



**Audit Recommendations
Follow-Up Report
For the Period October 1, 2012
Through December 31, 2012**

Project # 13-12

**Prepared by
Office of Inspector General**


**J. Timothy Beirnes, CPA, Inspector General
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SOUTH FLORIDA WATER MANAGEMENT DISTRICT

Memorandum

To: Governing Board Members

From: J. Timothy Beirnes, CPA, Inspector General
Office of Inspector General 

Date: February 22, 2013

Subject: Audit Recommendations Follow-Up Report -
For the Period October 1, 2012 through December 31, 2012
Project No. 13-12

This audit was performed pursuant to the Inspector General's authority set forth in Section 20.055, F.S. Enclosed is the subject report that was conducted to assess the progress made in implementing audit recommendations.

In our efforts to continue to improve the audit process we utilize an audit recommendations tracking database as an integral part of monitoring the implementation status of audit recommendations. This database contains the basic audit information and recommendations. This system provides us with a vehicle to communicate and gather feedback on the status of the audit recommendations with the Governing Board, District management, and the audited organizational units.

Should you have any questions concerning the enclosed report, please feel free to call me at (561) 682-6398.

C: Melissa Meeker
Carolyn Ansay

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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 Office of Inspector General has performed follow-up audit work since the office was established in 1996. Every quarter our office 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, 2012 through December 31, 2012 (the "Reporting Period"). As shown in Exhibit 1, as of September 30, 2012 there were 18 recommendations that were not yet Fully Implemented, consisting of 16 that were In-Process and two (2) that were Partially Implemented. Since then, three (3) of these recommendations have been Fully Implemented.

During the Reporting Period, four (4) recommendations were added from one (1) newly issued report. As of December 31, 2012, one (1) of these recommendations has been Fully Implemented. In total from all reports, 18 recommendations are In-Process of being Implemented or have been Partially Implemented as of December 31, 2012.

No recommendations were 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 column provides narrative information regarding implementation progress.
- **Exhibit 4:** This exhibit is a report printed directly from our Access database that contains additional information.

EXHIBIT 1
Summary of Recommendations Status
As of December 31, 2012

	In	Partially	
Prior Period Reports	Process	Implemented	Total
Status Prior Period (September 30, 2012)	16	2	18
Implemented or Partially Implemented During Period	<u>(3)</u>	<u>-</u>	<u>(3)</u>
Remaining Recommendations to be Fully Implemented	<u>13</u>	<u>2</u>	<u>15</u>
Reports Issued During Current Period			
New Recommendations*	4	-	4
Implemented or Partially Implemented	<u>(1)</u>	<u>-</u>	<u>(1)</u>
Remaining Recommendations to be Fully Implemented	<u>3</u>	<u>-</u>	<u>3</u>
Current Status			
Remaining Recommendations to be Fully Implemented	<u>16</u>	<u>2</u>	<u>18</u>

* Initial Status is set as "In-Process"

EXHIBIT 2
Audit Reports With Implementation of Recommendations in Progress
As of December 31, 2012

Audit No.	Audit Title	No. of Recs		In Process	Partially Implemented	No Longer Applicable	Implemented	
Recommendations - Prior Period Reports								
08-09	Review of Internal Controls Over Fuel Inventory	5	Initial Status	0	1	0	4	Open
			Change in Status	0	0	0	0	
			Current Period Status	0	1	0	4	
10-07	Audit of the RECOVER Program	4	Initial Status	0	1	0	3	Open
			Change in Status	0	0	0	0	
			Current Period Status	0	1	0	3	
11-05	Audit of the Disaster Recovery Plan	7	Initial Status	3	0	0	4	Open
			Change in Status	-1	0	0	1	
			Current Period Status	2	0	0	5	
11-09	Audit of the Water Quality Program	1	Initial Status	1	0	0	0	Complete
			Change in Status	-1	0	0	1	
			Current Period Status	0	0	0	1	
11-11	Audit of Surplus Lands	10	Initial Status	10	0	0	0	Open
			Change in Status	-2	0	0	2	
			Current Period Status	8	0	0	2	
11-19	Post Implementation Review of the District's ePermitting System	1	Initial Status	1	0	0	0	Open
			Change in Status	0	0	0	0	
			Current Period Status	1	0	0	0	
11-20	Audit of the Lake Belt Mitigation Fund	8	Initial Status	8	0	0	0	Open
			Change in Status	-6	0	0	6	
			Current Period Status	2	0	0	6	
Recommendations - Report Issued During Current Period								
12-16	Audit of Land Lease Compliance	4	Initial Status	4	0	0	0	Open
			Change in Status	-1	0	0	1	
			Current Period Status	3	0	0	1	
Recommendations - All Reports								
TOTAL		40	Prior/Initial Status	27	2	0	11	
			Change in Status	-11	0	0	11	
			Status Current Period	16	2	0	22	
Number of Recommendations Remaining to Be Fully Implemented				16	2			

