



## Discretionary Surtax Performance Audit

Prepared for:

**Hernando County, Florida**

August 8, 2022



# Overview of Performance Audit Findings

*Hernando County*

*August 8, 2022*

## Results in Brief

In accordance with section 212.055(11) of the *Florida Statutes*, and *Government Auditing Standards*, Mauldin & Jenkins (M&J) conducted a performance audit of Hernando County’s Department of Public Works (Public Works) and Parks and Recreation Department (Parks and Recreation) that will receive funds through the referendum if approved by Ordinance 2022-06 adopted by the Hernando County Board of County Commissioners in February of 2022. The performance audit included an examination of the issues identified below:

- The economy, efficiency, or effectiveness of the program;
- The structure or design of the program to accomplish its goals and objectives;
- Alternative methods of providing program services or products;
- Goals, objectives, and performance measures used by the program to monitor and report program accomplishments;
- The accuracy or adequacy of public documents, reports, and requests prepared by the County, or which relate to the program; and
- Compliance of the program with appropriate policies, rules, and laws.

The performance audit determined that Hernando County met expectations for 15 of 25 of the Performance Audit Research Tasks. **Exhibit 1** identifies the results for each Audit Issue. Overall, the County met or partially met expectations related to all six Audit Issues.

**Exhibit 1**  
**The County Met Expectations for 15 of the 25 Performance Audit Research Tasks**

Issue Area (Number of Research Tasks Examined)	Overall Conclusion	Did the County Meet Expectations?		
		Yes	Partially	No
Economy, efficiency, or effectiveness of the program (7)	Partially Met	4	3	0
Structure or design of the program (2)	Met	2	0	0
Alternative methods of providing program services or products (4)	Met	3	1	0
Goals, objectives, and performance measures (3)	Partially Met	1	2	0
Accuracy or adequacy of public documents, reports, and requests prepared by the County (5)	Partially Met	1	3	1
Compliance with appropriate policies, rules, and laws (4)	Met	4	0	0
All Areas (25)		15	9	1

## **Findings by Issue Area**

A summary of audit findings by issue area is presented below. A more detailed overview of the findings can be found in the Executive Summary.

### **Economy, Efficiency, or Effectiveness of the Program**

Overall, Hernando County partially met Audit Issue #1. Hernando County regularly uses data and management reports to evaluate the performance and costs of capital improvement and Department of Public Works programs. Deficiencies noted in internal and external reports are addressed in a timely and reasonable manner. The County, however, can take actions to improve data collection and utilization for Parks and Recreation. The County should begin tracking more system-level Parks and Recreation data (such as visitation and infrastructure condition assessments) to provide a more comprehensive depiction of the parks system's performance and costs. Once the County begins tracking this data, the County should perform regular reviews and assessments to more formally drive program performance and fee decisions. The County should also utilize collected data to inform decision-making and to develop performance indicators that allows for more proactive performance evaluation as well as the potential for continuous improvement. Parks and Recreation should develop comprehensive key performance indicators that align with industry benchmarks and data collection standards. These indicators should be used as part of the surtax program performance assessment.

### **The structure or design of the program to accomplish its goals and objectives**

Overall, Hernando County met Audit Issue #2. The Departments of Public Works and Parks and Recreation maintain defined organizational structures that have clear lines of authority, defined roles, and minimize overlapping roles and administration. Current staffing appears

reasonable given the nature of the services provided and program workload.

### **Alternative methods of providing services or Products.**

Overall, Hernando County met Audit Issue #3. Although the County met the expectations for this area, there are additional actions that could enhance performance. The County has not conducted any related formal feasibility assessments, but has demonstrated the performance of informal assessments for determining alternative service delivery models through formal procurement evaluations, peer comparisons, and management's understanding of various cost models. The County should conduct formal assessments and/or feasibility studies that document expected financial and operational impacts when considering a service to be contracted/outsourced. Hernando County regularly communicates with peer organizations to identify current service delivery models and the perceived pros and cons of each model to potentially alter operations in Hernando County.

### **Goals, objectives, and performance measures used by the program to monitor and report program accomplishments**

Overall, Hernando County partially met Audit Issue #4. Hernando County has set project-specific objectives for the roadway infrastructure program which speak to program-wide goals. These roadway infrastructure objectives are reasonable and measurable and have appropriate internal controls to guarantee the program maintains progress toward the established goals and objectives. Overall, the County lacks a strategic plan to which all program goals, beyond just infrastructure improvement, can be measured; such strategic planning would allow leadership to focus all programs and projects on a unified vision for the County. The County should develop a countywide strategic plan to which program-specific goals and objectives can be applied.

