

**Review of Land and Water Conservation Grant  
City of Fort Lauderdale**

**Office of Operations**

**Report: A-1516DEP-021**

**Office of Inspector General**

**Internal Audit Section**

**Florida Department of Environmental Protection**

**April 27, 2016**

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The Office of Inspector General (OIG) conducted a review of the Land and Water Conservation Grant LW584 (Grant) between the Florida Department of Environmental Protection (Department) and the City of Fort Lauderdale (City). This review was initiated as a result of the Fiscal Year (FY) 2015-2016 Annual Audit Plan.

## **Scope and Objectives**

The scope included a review of deliverables, financial statements, and managerial oversight of the Grant for the Lewis Landing Park Project (Project) for the period of April 18, 2011 through April 18, 2015.

The objectives were to determine:

- whether deliverables were completed as specified in the Grant's Project Work Plan (Plan)
- the accuracy of reported Grant expenditures and whether they were in conformance with the Project budget and Plan
- Office of Operations (Office) and City Management oversight of the Project

## **Methodology**

This review was conducted under the authority of Section 20.055, Florida Statutes (F.S.), and in conformance with the *International Standards for the Professional Practice of Internal Auditing*, published by the Institute of Internal Auditors. Our procedures included a review of Project deliverables, City financial records, and interviews with Office and City staff.

## **Background**

The Land and Water Conservation Grant Program (Program) assists local governments in preserving, developing, and assuring accessibility to quality outdoor recreation space to

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strengthen citizen's health and vitality. The Program provides funds necessary to plan, acquire, and develop needed lands and facilities for recreational projects. The Program receives federal funds from the U.S. Department of the Interior, National Park Service.

Local governments apply for grant funding through the Program. Program staff review, score, and prioritize projects. Project priorities are sent to the National Park Service for approval.

The Grant included Program funding of \$200,000 on a cost reimbursement basis. The City was required to provide match funding of \$200,000, for a total Project cost of \$400,000. The Project proposal specified the intended use of green space for the surrounding community. Project elements included construction of gazebo/picnic facilities, dock, American with Disabilities Act (ADA) accessible deck, walking path/trail, archeological/historical interpretative signage, fencing, landscaping, irrigation, lighting, and other support facilities.

The Department entered into the Grant with the City on April 18, 2011, with a required completion date of April 18, 2014. Grant Amendment 1 extended the Project completion date to April 18, 2015. According to the City Project Manager, a year extension was needed due to the discovery of Tequesta Indian artifacts at the site. Time extensions were necessary for archeological supervision over construction, and modifications of the construction process. The Grant end date was April 18, 2015.

The total Project cost was \$707,181.92, of which the Department reimbursed the City \$200,000, on January 25, 2016.

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## **Results and Conclusions**

### Element Listing and Documents submitted upon Completion

According to Section 1 of the Grant, all payment requests and completion documentation were due to the Department within 30 days of the Project completion. Project completion documents included completion certification, as-built site plan, inventory form, color photographs, notice of limitation of use, boundary survey, and final payment request. The City sent the payment request and Project documentation in April 2015. However, the document packet containing all completion documentation was received in August 2015. According to multiple e-mails, the Program worked with the City during this time to obtain the required packet documents.

Based on the Project completion packet, the City provided documentation that elements detailed in the Plan were completed as required. Once the Office review was complete, the packet was forwarded to the National Park Service for review and approval as required, prior to release of funds. During our site visit, we verified completed elements at the Project site.

### Permits

According to Section 13 of the Contract, *the Grantee shall obtain all required local, state, and federal permits and approvals prior to commencement of Project construction.* Based on our review, appropriate permits pertaining to Project elements were obtained.

### Contractor Selection

According to management from the City of Fort Lauderdale's Procurement Section, competitive bidding is required on construction projects exceeding \$25,000. The City created a

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bid package for the Project detailing the work to be done. The Project was advertised and the City reviewed two contractor bids. The contract was awarded to the lowest bidder.

### Project Budget

According to Section 62D-5.073 2(b), Florida Administrative Code (F.A.C.), *planning expenses for development projects such as architectural and engineering costs, permitting fees, and project inspection fees are eligible projects costs, provided such costs do not exceed 15 percent of the project costs.* The Project's cost estimates included site planning and engineer fees, preventing us from verifying the planning costs did not exceed 15% of total costs. Project costs for engineering totaled \$151,508.94, or 21% of total costs. However, invoiced amounts for reimbursement request and reported Grant match included Contractor costs for construction and installation of Project elements.

### Grant Expenditures

We compared budgeted amounts for Project elements with actual cost reimbursements. Based on this comparison, Project elements were reimbursed in accordance with the budget with minor differences. Based on the general ledger maintained by the City Grant Manager, Project expenditures were consistent with element descriptions included in the Plan.

Contractor invoices were submitted to the City on a monthly basis. The contract between the City and the Contractor was based on fixed cost for the Project. Monthly invoices were based on the percentage of work completed. Project completion percentages were verified by the City Grant Management. The City Grant Manager provided Contractor and vendor invoices to support payments were made consistent with documented Project costs.

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### Grant Oversight

Based on site visit interviews and Project documentation, City Grant Management and staff demonstrated direct oversight of the Project and technical assistance including the review of Project site drafts, site survey, and construction contract monitoring. During our site visit, the Project site appeared to be well maintained and included all elements listed in the Plan. The City's Parks & Recreation Department has a Maintenance and Operations Management Plan that includes maintenance of the Project site.

*To promote accountability, integrity, and efficiency in state government, the OIG completes audits and reviews of agency programs, activities, and functions. Our review was conducted under the authority of Section 20.055, F.S., and in conformance with the International Standards for the Professional Practice of Internal Auditing, published by the Institute of Internal Auditors, and Principles and Standards for Offices of Inspector General, published by the Association of Inspectors General. The review was conducted by Nick Dodge and supervised by Valerie J. Peacock.*

*Please address inquiries regarding this report to the OIG's Audit Director by telephone at (850) 245-3151. Copies of final reports may be viewed and downloaded via the internet at <http://www.dep.state.fl.us/ig/reports.htm>. Copies may also be obtained by telephone (850) 245-3151, by fax (850)245-2994, in person or by mail at Department of Environmental Protection, Office of Inspector General, 3900 Commonwealth Boulevard, Mail Station #41, Tallahassee, FL 32399.*

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