Prior Period = As of September 30, 2012

EXHIBIT 3
Detail of In-Process and Partially Implemented Audit Recommendations
As of December 31, 2012

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date		Recommendation	Management Response	Current Period Comments Regarding Status
					Original	Revised			
08-09	2	Review of Internal Controls Over Fuel Inventory	Partially Implemented	Partially Implemented	9/30/2009	9/30/2015	Implement physical security measures that were identified by Emergency/Security Management.	Fencing repairs will be done in FY2010. New fences will be deferred to future years due to FY2010 budget constraints. For security systems, we will coordinate with Security Management to have them budget for these systems in future years.	The fencing for the north shore pump station (i.e. 127, 129, 131, 133, and 193) has been added to the trash rake projects at each of the site and all construction with the exception of S129 and S131 will be completed in FY14. S129 and S131's estimated completion is FY15 due to lack of funding. If the schedule for the North Shore pump station projects extends beyond FY14, the Okeechobee FS will separately install fencing to provide the physical security for the fuel tanks at these stations. Due to funding constraints, estimated completion date is now 9/30/2015 of the entire project.
10-07	1	Audit of the RECOVER Program	Partially Implemented	Partially Implemented	10/31/2011	2/28/2013	Develop jointly with the USACE an updated RECOVER Program Management Plan as required by the CERP Master Program	Agree. A draft PMP update has been submitted and circulated with the expectation that the Design Coordination Team (a partnership with the Corps) will review in May. Following comments, it is expected that the PMP will be finalized by October 2011.	The program management plan for RECOVER is divided into the RECOVER Programmatic PMP and the Adaptive Assessment and Monitoring PMP. The AA&M PMP is completed, waiting final concurrence from the District and USACE. The RECOVER Programmatic PMP is in the final stages of completion, pending updated budget information.
11-05	4	Audit of the Disaster Recovery Plan	In Process	In Process	4/12/2012	2/28/2013	Consider assigning the responsibility of coordinating a single Disaster Recovery Plan to an appropriate District Project Manager outside of the Information Technology Bureau.	Concur. Emergency Management has this responsibility currently. Plans are developed in the Emergency Management Section that has District-wide application. However, each Bureau/Section within the District is responsible for developing operational procedures that will explain "how" these plans will be executed. Each of these groups has Standard Operating Procedures (SOP) Coordinators that work very closely with Emergency Management to ensure conformity and applicability with umbrella District-wide plans. Emergency Management reviews procedures and meets with the SOP Coordinators periodically. Emergency Management will continue to work with the IT Bureau to ensure applicable emergency plans and procedures are updated and tested.	The District's Disaster Recovery Plan is currently being revised with a completion date of February 28, 2013. The Director of Emergency Management will be responsible for the development of this document.