The County should consider developing a comprehensive parks management plan which looks at management of the County's recreation infrastructure as a whole. As the County develops program goals and objectives which guide the management of the County's recreation infrastructure, the County should identify performance metrics and standards which can be regularly tracked and reported as those metrics provide indicators of the recreation infrastructure program's progress toward achieving stated goals and objectives.

**The accuracy or adequacy of public documents, reports, and requests prepared by the County, or which relate to the program**

Overall, Hernando County partially met Audit Issue #5. Hernando County has adequate financial and non-financial information systems that provide useful, timely, and accurate information to the public regarding budget and project-specific updates. However, the County does not have formal policies and procedures in place to ensure regular, accurate, and complete information regarding overall program performance. The County also does not have formal or informal policies and procedures in place to correct erroneous and/or incomplete information included in information disseminated to the public. Hernando County should develop a formal evaluation process to ensure accuracy and adequacy of public documents, reports, and requests prepared by the County, both in general and regarding the infrastructure improvement program. The

County should improve its proactive reporting structure by producing regular reports detailing overall program performance. The County should develop formal policies and procedures governing the dissemination of all information, including program-specific information, for public consumption. Public Works and Parks and Recreation should consider developing department-specific policies and procedures governing the dissemination of program performance and cost information. The County should develop formal policies governing the dissemination of information to the public that include procedures ensuring reasonable and timely actions to correct erroneous and/or incomplete information included in the public documents.

**Compliance of the program with appropriate policies, rules, and laws**

Overall, Hernando County met Audit Issue #6. The County has strong internal control policies and practices to help ensure compliance with all applicable laws, rules, and regulations. Hernando County leverages membership in a number of organizations to stay up-to-date on federal, state, and local legislation that may impact County programs or processes. The County takes appropriate timely action to address any identified issues with laws, rules, regulations, or policies and procedures. Ordinance 2022-06 reflects the requirements of *Florida Statutes* 212.055(2) and the County has appropriate oversight processes to ensure funds are spent in accordance with applicable state laws, rules, and regulations.



Jeff Rogers  
County Coordinator  
Hernando County Board of County Commissioners  
15470 Flight Path Drive  
Brooksville, Florida 34604

Dear Mr. Rogers,

Mauldin & Jenkins (M&J) is pleased to submit our final report of the performance audit of Hernando County (the "County") pursuant to 212.055(11), Florida Statutes. The Office of Program Policy Analysis and Government Accountability (OPPAGA) selected M&J to conduct a performance audit of the program areas related to Hernando County's public works and recreation infrastructure improvement program associated with the proposed discretionary sales surtax.

We conducted this performance audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objectives.

The objective of the audit was to fulfill the requirements of 212.055(11), Florida Statutes. This statute requires that Florida local governments, with a referendum on the discretionary sales surtax held after March 23, 2018, undergo a performance audit conducted of the program associated with the proposed sales surtax adoption. The audit must be conducted at least 60 days before the referendum is held. OPPAGA is charged with procuring and overseeing the audit. The primary County departments that are the subject of this performance audit are the Hernando County Department of Public Works and Parks and Recreation Department.

The objectives of the audit are consistent with the requirements of the statute, which are to evaluate the program associated with the proposed sales surtax adoption based on the following criteria:

1. The economy, efficiency, or effectiveness of the program.
2. The structure or design of the program to accomplish its goals and objectives.
3. Alternative methods of providing program services or products.
4. Goals, objectives, and performance measures used by the program to monitor and report program accomplishments.
5. The accuracy or adequacy of public documents, reports, and requests prepared by the County or which relate to the program.
6. Compliance of the program with appropriate policies, rules, and laws.

We developed a work plan outlining the procedures to be performed to achieve the above audit objectives. Those procedures and the results of our work are summarized in the Executive Summary and discussed in detail in the body of the report.

Based upon the procedures performed and the results obtained, the audit objectives have been met.

