

**CITRUS COUNTY CLERK OF THE CIRCUIT COURT
AND COMPTROLLER**

BOCC FACILITIES PROJECT MANAGEMENT

AGREED-UPON PROCEDURES

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EXECUTIVE SUMMARY

We were engaged by the Citrus County Clerk of Courts and Comptroller (the “Clerk”) to perform agreed-upon procedures in connection with an assessment of the Facilities Project Management (“FPM”) for the Citrus County (the “County”) Board of County Commissioners (the BOCC) for the fiscal years ended September 30, 2020 and September 30, 2021.

This engagement was included in the Clerk’s FY 2021 audit plan based upon the results of the annual risk assessment. The specific procedures we performed are outlined in Appendix A. As part of the performed procedures, we identified five recommendations, described below, for the BOCC to consider. BOCC management’s responses to these recommendations are also listed below.

MSL Recommendations:

Recommendation #1 – Formalize Facilities Project Management Policies and Procedures

We recommend that BOCC management consider developing formalized FPM policies and procedures.

During our interviews and review of various documentation, it was apparent that the Facilities Management Department (“Department”) personnel were monitoring projects including following BOCC procurement policies and procedures. However, having formal policies and procedures may help to ensure that Department personnel provide consistent quality project management, including setting roles and responsibilities as well as minimum project standards. Policies and procedures can also aid in setting standard project expectations and documenting project results which management can utilize to evaluate vendor and Department personnel performance.

Management Response – Formalize Facilities Project Management Policies and Procedures

As noted in the recommendation, Facilities Management relies on BOCC procurement policies and procedures. The Administrative Regulation is a manual that reflects policies and procedures of Citrus County Board of County Commissioner. In many cases, the Administrative Regulations reflect guidance from Florida Statutes, County ordinances, and rules.

The Administrative Regulations include AR 9.01-18 Purchasing Policy, AR 9.11-4 Continuing Services for Contract Construction Services, AR 9.12-1 Direct Purchase of Materials, Equipment and Supplies for Construction, along with other administrative regulations related to procurement and quality project management.

Management believes the Administrative Regulations, Florida Statutes, and the Citrus County Employee Handbook provide sufficient information and guidance in terms of formalized policies and procedures.

MSL Recommendations: (Continued)

Recommendation #2 – Facilities Project Management Conflict of Interest Policy

We recommend that BOCC management implement a conflict-of-interest policy for employees of the Department who have the responsibility for project management and procurement decisions. The Department had responsibility for over \$3 million in completed projects with various vendors for the two fiscal years covered by our procedures. In addition, the Department has additional responsibility to oversee other vendor arrangements for regular services such as landscaping, janitorial services, etc.

Requiring Department personnel with project and vendor oversight to follow a formal conflict-of-interest policy may help to minimize potential conflicts between the County's and employees' interests. It can also help to promote the public's confidence in the activities performed by the Department.

Management Response – Update Policy and Procedure Documentation

Management does not disagree that Division personnel with project and vendor oversight sign a Conflict of Interest form to help minimize potential conflicts between the County's and employee's interest. Please keep in mind, the Employee Handbook Section 3 1e includes language concerning Conflict of Interest. Also, each new employee during the hiring process must either download or request a hard copy of the Employee Handbook.

Recommendation #3 – User Feedback Process

We recommend that BOCC management consider implementing a user response/feedback system or process. This could be done either as part of an upgraded work order system or a user satisfaction survey sent out and monitored by Department management. As an internal service department, it is important to the overall evaluation of Department activities to include a process for users to provide feedback on the services provided. This feedback can be vital to the Department in its evaluation of vendors as well as employees and the services provided to user departments.

Management Response – User Feedback Process

The County's recently implemented Work Order System, which does not have feedback functionality. Also, the system does not provide the status when a service request is converted to a work order. A user feedback process may be a future consideration but due to limited resources, not a current priority. Management is considering routine updates to the work order notes which will provide insight on the evaluation of the vendors.