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date		Recommendation	Management Response	Current Period Comments Regarding Status
					Original	Revised			
11-05	6	Audit of the Disaster Recovery Plan	In Process	Implemented	7/27/2012	3/1/2013	Consider creating a Disaster Recovery Risk Management Oversight Team that defines critical business systems on an annual basis. The District's risk tolerance should be determined to establish what functions are mission critical to resume District operations.	Concur. The Information Technology Bureau will champion this activity to the leadership team as part of other Information Technology Steering Committee matters to be considered. We will recommend that this body address the subject of Disaster Recovery prioritization at least once per year. The District's Comprehensive Emergency Management Plan (CEMP) allows the Director of Emergency Management to appoint an Emergency Management Advisory Committee. Emergency Management is in the process of assembling this Committee. As part of the committee structure we will add representative(s) from the IT Bureau to ensure these recommendations are addressed. The Committee will be assembled and meet by April 15, 2012. The committee will review the information and make recommendations to the IT Bureau Chief and Emergency Management Director by July 27, 2012.	Emergency Management and Information Technology met with the Disaster Recovery Risk Management Oversight Team on August 22, 2012, during which the Team defined the critical business systems, which ultimately identified the mission critical functions to resume District operations. Emergency Management and Information Technology will ensure this Team meets on an annual basis to update any changes to the District's critical business systems.
11-05	7	Audit of the Disaster Recovery Plan	In Process	In Process	9/30/2012	9/30/2013	Determine an updated, accepted Recovery Time Objective and a Recovery Point Objective for the single Disaster Recovery Plan.	Concur. The Information Technology Bureau will provide definitions of Recovery Time Objective (RTO) and Recovery Point Objective (RPO) to the Emergency Management Advisory Committee (see recommendation 6) and ask that defining acceptable measures for the District's business recovery be assigned. In general, RTO is the duration of time and a service level within which a business process must be restored after a disaster in order to avoid unacceptable consequences, or the acceptable amount of time to restore the function. The RPO is the maximum tolerable period in which data might be lost from an IT service due to a major incident. The business leadership team will ultimately set the RTO and RPO metrics to fit within the available resources. The RPO time period and the RTO time duration will be completed and included along with Audit Recommendation #4 and #6. When recommended by the IT Bureau, Emergency Management will provide the information to the Emergency Management Advisory Committee for final approval. Once approved, the information will be provided to the Emergency Management Director for inclusion in appropriate planning documents	The Disaster Recovery Risk Management Oversight Team has defined the RPO and RTO for mission critical functions that must be resumed within 7 days. Information Technology is in the process of mapping all critical IT system components to those functions. This is expected to be complete by March 31, 2013. To complete the mission critical functions between 8 - 21 days will require additional time.

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date		Recommendation	Management Response	Current Period Comments Regarding Status
					Original	Revised			
11-09	1	Audit of the Water Quality Program	In Process	Implemented	6/30/2012	6/30/2012	Resolve Compliance Monitoring Tracking (CMT) Database issues and ensure implementation in a timely manner.	The Compliance Monitoring Tracking (CMT) database is currently in operation and is used to track water quality monitoring sites, mandates, monitoring parameters and generate reports. It is also ultimately intended to be used to track hydrologic and meteorological monitoring sites and stations, responsible stakeholders & programs, mandates, and generate reports. Functionality issues have been identified which need resolution in order for the CMT to better meet the needs of the Permit Acquisition & Compliance, Water Quality Monitoring and Hydro Data Management Sections. Since the original user requirements were developed for the CMT in 2005, the complexity and volume and volume of permits, permit modifications and compliance issues has increased. A CMT user group will be convened to revisit the user requirements and work with the Information Technology Department to prioritize system refinements, subject to available staff and budget resources.	The Compliance Monitoring Tracking System is populated and in production. The User's Group will continue to meet quarterly to share monitoring initiatives and best practices utilizing the CMT.
11-11	1	Audit of Surplus Lands	In Process	In Process	8/31/2013	8/31/2013	Conduct a detailed assessment of all District lands to identify those lands, which are required for mission-related purposes and projects, and those lands that should be considered for surplus. Further, ensure that the review process is adequately documented and include justifications why parcels are or are not needed for mission-related purposes	Management agrees.	In process and on schedule. Development of a new Land Assessment Process was initiated in May 2012 and is scheduled for completion by August 2013.
11-11	2	Audit of Surplus Lands	In Process	In Process	8/31/2013	8/31/2013	Consider performing a review for surplus District lands on a periodic basis utilizing the results of the initial comprehensive assessment.	Management agrees. After the initial review process is completed, a determination will be made to address the most appropriate frequency for future land assessments for District lands.	On schedule. The frequency and timing needed to assess District land inventory for potential surplus will be included as part of the Land Assessment Process currently being developed and scheduled for completion in August 2013.