We conclude that, with the exception of the findings discussed in the report and based upon the work performed, the County has sufficient policies and procedures in place, supported by appropriate documentation, reports, monitoring tools, and personnel to address the statutory criteria defined in Florida Statutes 212.055(11).

*Mauldin & Jenkins, LLC*

Bradenton, Florida  
August 8, 2022

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# A. Executive Summary

## Hernando County Overview

Hernando County (County) was established in 1843 and is named in honor of the Spanish explorer Hernando de Soto. The County is comprised of 473 square miles and is bordered by the Gulf of Mexico to the west, Citrus County to the north, Sumter County to the east, and Pasco County to the south. Hernando County's population was approximately 197,000 in 2020 and is projected to be at 219,000 in 2030 and over 235,000 by 2040.

Located in the Tampa Bay region, Hernando County is part of the largest consumer market in Florida. Some of the major industries include manufacturing, precision machining, distribution, and healthcare. Both residential and commercial development continues to grow; specifically, commercial development along SR 50 in the unincorporated community of Spring Hill.

Hernando County is governed by a five-member Board of County Commissioners (Board). Each County Commissioner represents one of the five districts and serves a term of four years. The Board appoints a County Administrator who is responsible for appointing various department managers and overseeing operations and implementation of Board actions. According to Florida Statutes, the five County Commissioners' primary role is to adopt an operating budget for each fiscal year.

## Budget Summary

In accordance with Florida Statutes, Hernando County must develop an annual budget. The County budget must be prepared in compliance with Chapters 129, 197, and 200 of the *Florida Statutes*. Pursuant to Chapter 129, a budget must be prepared, approved, adopted, and executed annually. The County operates on an October 1<sup>st</sup> to September 30<sup>th</sup> fiscal year.

The Board of County Commissioners prepare, summarize, and approve the budget. All budgets must be balanced, so that the total of estimated revenues equals or exceeds the appropriations for expenditures and reserves.

The County operates several different Funds, with defined uses for each Fund. A budget is maintained for each Fund, with sub-level budgets tracked for specific units within each Fund.

**Figure ES-A** Illustrates the 2020 and 2021 final revenues comparison for all governmental funds.



**Figure ES-A: Hernando County FY 2020 and 2021 Final County Revenue Comparison by Fund**

Fund Description	FY2020	FY2021	Percent Change
General Fund	\$ 141,678,447	\$ 127,599,725	-10%
Transportation Trust and Gas Taxes	\$ 22,090,193	\$ 20,884,532	-5%
Impact Fees Capital Project Fund	\$ 3,653,421	\$ 4,568,854	25%
Hernando County Fire Rescue- Fire	\$ 28,467,756	\$ 28,442,703	-0.1%
Hernando County Fire Rescue- Rescue	\$ -	\$ 17,482,995	-
American Rescue Plan Act	\$ -	\$ 4,122	-
Nonmajor Governmental Funds	\$ 45,057,812	\$ 30,903,959	-31%
<b>Total</b>	<b>\$ 240,947,629</b>	<b>\$ 229,886,890</b>	<b>-5%</b>

Source: Hernando County

Figure ES-B illustrates the reported expenditures by fund type in both FY2020 and FY2021.

**Figure ES-B: Hernando County FY 2020 and 2021 Final Expenditure Comparison by Fund**

Fund Description	FY2020	FY2021	Percent Change
General Fund	\$ 100,788,384	\$ 114,676,115	14%
Transportation Trust and Gas Taxes	\$ 19,321,426	\$ 21,922,065	13%
Impact Fees Capital Project Fund	\$ 2,968,062	\$ 2,516,622	-15%
Hernando County Fire Rescue- Fire	\$ 25,151,884	\$ 26,717,012	6.2%