MSL Recommendations: (Continued)

Recommendation #4 – Project Monitoring Guidelines and Documentation

We recommend that BOCC management consider implementing a project monitoring system. This system should document when and by whom various projects are monitored. While our inquiries indicated that qualified Department staff were performing monitoring, there was no formal documentation to support this. Any monitoring system implemented should have the flexibility to accommodate various projects monitored by the Department. Some projects would require minimal monitoring, potentially at the initiation of the project and final inspection, while other projects may require more extensive monitoring such as project phases or component monitoring. The purpose of the project monitoring system should be to not only support what the Department is already doing, but also formalize the process and provide a means for oversight and vendor or employee evaluation.

Management Response – Project Monitoring Guidelines and Documentation

The Capital Projects Advisory Group (CPAG) meets on a monthly basis to discuss the status of projects. A report is provided to attendees reflecting the project, CIP number, construction dates, and status. The report is also detailed by funding sources which determines management responsibility. Although the CPAG report provides sufficient monitoring, Management is considering weekly updates noted on work orders to document progress of projects.

Recommendation #5 – Establish and Maintain Employee Training Program

We recommend that BOCC management consider implementing a formalized training program for Department personnel. Due to the varying types of projects and skill sets required to properly complete projects or review vendor work, a formal training program should be implemented to ensure employees with project monitoring responsibilities have the appropriate technical knowledge to appropriately oversee these projects. Ideally, such a program would include identification of key skills based upon employee job responsibilities, compliance requirements, certifications and licensure needs, and include appropriate safety training.

Management Response – Establish and Maintain Employee Training Program

Training is critical to the success of the Division. Each year, the Division budgets over \$4K for training based on the skill sets and needs. In addition to the funds budgeted in the Division, the Human Resource budget includes funds for County-wide Training Programs. Training programs already in place include products training, maintenance for certain projects, and in-house training. Also, certain licenses are required, e.g. freon licenses. The County also subscribes to learn.neogov.com which includes a multitude of training classes. Presently, in the Health and Safety training category alone there are 69 courses available.

Management would personally like to thank Bill Blend and MSL for their efforts in providing meaningful and valuable data to provide potential improvements to Facilities Project Management.

BACKGROUND

The Facilities Management Department (“Department”) has the responsibility for comprehensive management of County’s buildings and facilities. This responsibility includes over \$130 million dollars of County’s facilities encompassing over 1.2 million square feet. The Department is charged with maintaining a safe, clean, and comfortable operating environment in all County facilities for employees and the public. The Department utilizes a combination of in-house and outsourcing resources, to maintain these facilities in a cost efficient manner.

The Department processes and responds to approximately 3,000 work orders annually. It provides 24/7 countywide on-call service; both emergency and non-emergency. The County supply depot and janitorial service to 20 facilities encompassing over 350,000 square feet is also the responsibility of the Department. The Department runs a countywide daily mail courier service including servicing the County Constitutional Offices.

The Department has budgeted expenditures of approximately \$4.1 million and a current staffing level of approximately 40 employees.

During the period reviewed, the Department completed 188 projects.

SCOPE, OBJECTIVES AND METHODOLOGY

Scope

The scope of this engagement included evaluating the FPM process and testing a sample of projects for the fiscal years ended September 30, 2020 and September 30, 2021.

Objectives and Methodology

The objectives and the corresponding procedures were as follows:

OBJECTIVE	PROCEDURES
1. Determine if the BOCC vendor award process for facility projects complied with policies, local laws, and Chapter 287, Florida Statutes.	<ul style="list-style-type: none">• Obtain the BOCC’s formal policies and procedures for procurement.• Interview key BOCC personnel involved in facility project management.• Obtain population of facility projects completed during the fiscal years ended September 30, 2020 and 2021.• Select a sample of facility projects for testing.
2. Determine by review of a sample of completed projects if backup documentation related to facility project aligned with County policies, local laws, and Chapter 287, Florida Statutes.	<ul style="list-style-type: none">• For the sample selected above, obtain the detailed backup documentation (i.e., contract, change orders, purchase orders, invoices, etc.) and test that the BOCC’s contract administration, project and cost management, and change order management process was in compliance with policies, local laws, and Chapter 287, Florida Statutes.



Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

Ms. Angela Vick
Clerk of the Circuit Court and Comptroller
Citrus County
110 North Apopka Avenue
Inverness, FL 34450

We have performed the procedures enumerated in Appendix A, which were agreed to by the Management of the **Citrus County Clerk of the Circuit Court and Comptroller** (the Clerk), solely to assist with an assessment of Facilities Project Management for the Citrus County Board of County Commissioners (the BOCC). The BOCC's management is responsible for Facilities Project Management.

The Clerk has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of performing an assessment of the BOCC Facilities Project Management. This report may not be suitable for any other purpose. The procedures performed may not address all items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are described in Appendix A.

We were engaged by the Clerk to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the BOCC Facilities Project Management. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Clerk and BOCC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Clerk and BOCC management and is not intended to be, and should not be, used by anyone other than those specified parties.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
February 28, 2022

APPENDIX A

Citrus County Clerk of Circuit Court and Comptroller
BOCC Facilities Project Management
Appendix A – Agreed-Upon Procedures

PROCEDURES PERFORMED AND RESULTS

Objective 1 - Determine if the BOCC vendor award process for facility projects complied with policies, local laws, and Chapter 287, Florida Statutes

Procedure #1 - Obtain BOCC formal policies and procedures for procurement and interview key BOCC personnel involved with Facilities Project Management (FPM)

Results

We obtained and reviewed BOCC policies and procedures for procurement. We reviewed them for the purpose of discussing them in our interviews of BOCC personnel and to develop our expectations of required documentation to be reviewed during our testing of completed projects. The BOCC appears to have adequate procurement policy and procedures. Based upon our inquiries discussed below, it appears that Department personnel were aware of the policies and procedures and understood their responsibility to follow them to ensure compliance with the policies as well as local and state procurement laws.

We interviewed the following BOCC personnel:

- Facilities Management Director, December 1, 2021
- Facilities Management Field Operations Supervisor (1), December 1, 2021
- Facilities Management Field Operations Supervisor (2), December 1, 2021

During our interviews with BOCC personnel, we inquired of Department personnel about formal policies and procedures for project review. We were provided with County Administrative Regulations related to procurement and facilities maintenance. All employees appeared to have a proper working knowledge of the County's policy and displayed knowledge and competency during our review of projects assigned to them.

In addition, during our inquiries of personnel we reviewed project folders for our sample projects and personnel responsible for project oversight appeared knowledgeable and familiar with each project and fully responded to all our inquiries. This enabled us so to properly evaluate what project management occurred and what procurement process was utilized on outsourced the projects. See Appendix B for the results of our sample testing of completed projects.

Recommendation

While our interviews and review of project folders showed that Department personnel were knowledgeable and appeared to properly manage projects, we make the following recommendations:

We recommend that the Department develop and implement formalized policies and procedures specific to project management. As the County continues to grow, implementing formalized policies and procedures can ensure consistency and proper documentation of project management. An additional benefit will be the ability to cross train staff, create a measurable metric for employees, and documentation for management to show level of work performed.

We recommend that the Department institute a conflict-of-interest policy for personnel with project and vendor oversight. The policy can help protect both the County and employees by minimizing the potential for conflicts of interest.

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Objective 1 - Determine if the BOCC vendor award process for facility projects complied with policies, local laws, and Chapter 287, Florida Statutes (Continued)

We recommend the Department implement a formalized training program for Department personnel. Due to the varying types of projects and skill sets required to properly complete projects or review vendor work, we believe a formal training program would help to ensure employees with project monitoring responsibilities have the appropriate technical knowledge to appropriately oversee these projects and evaluate project results. Any program implemented should include training in areas such as, technical skills, professional compliance requirements, required certifications and licensure needs, as well as appropriate safety training

Procedure #2 - Obtain population of facility projects completed during the fiscal years ended September 30, 2020 and 2021. Using this population select a sample of projects and test documentation for compliance with BOCC procurement policies including local laws, and Chapter 287, Florida Statutes.