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date		Recommendation	Management Response	Current Period Comments Regarding Status
					Original	Revised			
11-11	3	Audit of Surplus Lands	In Process	In Process	8/31/2013	8/31/2013	Require that the annual requests to staff identify potential surplus District lands are adequately documented.	Management agrees. A review of the appropriate documentation to be included in surplus land consideration by staff will be included in the new land assessment process currently being developed.	On schedule. A new process to include a much more extensive level of input from appropriate District staff will be included in the new Land Assessment Process. January 14, 2013 an email was sent to all of the District Staff -SME to fill out a form in reference to Surplus lands. This will be done on an as needed basis once the first round has been completed.
11-11	4	Audit of Surplus Lands	In Process	Implemented	10/31/2012	12/31/2012	Obtain approval from Florida's Department of Environment Protection to dispose of surplus lands prior to performing appraisals.	Management agrees. This is consistent with DEP requirements for processing requests from the District, allowing sufficient time to receive a response before initiating the surplus marketing sequence, including requests for appraisals.	Request for DEP approval to dispose of previously designated surplus lands is on schedule. We have and will continue to request approval of surplus lands from DEP as needed. Completed on schedule.
11-11	6	Audit of Surplus Lands	In Process	In Process	6/30/2013	6/30/2013	Consider proposing revisions of Chapter 373.089, Florida Statutes, to the Florida's Department of Environmental Protection. REVISIONS SHOULD ADDRESS appraisal and advertisements timeframe requirements.	Management agrees. Due to the necessity to prepare a proposal to DEP, the anticipated completion time cannot be attained before the next legislative cycle.	On schedule to be completed by 6/30/2013
11-11	7	Audit of Surplus Lands	In Process	In Process	12/31/2012	8/31/2013	Establish detailed marketing strategies for disposing surplus tracts in an efficient manner. Consider strategies such as notifying neighboring landowners and posting sale signs on the properties.	Management agrees.	A new process is being developed to include notification of neighboring landowners, staff (SME), stakeholders, government agencies and interested parties in order to increase awareness of upcoming surplus bid requests. List for notifying neighbors of lands already approved for surplus is currently being prepared. Process development is being synchronized with the Land Assessment. To be completed by 8/31/2013.
11-11	8	Audit of Surplus Lands	In Process	In Process	8/31/2013	8/31/2013	Conduct a detailed assessment of all District lands to determine whether additional lands could be leased.	Management agrees. This will coincide with the completion of the land assessment process currently in development.	On schedule. A new inventory review process is ahead of schedule and is being synchronized with the Land Assessment Process to ensure a complete review of potential leased lands. The Web site has been completed. We have reviewed Region 1 of 5 and estimating to review one per month.