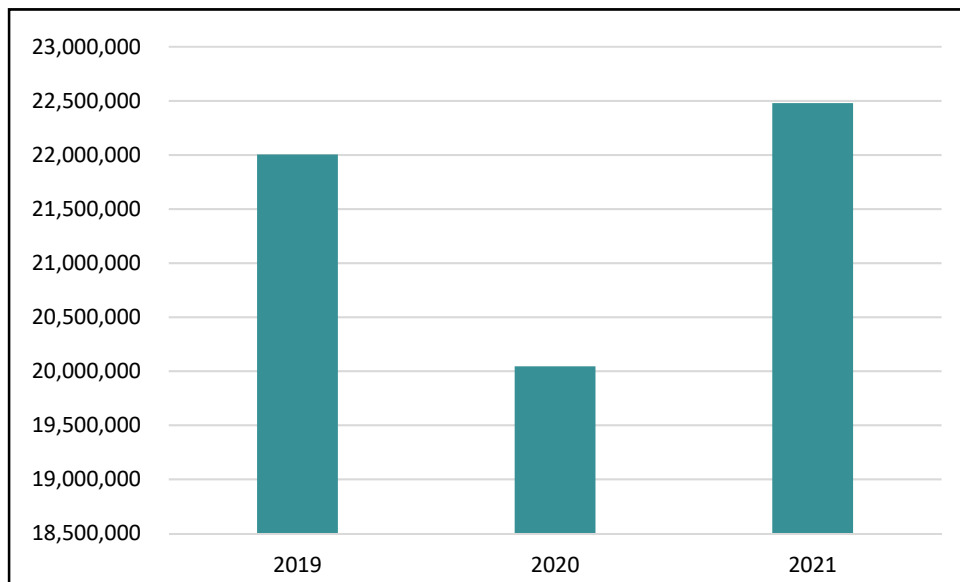
Fund Description	FY2020	FY2021	Percent Change
Hernando County Fire Rescue-Rescue	\$ -	\$ 13,951,392	-
American Rescue Plan Act	\$ -	\$ -	-
Nonmajor Governmental Funds	\$ 45,507,738	\$ 30,811,787	-32%
<b>Total</b>	<b>\$ 193,737,494</b>	<b>\$ 210,594,993</b>	<b>9%</b>

Source: *Hernando County*

The County’s proposed surtax revenue will be used to support infrastructure improvements for the Department of Public Works and the Parks and Recreation Department. The Transportation Trust and Gas Taxes Fund accounts for the proceeds of gas taxes and other revenues. This fund is overseen by the Department of Public Works and funds are used, in part, for the construction and maintenance of County roads. The County’s General Fund accounts for the Parks and Recreation funding.

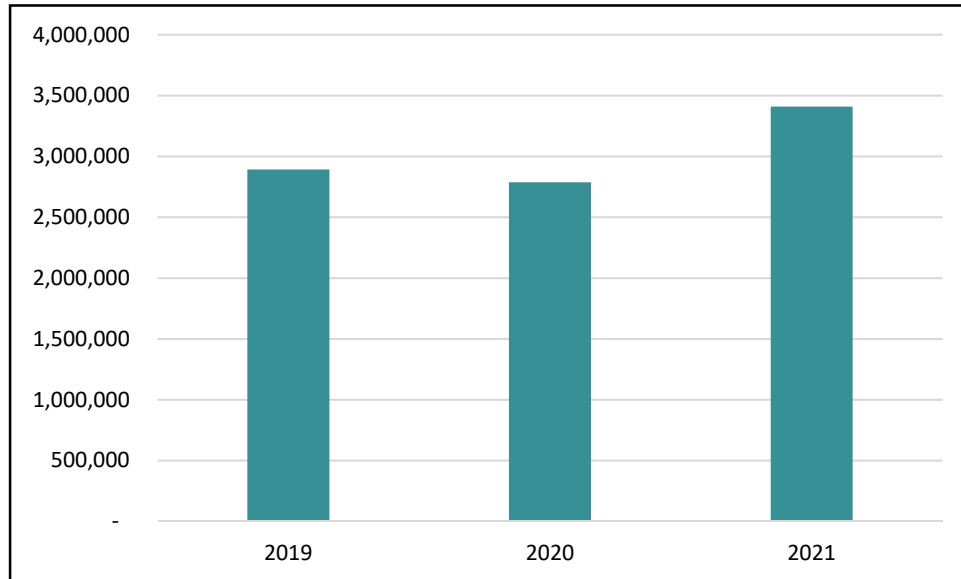
**Figure ES-C** demonstrates the reported transportation expenditures funded by the Transportation Trust and Gas Taxes from FY2019 to FY2021. Parks and Recreation is funded through the County’s General Fund. **Figure ES-D** demonstrates the reported Parks and Recreation expenditures funded by the General Fund from FY2019 to FY2021.