Results

We obtained completed project listings for the fiscal years ended September 30, 2020 and 2021, from Carlton Hall, Facilities Management Director. We provided listings to BOCC Office of Management and Budget and requested that they review them to determine if all completed projects were included. We received confirmation from the Senior Budget Analyst, with BOCC OMB, confirming that based upon their knowledge, all completed projects were included.

Using the listings received from the Facilities Management Director and reviewed by BOCC OMB, we utilized our data mining software IDEA to make our sample selections. The sampling methodology utilized was to stratify and select all projects completed for both fiscal years that had total project costs of \$100,000 or more and take a random sample from the remaining projects completed. The remaining projects with completed project costs less than \$100,000 were 104 and 47 for the fiscal years ended September 30, 2020 and 2021, respectfully. Utilizing these populations (104 and 47), we took a random sample of 6 projects from each. See Appendix B for the results of our sampling

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Objective 2 – Determine by review of a sample of completed projects if backup documentation related to facility project aligned with County policies, local laws, and Chapter 287, Florida Statutes.

Procedure – For the sample selections we obtained the detailed backup documentation (i.e., contract, change orders, purchase orders, invoices, etc.) and performed testing to determine if the BOCC’s contract administration, project and cost management, and change order management process was in compliance with policies, local laws, and Chapter 287, Florida Statutes.

Results

We provided our project samples to the Facilities Management Director and requested that he provide us with the supporting documentation for procurement and project oversight for our onsite visit on December 1, 2021. Our testing determined that projects appeared to be procured in accordance with BOCC procurement policies, local laws and Chapter 287, Florida Statutes and had appropriate project oversight based on our interviews. See Appendix B for a schedule of projects tested and related results.

Recommendation

During our review of project files and related supporting documentation, we did not note any user approval or feedback documentation.

We recommend implementing a system or process for internal customers to provide feedback on services provided to them by Facilities Management. As an internal service department, it is important to the overall evaluation of department activities to have a process for internal customers to provide documented feedback on services provided. This feedback can be vital to the Department in its evaluation of vendors as well as Department employees.

During our review of project files, we did not note any formal documentation related to project management oversight and/or acceptance other than vendor invoices that were approved and paid when applicable.

We recommend implementing a project monitoring system. This system should document various information including, but not limited to, documentation of when and by whom various projects are monitored. The purpose of the system would be to formally monitor the oversight that Department performed based upon our inquiries of project managers. This formalization would also provide a record which could be utilized when the Department is performing vendor and/or employee evaluations as applicable.

APPENDIX B

Appendix B
Citrus County Facilities Project Management
Schedule of Projects Tested

Source - The schedule below was prepared from the completed projects listing provided by the Facilities Management (FM) Director and reviewed by BOCC OMB.