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date		Recommendation	Management Response	Current Period Comments Regarding Status
					Original	Revised			
11-11	9	Audit of Surplus Lands	In Process	In Process	3/31/2013	8/31/2013	Explore the potential of leasing additional lands for communications towers or tower space to businesses in the telecommunication industry.	Management agrees.	A review process is on schedule to identify potential sites for tower and communication system leases.
11-11	10	Audit of Surplus Lands	In Process	In Process	3/31/2013	3/31/2013	Expedite the assessment process to determine whether the 10,775 acres of additional lands are leasable and, if so, initiate the leasing process.	Management agrees. The assessment process has been initiated. The 10,775 acres are located in multiple zones and is being reviewed by zones.	On schedule. These lands are currently being reviewed to identify their lease potential.
11-19	1	Post Implementation Review of the District's ePermitting System	In Process	In Process	5/31/2014	5/31/2014	Determine whether the existing contract worker's skill set will be needed on a permanent on-going basis, and if so, consider replacing the contract worker with a District staff.	The Information Technology Bureau agrees that the contract worker's skill set will be needed on a permanent on-going basis. As a mandated (FS Ch 288.109) application that is public facing there will be a need to maintain the application, implement software updates, and develop potential enhancements. The application was created using contract workers with specific programming skills. These skill-sets are in the process of being developed among District staff through redirection of vacancies and recruitment of the necessary level of skills.	All but one vacant FTE Principle IT Developer position has been filled. A knowledge transfer plan has been established and is in progress. IT is positioned to support ePermitting with FTE resources. The only staff augmentation that may be required is for special projects such as this year's State Wide Regulatory Consistency efforts driven by legislative changes.
11-20	3	Audit of Lake Belt Mitigation Fund	In Process	In Process	12/31/2012	2/28/2013	The District should consider recommending to the Lake Belt Mitigation Committee that it establish competitive processes for procurements exceeding certain dollar thresholds.	All contracting for Lake Belt Mitigation Committee-approved projects that is implemented by the District is done in accordance with the District's procurement policy. Scopes of Work and cost proposals for mitigation activities implemented by the Miami-Dade Limestone Product Association itself are reviewed and approved by the interagency committee, following input from the engineering, construction and technical staff from the committee member agencies. District staff will discuss the issue with the Lake Belt Mitigation Committee at an upcoming meeting.	This recommendation will be discuss at the February 22, 2013 Lake Belt Committee meeting.
11-20	4	Audit of Lake Belt Mitigation Fund	In Process	In Process	10/31/2012	1/31/2013	Ensure that the Wetlands Mitigation Permanent Fund is funded by an additional \$820,349 for long-term land management in the Pennsuco area.	Budget Bureau staff will include an operating transfer from the Wetland Mitigation Restoration Fund (Fund 211) to the Wetland Mitigation Permanent Fund (Fund 701) in the updated Fiscal Year 2013 budget to be considered for adoption by the Governing Board in September.	An Interfund transfer of \$820,349 from the Wetlands Mitigation Fund to the Wetland Mitigation Permanent Fund is included in the FY14 Preliminary Budget being submitted to the Governor/Legislature January 15, 2013 for review prior to the August 1 tentative budget submittal and final adoption by the Governing Board September, 2013. If the opportunity for a Budget Amendment during FY2013 arises, this recommendation will be included and the IG's office will be notified.

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date		Recommendation	Management Response	Current Period Comments Regarding Status
					Original	Revised			
12-16	1	Audit of Land Lease Compliance	In Process	Implemented	12/31/2012	12/13/2012	Establish a consistent methodology for lessee's control of exotic vegetation and a baseline for existing growth at lease inception.	Management agrees with the recommendation. Staff has been actively modifying the exotic plant control lease language over the past several years as new leases are issued or when existing leases are extended in order to provide the recommended lease language uniformity. The language is being modified to remove mandated exotic plant control activities in order to maximize lease revenue, assure District compliance with Federal and State reporting requirements, and in recognition of the difficulty and expense in establishing a quantitative and defensible baseline for documenting pre-lease existing exotic plant infestations and exotic plant control lease compliance. The amended language has been primarily focused on herbicide applications but will also incorporate exotic plant control by mechanical means.	Recommendation implemented at time of report issuance.
12-16	2	Audit of Land Lease Compliance	In Process	In-Process	12/31/2012	10/31/2013	Consider conducting pastureland improvements, where needed, through lease credit to lessees for enhancements made.	Some of the District's interim project lands are former croplands (E.g., citrus, sugarcane, vegetables) and typically do not have the optimal forage grass species needed on-site should land managers decide to convert the land or leases used to cattle grazing. These lower-quality grazing lands are appraised at a lower market rent than those properties that contain optimal grazing biomass. When the former cropland properties are advertised for a cattle grazing lease, the result are a lower minimum bid price. The Leasing & Mitigation Administrative Unit currently has a process or mechanism in place to provide credits to new lessees that are required to erect fencing around the perimeter of their cattle grazing leases. Therefore, it is possible to consider lease credits for pastureland improvements and enhancements. District management must consider the costs of offering rent credits for fencing and pastureland improvements against the anticipated revenue generated for the lease and cost of the land management activities should the property remain vacant. [Continued on next page]	Since this report was issued near the end of the 1st quarter of FY2013 the status of this recommendation will be provided in the next quarterly follow-up report.

