Land Acquisition Costs Incurred by Other Organizations	N/A - New Audit Report	Partially Implemented	Develop and document procedures to ensure that the Accounting Division is made keenly aware of tracts acquired with contributions from external partners and the details regarding the contributions (e.g., whether contributions were made for title interest, whether contributions were not proportionate to the percentage of title interest given up for the contribution).	Management concurs with the recommendation. The Land Acquisition Department together with the Accounting Division will work together to develop procedures that will ensure that land is recorded properly.	N/A - New Recommendation	New procedures to identify land acquisitions involving external partners are being drafted by the Real Estate Financial Overview Process (REFOP) Team. The REFOP Team meets monthly and consists of key staff from Land Acquisition, Accounting and Financial Services, and Budget. Process improvements and land transactions are discussed and communication between the functional areas has been greatly improved. Land Acquisition has also given Finance access to the Integrated Real Estate Information System (IRIS) and provides a monthly closing report and Governing Board Chart to Finance via e-mail. Finally, the Accounting and Financial Services Division has reconciled all land acquisitions occurring in FY08 as reflected in IRIS to the District's financial records. This reconciliation process has been expanded to FY07 and FY09 acquisitions, as well.

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Recommendation	Management Response	Prior Period Comments Regarding Status	Current Period Comments Regarding Status
08-04	3	Audit of CERP Land Acquisition Costs Incurred by Other Organizations	N/A - New Audit Report	In Process	Remove all State-owned tracts from the District's asset records.	Management concurs with the recommendation and will write-off the purchase price of land that is not owned by the District	N/A - New Recommendation	The five tracts identified in the audit as State-owned and reflected in the District's books are still being researched.
08-04	4	Audit of CERP Land Acquisition Costs Incurred by Other Organizations	N/A - New Audit Report	Implemented	Ensure that the Accounting Division's records have been adjusted to reflect all CERP land disposals by Land Acquisition and that the appropriate gains or losses have been recorded.	Management concurs with the recommendation. Land Acquisition Department will provide the list of all disposals to the Accounting Division and the Accounting Division will write-off the purchase price of land that has been disposed and record the gain or loss.	N/A - New Recommendation	The two tracts identified in the audit that were not owned by the District but reflected as District assets have been researched and written off.
08-04	5	Audit of CERP Land Acquisition Costs Incurred by Other Organizations	N/A - New Audit Report	Implemented	Ensure that Land Acquisition notifies the Accounting Division for all tracts that have either been merged, split or disposed of, so that the accounting records reflect updated tract information.	Agree. Land Acquisition will develop a procedure for notifying the Accounting Division of tracts that have been merged, split or disposed.	N/A - New Recommendation	Land Acquisition provides a monthly report to the Finance Division informing them of all land transactions including mergers, splits or disposals. Finance receives an e-mail notice generated through IRIS when any land transaction is entered into IRIS. Finance is able to review the disposal transactions through IRIS to obtain the transaction details and make the needed adjustments to the financial records. In addition, complex transactions are discussed at the monthly Real Estate Financial Overview Process (REFOP) Team meeting.
08-04	6	Audit of CERP Land Acquisition Costs Incurred by Other Organizations	N/A - New Audit Report	In Process	Compare Land Acquisition's listing of tracts acquired for CERP to the SAP Asset Module to ensure that all tracts are accurately reflected in the Accounting Division's records.	Management concurs with the recommendation. The Accounting Division and Land Acquisition will work together to reconcile Land Acquisition's records to records within SAP.	N/A - New Recommendation	The audit identified eight tracts where the asset records in IRIS do not agree with SAP. Documentation for these tracts are in the process of being turned over to Finance to be researched. Land Acquisition has provided their acquisition reports for FY07, FY08 and the first quarter of FY09 so that a match and compare can be undertaken by Finance. Any discrepancies found will be discussed at the monthly Real Estate Financial Overview Process (REFOP) Team meeting.
08-04	7	Audit of CERP Land Acquisition Costs Incurred by Other Organizations	N/A - New Audit Report	Partially Implemented	Develop procedures to ensure that all donated tracts are properly recorded in the District's accounting records.	Management concurs with the recommendation. Land Acquisition will develop a procedure notifying the Accounting Division of donated tracts	N/A - New Recommendation	The Real Estate Financial Overview Process (REFOP) Team is developing a procedure to address valuation issues for donated tracts. Donations are included in the monthly closing report to Finance