Work Order Number	Project Number	Project Description	ACCT	Project Completion Date	Project Budget	Materials and Vendor Costs	Facilities Management Labor Costs	Total Project Costs	A	B	Notes
Fiscal Year Ended September 30, 2020 Projects											
874318	35-20	West Citrus Government Center- building access control system	2670-56200	March 6, 2020	\$ 17,000	\$9,721.00	\$0.00	\$9,721.00	Yes	Yes	(2)
874413	60-20	LCP- restroom roof replacement	2675-54604	August 28, 2020	4,800	4,600.00	-	4,600.00	Yes	Yes	
874416	62-20	Coastal Library- replace parking lot lighting	6212-56300	September 30, 2020	16,300	13,941.00	-	13,941.00	Yes	Yes	(2)
874417	63-20	Lakes Library- exterior flood lighting	6212-54604	August 25, 2020	2,500	1,294.75	925.40	2,220.15	Yes	Yes	
915334	102-20	Clerk Annex- safety glass		August 13, 2020	(1)	12,888.00	-	12,888.00	Yes	Yes	
808101	29-19	Old EOC- roof replacement	2670-56200	January 13, 2020	19,000	23,193.40	607.87	23,801.27	Yes	Yes	(2)
883195	90-20	Lecanto Government Building- front entrance	unbudgeted	June 17, 2020	(1)	105,227.99	-	105,227.99	Yes	Yes	
811916	51-19	Courthouse- Security Turnstyles	2140-56400	March 11, 2020	148,700	143,991.87	3,187.99	147,179.86	Yes	Yes	
874450	80-20	Detention Center- reroof	2140-56200	July 22, 2020	599,000	322,940.00	94.86	323,034.86	Yes	Yes	(3)
753738	33-17	Elections- Move to Meadowcrest	2140-56200	September 18, 2020	1,317,000	1,359,477.29	10,395.76	1,369,873.05	Yes	Yes	(4)
								<u>\$2,012,487.18</u>			
Fiscal Year Ended September 30, 2021 Projects											
874077	12-20	Citrus County Resource Center- HVAC 12	2670-56400	January 29, 2021	32,000	23,426.10	-	23,426.10	Yes	Yes	(2)
976536	57-21	Fire Station 24- roof coating		August 11, 2021	(1)	21,758.00	-	21,758.00	Yes	Yes	
938055	18-21	West Citrus Government Center- restroom flooring	2670-56200	May 13, 2021	23,000	22,596.88	-	22,596.88	Yes	Yes	
938038	06-21	Extension Office- HVAC 3b	2670-56400	April 20, 2021	12,000	4,995.00	-	4,995.00	Yes	Yes	(2)
938364	34-21	Fleet- generator	2140-56400	September 23, 2021	48,000	49,130.27	549.52	49,679.79	Yes	Yes	(2)
938764/											
938768	36-21	Scoreboard replacement	6120-56300	December 15, 2020	65,000	333.70	1,679.90	2,013.60	Yes	Yes	(5)
938360	31-21	Citrus County Jail- Chiller 1	2140-56400	July 19, 2021	135,000	105,831.32	-	105,831.32	Yes	Yes	(2)
938058	20-21	Coastal Region Library- replace TPO roof (main roof)	6212-56200	May 17, 2021	120,000	118,975.00	135.66	119,110.66	Yes	Yes	
874462	86-20	Lecanto Government Building- chiller 1	2140-56400	January 29, 2021	165,000	129,382.22	-	129,382.22	Yes	Yes	(2)
938361	30-21	New Courthouse- reroof expansion	2140-56200	August 13, 2021	193,000	170,000.00	758.30	170,758.30	Yes	Yes	(2)
								<u>\$649,551.87</u>			

A - Based on review of the project file and related supporting documentation such as vendor invoice, internal project cost reports and interviews with project manager. Project cost amounts appear to be correct and the project appears to have been properly managed.

B - Based on review of project file and procurement documentation provided by Facilities Management and/or BOCC Procurement. Project appears to have been properly procured in accordance with BOCC policy local laws and Florida Statue 287.

Notes

(1) - Project did not have a budget amount because the project was identified after the budget process was completed.

(2) - Project budgets are developed a year or more in advance of the project. Costs are estimated with information available at that time. When projects are performed, often costs increase or unforeseen issues arise which impact the scope of the project either increasing or decreasing the costs.

(3) - Project was budgeted several years ago and was initially anticipated that a complete re-roof would occur. When project was performed, a complete re-roof was not necessary resulting in significant cost savings.

(4) - Additional project planning and engineering costs are included in total project costs which were budgeted in prior year and not included in budget amount above.

(5) - Customer department decided to remove this project from FM and perform the majority of the project by their department and include FM in a smaller role, resulting in the significant variance between budget and total project costs.