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date		Recommendation	Management Response	Current Period Comments Regarding Status
					Original	Revised			
								<p>Agricultural leases terms are held at a maximum of ten years. Depending on the size of the property and the linear feet of fencing needed, the District may not see a positive revenue generated from the lease until the last couple of years of the lease term. If the District were to add the extra expense of pastureland improvement credits to the existing fencing credits, then there is the possibility of not generating any lease revenue at all.</p> <p>In addition, management must also consider the long-term land management goals for these former cropland properties. If the land will eventually be used for a construction project where the soils will be significantly disturbed, then foraging improvements may be a viable option to increase the interim value of the land for grazing. However many of the District's grazing leases occur on lands acquired for conservation and restoration purposed. Prescribe grazing is used on these areas as a land management tool to manage native vegetation and reduce some exotic plant species. Planting exotic grasses on these areas to support increased cattle stocking rates would</p> <p>be contrary to the overall management strategy for these lands and would increase the exotic plant control costs associated with planned restoration activities. The project's construction schedule should be considered as well. If the project will start within the ten-year lease term, then money may be owed to the lessee for their fence and forage improvement. If the project schedule indicates that the construction commencement is ten to twenty years away, then the District should be able to generate more income on the second lease when the pastureland improvement are fully realized and the costs recuperated. As requested, the leasing & Mitigation Administrative Unit, in coordination with the Land Management Unit, will perform a cost/benefit analysis of offering lease credits for both fencing and pastureland improvements /enhancements to cattle lessees on properties with less than optimal foraging material with consideration of the long-term land management goals.</p>	

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date		Recommendation	Management Response	Current Period Comments Regarding Status
					Original	Revised			
12-16	3	Audit of Land Lease Compliance		In-Process	12/31/2012	10/31/2013	Determine the correct acreage that should be used to calculate District royalty income.	Staff Agrees that the land acquisition documents and the lease contract for White Rock have conflicting numbers for the exact amount of acreage owned by the District. The leasing & Mitigation Administrative Unit will work directly with the Real Estate Unit to conduct a thorough review of the closing documents in order to determine the correct acreage figure to be used in the lease. The results will be reported to the IG's Office and corrected in the lease contract.	Since this report was issued near the end of the 1st quarter of FY2013 the status of this recommendation will be provided in the next quarterly follow-up report.
12-16	4	Audit of Land Lease Compliance		In-Process	12/31/2012	10/31/2013	Consider jointly selecting and engaging an independent engineering firm with WRQ or engaging a firm independent of WRQ to verify the annual calculation of lime rock yielded.	Staff in the Land Leasing & Mitigation Administration Unit, in coordination with the Office of Everglades Policy, will meet with the lessee (White Rock) representatives and discuss the possibility of amending and modifying the lease documents to contract with an independent entity to verify the annual amount of lime rock extracted from the leased property.	Since this report was issued near the end of the 1st quarter of FY2013 the status of this recommendation will be provided in the next quarterly follow-up report.

Exhibit 4

Status of Recommendations Not Fully Implemented

Audit No.	Audit Name		
Recommendation	Current Status	Auditor's Comment	
08-09	Review of Internal Controls Over Fuel Inventory		
<p>#2 Implement physical security measures that were identified by Emergency/Security Management.</p> <p>Original Due Date: 9/30/2009 Revised Due Date: 9/30/2015</p>	<p>Partially Implemented</p>	<p>The fencing for the north shore pump station (i.e. 127, 129, 131, 133, and 193) has been added to the trash rake projects at each of the site and all construction with the exception of S129 and S131 will be completed in FY14. S129 and S131's estimated completion is FY15 due to lack of funding. If the schedule for the North Shore pump station projects extends beyond FY14, the Okeechobee FS will separately install fencing to provide the physical security for the fuel tanks at these stations. Due to funding constraints, estimated completion date is now 9/30/2015 of the entire project.</p> <p>Auditor Update: 2/20/2013</p>	
10-07	Audit of the RECOVER Program		
<p>#1 Develop jointly with the USACE an updated RECOVER Program Management Plan as required by the CERP Master Program Management Plan.</p> <p>Original Due Date: 10/31/2011 Revised Due Date: 2/28/2013</p>	<p>Partially Implemented</p>	<p>The program management plan for RECOVER is divided into the RECOVER Programmatic PMP and the Adaptive Assessment and Monitoring PMP. The AA&M PMP is completed, waiting final concurrence from the District and USACE. The RECOVER Programmatic PMP is in the final stages of completion, pending updated budget information.</p> <p>Auditor Update: 2/20/2013</p>	
11-05	Audit of the Disaster Recovery Plan		
<p>#4 Consider assigning the responsibility of coordinating a single Disaster Recovery Plan to an appropriate District Project Manager outside of the Information Technology Bureau.</p> <p>Original Due Date: 4/12/2012 Revised Due Date: 2/28/2013</p>	<p>In Process</p>	<p>The District's Disaster Recovery Plan is currently being revised with a completion date of February 28, 2013. The Director of Emergency Management will be responsible for the development of this document.</p> <p>Auditor Update: 2/20/2013</p>	
<p>#7 Determine an updated, acceptable Recovery Time Objective and a Recovery Point Objective for the single Disaster Recovery Plan.</p>	<p>In Process</p>	<p>The Disaster Recovery Risk Management Oversight Team has defined the RPO and RTO for mission critical functions that must be resumed within 7 days. Information Technology is in the process of mapping all critical IT system components to those</p>	