**Figure ES-C: Hernando County Transportation Trust and Gas Taxes Reported Expenditures – FY2019 to FY2021**



Source: *Hernando County*

**Figures ES-D: Hernando County Parks and Recreation Department Reported Expenditures – FY2019 to FY2021**



*Source: Hernando County*

### Infrastructure Improvement

Hernando County’s proposed use of surtax revenue includes infrastructure improvements for two departments: the Department of Public Works (Public Works) and the Parks and Recreation Department (Parks and Recreation).

Public Works is responsible for maintaining a safe, quality transportation infrastructure for residents and visitors who travel through and throughout the County. As of 2021 data, Public Works maintains 2,795 lane miles. The County Engineer serves as the Department Director, and oversees projects serving waterways, stormwater, bridges, trails, and roadways. The projects approved by the Board of County Commissioners for use of the proposed surtax funds focus on roadway maintenance and traffic engineering.

Parks and Recreation is responsible for maintaining a safe and accessible parks system and recreational programs throughout the County. The Parks and Recreation Department maintains 20 developed parks on 424 acres, as well as 452.5 acres of open space. Parks and Recreation programs include sports leagues, recreation facilities available for rentals, and summer camps. Parks and Recreation reports to the Community Services Director, who currently serves as the Parks and Recreation Director in addition to overseeing other Community Services Departments. The projects approved by the Board of County Commissioners for use of the proposed surtax funds focus on improving and adding new facilities and access points to parks, preserves, and aquatic recreational properties.

The Parks and Recreation Department is primarily funded through the General Fund. The Department of Public Works, however, utilizes the Transportation Trust and Gas Taxes Fund to support roadway infrastructure projects. This fund is a special revenue fund and is legally restricted to be expended on transportation purposes.

## Audit Objective

In accordance with section 212.055(11) of the *Florida Statutes*, and Government Auditing Standards, a certified public accountant must conduct a performance audit of the Hernando County program areas within the administrative units that will receive funds through the referendum. The performance audit must include a review of program areas for Hernando County related to infrastructure improvement for roadways and parks. Audit fieldwork must include interviews with program administrators, review of relevant documentation, and other applicable methods to complete the assessment of the six (6) research tasks.

## Project Scope

The scope included conducting a performance audit of Hernando County's proposed surtax program for Department of Public Works and Parks and Recreation Department infrastructure improvement programs. The performance audit included an examination of the following issues related to the program (local government infrastructure improvement, as well as general Public Works and Parks and Recreation programs):

1. The economy, efficiency, or effectiveness of the program
2. The structure or design of the program to accomplish its goals and objectives
3. Alternative methods of providing program services or products
4. Goals, objectives, and performance measures used by the program to monitor and report program accomplishments
5. The accuracy or adequacy of public documents, reports, and requests prepared by the County or which relate to the program
6. Compliance of the program with appropriate policies, rules, and laws

The subject auditees for the performance audit were the Department of Public Works, the Parks and Recreation Department, Office of Management and Budget, County Administrator, and Deputy County Administrator. The performance audit was conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS). GAGAS standards require that the audit be conducted in a manner to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on the audit objectives. M&J believes that the evidence obtained provides a reasonable basis for our observations and conclusions.

## Methodology

M&J conducted an introductory kickoff meeting on May 12, 2022, to introduce key M&J team members, discuss project objectives and scope, determine methods for requesting information and interviews, and gain background information from the County about the proposed surtax.

M&J submitted initial information and interview request lists on May 18, 2022, and conducted onsite fieldwork on June 2 – June 3, 2022. While onsite, we conducted interviews with 16 County professionals including executive management; Department of Public Works, Parks and Recreation Department, Office of Management and Budget, and Procurement Department; and the Capital Projects Management Group who are all relevant to the County's proposed surtax program. We also conducted a virtual interview with one (1) additional County professional involved in project management. During the interviews, management team members' roles were discussed along with processes and procedures the County follows to address the six (6) research tasks and underlying subtasks.

Information requested, received, and assessed included operating and financial information related to the County’s infrastructure improvement program and supporting functions relevant to the proposed surtax such as finance, procurement, and capital construction. The information requested, received, and assessed was used to help M&J gain an understanding of the County’s relevant operating environment and past performance related to the six (6) research tasks, and to document and report findings and conclusions.

Additional offsite/remote fieldwork was performed June 6 – July 13, 2022, which included additional communications with relevant County management regarding follow up questions and additional information requests.