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Recommendation	Management Response	Prior Period Comments Regarding Status	Current Period Comments Regarding Status
08-12	1	Review of the GEPS Services Contracts	N/A - New Audit Report	Implemented	Take steps to ensure that project managers and Procurement's contract specialists closely review all cost estimates to make certain that labor categories are specific and that the labor rates correspond to those negotiated by Procurement.	Procurement concurs with this recommendation. Responsibility for review and approval of all project cost estimates has always resided with District Project Managers. Not only must they be sure that the cost estimate is realistic as far as level of effort and other direct cost estimates are concerned, but they must also verify that the hourly labor rates by job classification are consistent with what has been negotiated and agreed to in the contract. With respect to the General Engineering Professional Services (GEPS) contracts, there is a section of Procurement's web site dedicated to providing information on these contracts which includes a scanned copy of the negotiated Exhibit "L" rate schedule posted at the time of contract execution and these schedules are updated any time changes are made through the contract amendment process. This allows for convenient access to current information by Project Managers.	N/A - New Recommendation	Recommendation was implemented at the time the final report was issued. See management response.
08-12	2	Review of the GEPS Services Contracts	N/A - New Audit Report	Implemented	Ensure that project managers and Procurement contract specialists are aware that negotiated labor rates should be utilized regardless of whether the work being awarded is the result of emergency actions.	Procurement concurs with this recommendation. Please see response to Recommendation #1 above. The revamped GEPS procedure and training are applicable to all work orders, regardless of whether or not they are classified as emergencies and this has been communicated to staff.	N/A - New Recommendation	Recommendation was implemented at the time the final report was issued. See management response.
08-12	3	Review of the GEPS Services Contracts	N/A - New Audit Report	In Process	Consider seeking authorization for additional staff positions in order to replace higher cost contractor workers, that are performing on-going activities, with employees.	Management concurs with this recommendation; however, the addition of Full Time Employees (FTEs) to the District's authorized staffing levels is being coordinated between the Executive Office and the Governor's Office.	N/A - New Recommendation	Procurement agrees with this recommendation; however, the Executive Office is in discussions regarding the feasibility of implementing this recommendation and they have taken the lead for this recommendation.

Exhibit 4
Status of Recommendations
Not Fully Implemented

Audit No.	Audit Name

Recommendation	Current Status	Auditor's Comment

06-19	Audit of the KRR Restoration Project In-Kind Credit Request Process

#2 Submit future restoration In-Kind Credit Requests at least annually to the USACE for restoration expenses and land acquisition expenses not charged to specific tracts.

In Process

The Kissimmee Division is working with USACE to finalize the backlog of in-kind credit requests for 1992-2004. USACE staff are currently reviewing these requests and have informed the District of an estimated completion date of 3/10/09. The remaining backlog of requests (2005-2008) will be submitted shortly. Future requests will be submitted at least annually.

Original Due Date: 9/30/2007

Auditor Update: 3/5/2009

Revised Due Date: 9/30/2009

#3 Remind the USACE that the District is awaiting a response to the request for approval to use the same fringe benefit and indirect cost rates as those approved for CERP.

In Process

An e-mail was sent to USACE representatives on February 20, 2009 inquiring whether they have accepted the District's Indirect Cost Rate plan for the Kissimmee River Restoration Project. As of 3/5/09, the USACE has not responded.

Original Due Date: 12/31/2007

Auditor Update: 3/5/2009

Revised Due Date: 9/30/2009

#5 Determine the amount of unclaimed expenses incurred for environmental assessments and submit a claim for these expenses as construction costs.

In Process

Previously, it was reported that this recommendation had been complied with through Kissimmee Division's submittal of the pre-acquisition environmental land assessment costs as part of the construction cost submittal. Kissimmee Division and the Land Acquisition Department are verifying the records were submitted. This requires examining prior documents and consulting with the USACE. Staff anticipates this will take 3 months for verification.

Additionally, a procedure has been set up with the Kissimmee Division whereby the Land Acquisition Department will gather and provide environmental costs to the Kissimmee Division and be submitted to the USACE for credit under construction. This procedure is now documented in the Integrated Real Estate Information System (IRIS).

Original Due Date: 12/31/2007

Auditor Update: 3/5/2009

Revised Due Date: 5/1/2009

#10 Reconcile total expenditures charged to the KRR program per the District's financial

Partially Implemented

Total expenditures charged to the KRR program have been reconciled with total

Recommendation	Current Status	Auditor's Comment
system ("F" program code) to total expenditures claimed for in-kind credit (or will be claimed in the future under the established process.)		expenditures claimed for in-kind credit. All future expenditures and in-kind credit claims will be reconciled under the established process. We are in the process of verifying that Everglades Restoration and Operations and Maintenance Resource areas are coordinating to determine if there are any outstanding expenditures that will need to be reconciled.
Original Due Date: 12/31/2007		Auditor Update: 3/5/2009
Revised Due Date: 6/30/2009		