Audit No.	Audit Name
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Recommendation	Current Status	Auditor's Comment		
<p>Original Due Date: 9/30/2012</p> <p>Revised Due Date: 9/30/2013</p>		<p>functions. This is expected to be complete by March 31, 2013. To complete the mission critical functions between 8 - 21 days will require additional time.</p> <p>Auditor Update: 2/20/2013</p>		
<table border="1"> <tr> <td>11-11</td> <td>Audit of Surplus Lands</td> </tr> </table>			11-11	Audit of Surplus Lands
11-11	Audit of Surplus Lands			
<p># 1 Conduct a detailed assessment of all District lands to identify those lands, which are required for mission-related purposes and projects, and those lands that should be considered for surplus. Further, ensure that the review process is adequately documented and include justifications why parcels are or are not needed for mission-related purposes.</p> <p>Original Due Date: 8/31/2013</p> <p>Revised Due Date: 8/31/2013</p>	In Process	<p>In process and on schedule. Development of a new Land Assessment Process was initiated in May 2012 and is scheduled for completion by August 2013.</p> <p>Auditor Update: 2/20/2013</p>		
<p># 2 Consider performing a review for surplus District lands on a periodic basis utilizing the results of the initial comprehensive assessment.</p> <p>Original Due Date: 8/31/2013</p> <p>Revised Due Date: 8/31/2013</p>	In Process	<p>On schedule. The frequency and timing needed to assess District land inventory for potential surplus will be included as part of the Land Assessment Process currently being developed and scheduled for completion in August 2013.</p> <p>Auditor Update: 2/20/2013</p>		
<p># 3 Require that the annual requests to staff to identify potential surplus District lands are adequately documented.</p> <p>Original Due Date: 8/31/2013</p> <p>Revised Due Date: 8/31/2013</p>	In Process	<p>On schedule. A new process to include a much more extensive level of input from appropriate District staff will be included in the new Land Assessment Process. January 14, 2013 an email was sent to all of the District Staff -SME to fill out a form in reference to Surplus lands. This will be done on an as needed basis once the first round has been completed.</p> <p>Auditor Update: 2/20/2013</p>		
<p># 6 Consider proposing revisions of Chapter 373.089, Florida Statutes, to the Florida's Department of Environmental Protection. Revisions should address appraisal and advertisements timeframe requirements.</p> <p>Original Due Date: 6/30/2013</p> <p>Revised Due Date: 6/30/2013</p>	In Process	<p>On schedule to be completed by 6/30/2013</p> <p>Auditor Update: 2/20/2013</p>		
<p># 7 Establish detailed marketing strategies for disposing surplus tracts in an efficient manner. Considers strategies such as notifying neighboring landowners and posting</p>	In Process	<p>A new process is being developed to include notification of neighboring landowners, staff (SME), stakeholders, government agencies and interested parties in order to increase awareness</p>		