## A.1: Summary of Results

### Audit Issue #1: The Economy, Efficiency, or Effectiveness of the Program

#### Finding Summary:

Partially Met

This finding is based on M&J assessment of provided data and information gathered in interviews. Our assessment found that Hernando County regularly uses data and management reports to evaluate the performance and costs of capital improvement and Department of Public Works programs. Deficiencies noted in internal and external reports are addressed in a timely and reasonable manner. While Parks and Recreation collects some data points, the collected data is not adequate to allow for system-level performance and cost assessment. The County, however, can take actions to gather additional data and utilize all data to regularly assess performance and cost for the Parks and Recreation Department.

**Figure ES-E: Summary of Audit Issue #1 Results**

Audit Issue #1: The Economy, Efficiency, or Effectiveness of the Program			
Research Subtask	Research Results	Conclusion	Recommendation
1-1	The County has not consistently collected data on Parks and Recreation system-level performance, which limits management’s ability to review and utilize this information.	Partially Met	The County should begin tracking more system-level Parks and Recreation data, such as visitation and infrastructure condition assessments, to provide a more comprehensive depiction of the parks system’s performance and costs. The County should regularly review and assess this data to more formally drive program performance and fee decisions. This should include analysis of changes in data over time, to understand impact of changes in infrastructure, processes, or fees. Data should also be compared with peer benchmarking, to better place Hernando County’s performance within context.

**Audit Issue #1: The Economy, Efficiency, or Effectiveness of the Program**

Research Subtask	Research Results	Conclusion	Recommendation
1-2	The County does not have adequate data to assess Parks and Recreation system-level performance, nor infrastructure performance. As a result, the County has not completed periodic evaluations of the program using performance information.	Partially Met	The County should utilize data that is collected, in addition to collecting additional data, to allow for more formal evaluation of program performance and use these assessments to inform decision-making and to develop performance indicators that allow for more proactive performance evaluation as well as the potential for continuous improvement.
1-3	Our work revealed no issues or concerns related to findings and recommendations in relevant internal or external reports on program performance and cost.	Met	N/A
1-4	Our work revealed no issues or concerns related to whether program administrators have taken reasonable and timely actions to address any deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluation, audits, etc.	Met	N/A
1-5	The County has several innovative practices designed to provide enhanced program performance and costs. Parks and Recreation, however, is not achieving industry benchmarks for performance.	Partially Met	Parks and Recreation should develop comprehensive key performance indicators and performance measures that align with industry benchmarks and data collection standards. These indicators should be used as part of the surtax program performance assessment.

Audit Issue #1: The Economy, Efficiency, or Effectiveness of the Program			
Research Subtask	Research Results	Conclusion	Recommendation
1-6	Our work revealed no issues or concerns related to the cost, timing, and quality of current program efforts based on a reasonably sized sample of projects to determine whether they were of reasonable cost and completed well, on time, and within budget.	Met	N/A
1-7	Our work revealed no issues or concerns related to whether the County has established written policies and procedures to take advantage of competitive procurement, volume discounts, and special pricing agreements.	Met	N/A

Audit Issue #2: The Structure or Design of the Program to Accomplish Its Goals and Objectives

**Finding Summary:**

Met

This finding is based on M&J assessment of provided data and information gathered in interviews. Our assessment found that the Department of Public Works and the Parks and Recreation Department maintain defined organizational structures that have clear lines of authority, defined roles, and minimize overlapping roles and administration. Current staffing appears reasonable given the nature of the services provided and program workload.

**Figure ES-F: Summary of Audit Issue #2 Results**

Audit Issue #2: The Structure or Design of the Program to Accomplish Its Goals and Objectives			
Research Subtask	Research Results	Conclusion	Recommendation
2-1	Our work revealed no issues or concerns related to the program organizational structure to ensure the program has clearly defined units, minimizes overlapping functions and excessive administrative layers, and has lines of authority that minimize administrative costs.	Met	N/A
2-2	Our work revealed no issues or concerns related to the reasonableness of current program staffing levels given the nature of the services provided and program workload.	Met	N/A

**Audit Issue #3: Alternate Methods of Providing Services or Products**

**Finding Summary:**

Met

This finding is based on M&J assessment of provided data and information gathered in interviews. Our assessment found that the County demonstrates the use of alternative service delivery methods and the assessment of external vendors. Hernando County regularly communicates with peer organizations to identify current service delivery models and the perceived pros and cons of each model to potentially alter operations in Hernando County. The County has not conducted any related formal feasibility assessments as listed in the audit objective, but has demonstrated the performance of informal assessments for determining alternative service delivery models through formal procurement evaluations, peer comparisons, and management’s understanding of various cost models.