07-36	**Audit of the Information Technology Department**

Recommendation	Current Status	Auditor's Comment
#1 Consider hiring full time employees for IT positions considered permanent and ongoing.	**In Process**	Coordination with the Governors Office was delayed due to uncertainty regarding impacts to revenues in the FY09 and FY10 budgets and the need for staff to focus on other budget priorities. During the last 6 months it did not seem feasible that permission to hire 39 FTEs would be forthcoming. The same deadline of October 2009 would be proposed for coordination of this issue with the governor's office.
Original Due Date: 10/30/2009		Auditor Update: 3/5/2009
Revised Due Date: 10/1/2009		
#2 Develop a written outsourcing strategy which optimizes the use of contract workers on a cost effective basis.	**In Process**	The production of this plan was delayed due to uncertainties on whether it would be feasible to proceed with the IT contractor/FTE conversion. The revised date for completion of the draft plan is May 31, 2009.
Original Due Date: 11/30/2008		Auditor Update: 3/5/2009
Revised Due Date: 5/31/2009		

08-04	**Audit of CERP Land Acquisition Costs Incurred by Other Organizations**

Recommendation	Current Status	Auditor's Comment
#1 Reduce the cost of the tracts identified in this audit report as being overstated in the District's accounting records.	**Partially Implemented**	Four tracts have been researched and adjustments have been booked to the general ledger. Seven tracts are still being researched.
Original Due Date: 1/1/2009		Auditor Update: 3/5/2009
Revised Due Date: 4/1/2009		
#2 Develop and document procedures to ensure that the Accounting Division is made keenly aware of tracts acquired with contributions from external partners and the details regarding the contributions (e.g., whether contributions were made for title interest, whether contributions were not proportionate to the percentage of title interest given up for the contribution).	**Partially Implemented**	New procedures to identify land acquisitions involving external partners are being drafted by the Real Estate Financial Overview Process (REFOP) Team. The REFOP Team meets monthly and consists of key staff from Land Acquisition, Accounting and Financial Services, and Budget. Process improvements and land transactions are discussed and communication between the functional areas has been greatly improved. Land Acquisition has also given Finance access to the Integrated

Audit No.	Audit Name		

	Recommendation	Current Status	Auditor's Comment
			Real Estate Information System (IRIS) and provides a monthly closing report and Governing Board Chart to Finance via e-mail. Finally, the Accounting and Financial Services Division has reconciled all land acquisitions occurring in FY08 as reflected in IRIS to the District's financial records. This reconciliation process has been expanded to FY07 and FY09 acquisitions, as well.

Original Due Date: 2/1/2009

Revised Due Date: 5/1/2009

Auditor Update: 3/5/2009

	Recommendation	Current Status	Auditor's Comment
#3	Remove all State-owned tracts from the District's asset records.	**In Process**	The five tracts identified in the audit as State-owned and reflected in the District's books are still being researched.

Original Due Date: 1/1/2009

Revised Due Date: 5/1/2009

Auditor Update: 3/5/2009

	Recommendation	Current Status	Auditor's Comment
#6	Compare Land Acquisition's listing of tracts acquired for CERP to the SAP Asset Module to ensure that all tracts are accurately reflected in the Accounting Division's records.	**In Process**	The audit identified eight tracts where the asset records in IRIS do not agree with SAP. Documentation for these tracts are in the process of being turned over to Finance to be researched. Land Acquisition has provided their acquisition reports for FY07, FY08 and the first quarter of FY09 so that a match and compare can be undertaken by Finance. Any discrepancies found will be discussed at the monthly Real Estate Financial Overview Process (REFOP) Team meeting.

Original Due Date: 4/1/2009

Revised Due Date: 5/1/2009

Auditor Update: 3/5/2009

	Recommendation	Current Status	Auditor's Comment
#7	Develop procedures to ensure that all donated tracts are properly recorded in the District's accounting records.	**Partially Implemented**	The Real Estate Financial Overview Process (REFOP) Team is developing a procedure to address valuation issues for donated tracts. Donations are included in the monthly closing report to Finance

Original Due Date: 2/1/2009

Revised Due Date: 5/1/2009

Auditor Update: 3/5/2009

08-12	Review of the GEPS Services Contracts		

	Recommendation	Current Status	Auditor's Comment
#3	Consider seeking authorization for additional staff positions in order to replace higher cost contractor workers, that are performing on-going activities, with employees.	**In Process**	Procurement agrees with this recommendation; however, the Executive Office is in discussions regarding the feasibility of implementing this recommendation and they have taken the lead for this recommendation.

Original Due Date: 1/1/2010

Revised Due Date: 1/1/2010

Auditor Update: 3/5/2009