Audit No.	Audit Name
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Recommendation	Current Status	Auditor's Comment
sale signs on the properties.		of upcoming surplus bid requests. List for notifying neighbors of lands already approved for surplus is currently being prepared. Process development is being synchronized with the Land Assessment. To be completed by 8/31/2013.
Original Due Date: 12/31/2012		Auditor Update: 2/20/2013
Revised Due Date: 8/31/2013		
# 8 Conduct a detailed assessment of all District lands to determine whether additional lands could be leased.	In Process	On schedule. A new inventory review process is ahead of schedule and is being synchronized with the Land Assessment Process to ensure a complete review of potential leased lands. The Web site has been completed. We have reviewed Region 1 of 5 and estimating to review one per month.
Original Due Date: 8/31/2013		Auditor Update: 2/20/2013
Revised Due Date: 8/31/2013		
# 9 Explore the potential of leasing additional lands for communications towers or tower space to businesses in the telecommunication industry.	In Process	A review process is on schedule to identify potential sites for tower and communication system leases.
Original Due Date: 3/31/2013		Auditor Update: 2/20/2013
Revised Due Date: 8/31/2013		
# 10 Expedite the assessment process to determine whether the 10,775 acres of additional lands are leasable and, if so, initiate the leasing process.	In Process	On schedule. These lands are currently being reviewed to identify their lease potential.
Original Due Date: 3/31/2013		Auditor Update: 2/20/2013
Revised Due Date: 3/31/2013		
11-19	Post Implementation Review of the District's ePermitting System	
# 1 Determine whether the existing contract worker's skill set will be needed on a permanent on-going basis, and if so, consider replacing the contract worker with a District staff.	In Process	All but one vacant FTE Principle IT Developer position has been filled. A knowledge transfer plan has been established and is in progress. IT is positioned to support ePermitting with FTE resources. The only staff augmentation that may be required is for special projects such as this year's State Wide Regulatory Consistency efforts driven by legislative changes.
Original Due Date: 5/31/2014		Auditor Update: 2/20/2013
Revised Due Date: 5/31/2014		
11-20	Audit of the Lake Belt Mitigation Fund	
# 3 The District should consider recommending to the Lake Belt Mitigation Committee that it establish competitive processes for	In Process	This recommendation will be discuss at the February 22, 2013 Lake Belt Committee meeting.

Audit No.	Audit Name
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Recommendation	Current Status	Auditor's Comment
<p>procurements exceeding certain dollar thresholds.</p> <p>Original Due Date: 12/31/2012</p> <p>Revised Due Date: 2/28/2013</p>		<p>Auditor Update: 2/20/2013</p>
<p># 4 Ensure that the Wetland Mitigation Permanent Fund is funded by an additional \$820,349 for long-term land management in the Pennsuco area.</p> <p>Original Due Date: 10/31/2012</p> <p>Revised Due Date: 1/31/2013</p>	<p>In Process</p>	<p>An Interfund transfer of \$820,349 from the Wetlands Mitigation Fund to the Wetland Mitigation Permanent Fund is included in the FY14 Preliminary Budget being submitted to the Governor/Legislature January 15, 2013 for review prior to the August 1 tentative budget submittal and final adoption by the Governing Board September, 2013. If the opportunity for a Budget Amendment during FY2013 arises, this recommendation will be included and the IG's office will be notified.</p> <p>Auditor Update: 2/20/2013</p>

12-16	Audit of Land Lease Compliance
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<p># 2 Consider conducting pastureland improvements, where needed, through lease credit to lessees for enhancements made.</p> <p>Original Due Date: 12/31/2012</p> <p>Revised Due Date: 10/31/2013</p>	<p>In Process</p>	<p>Since this report was issued near the end of the 1st quarter of FY2013 the status of this recommendation will be provided in the next quarterly follow-up report.</p> <p>Auditor Update: 2/20/2013</p>
<p># 3 Determine the correct acreage that should be used to calculate District royalty income.</p> <p>Original Due Date: 12/31/2012</p> <p>Revised Due Date: 10/31/2013</p>	<p>In Process</p>	<p>Since this report was issued near the end of the 1st quarter of FY2013 the status of this recommendation will be provided in the next quarterly follow-up report.</p> <p>Auditor Update: 2/20/2013</p>
<p># 4 Consider jointly selecting and engaging an independent engineering firm with WRQ or engaging a firm independent of WRQ to verify the annual calculation of lime rock yielded.</p> <p>Original Due Date: 12/31/2012</p> <p>Revised Due Date: 10/31/2013</p>	<p>In Process</p>	<p>Since this report was issued near the end of the 1st quarter of FY2013 the status of this recommendation will be provided in the next quarterly follow-up report.</p> <p>Auditor Update: 2/20/2013</p>