Figure ES-G: Summary of Audit Issue #3 Results

Audit Issue #3: Alternative Methods of Providing Services or Products			
Research Subtask	Research Results	Conclusion	Recommendation
3-1	Both the Department of Public Works and the Parks and Recreation Department utilize contracted/outsourced services for specific service provision when it makes economic sense, or when specific technical skills, manpower, and/or time are needed that are not maintained internally. The County has not conducted any related formal feasibility assessments, but has demonstrated the performance of informal assessments for determining alternative service delivery models through formal procurement evaluations, peer comparisons, and management’s understanding of various cost models.	Partially Met	The County should conduct formal assessments and/or feasibility studies that document expected financial and operational impacts when considering a service to be contracted/outsourced.
3-2	Our work revealed no issues or concerns related to whether program administrators have assessed any contracted and/or privatized services to verify effectiveness and cost savings achieved.	Met	N/A

Audit Issue #3: Alternative Methods of Providing Services or Products			
Research Subtask	Research Results	Conclusion	Recommendation
3-3	Our work revealed no issues or concerns related to the changes made to service delivery models where the County determined that program costs could be reduced without affecting program quality.	Met	N/A
3-4	Our work revealed no issues or concerns related to the identification of peer opportunities for alternative service delivery to reduce program costs without significantly affecting the quality of service.	Met	N/A

Audit Issue #4: Goals, Objectives, and Performance Measures Used by the Program to Monitor and Report Program Accomplishments

**Finding Summary:**

Partially Met

This finding is based on M&J assessment of provided data and information gathered in interviews. Our assessment found that the County has set project-specific objectives for the roadway infrastructure program which speak to program-wide goals. These roadway infrastructure objectives are reasonable and measurable and have appropriate internal controls to help ensure the program maintains progress towards the established goals and objectives. Overall, the County lacks a strategic plan to which all program goals, beyond just infrastructure improvement, can be measured; such strategic planning would allow leadership to focus all programs and projects on a unified vision for the County.

**Figure ES-H: Summary of Audit Issue #4 Results**

<b>Audit Issue #4: Goals, Objectives, and Performance Measures Used by the Program to Monitor and Report Program Accomplishments</b>			
<b>Research Subtask</b>	<b>Research Results</b>	<b>Conclusion</b>	<b>Recommendation</b>
4-1	The County maintains program-wide and project-specific measurable objectives for roadway infrastructure and project-specific but not program-wide measurable objectives for recreation infrastructure. The aforementioned roadway and recreation infrastructure objectives speak to program goals and identify funding sources for budget maintenance – however, the program goals and objectives do not speak to larger County-wide strategy.	Partially Met	The County should develop a countywide strategic plan to which program-specific goals and objectives can be applied. The County should consider developing a comprehensive parks management plan which looks at management of the County’s recreation infrastructure as a whole.
4-2	Roadway infrastructure improvements are regularly assessed using reasonable performance measures which speak to program progress toward achieving stated goals and objectives. Recreation infrastructure improvements, however, are not assessed using system-wide performance measures.	Partially Met	As the County develops program goals and objectives which guide the management of the County’s recreation infrastructure, the County should identify performance metrics and standards which can be regularly tracked and reported as those metrics provide indicators of the recreation infrastructure program’s progress toward achieving stated goals and objectives.
4-3	Our work revealed no issues or concerns related to internal controls, including policies and procedures, providing reasonable assurance that program goals and objectives will be met.	Met	N/A

Audit Issue #5: The Accuracy or Adequacy of Public Documents, Reports, and Requests Prepared by the County Which relate to the Program

**Finding Summary:**

Partially Met

This finding is based on M&J assessment of provided data and information gathered in interviews. Our assessment found that the County has adequate financial and non-financial information systems that provide useful, timely, and accurate information to the public regarding budget and project-specific updates. However, the County does not have formal policies and procedures in place to ensure regular, accurate, and complete information regarding overall program performance. The County also does not have formal or informal policies and procedures in place to correct erroneous and/or incomplete information included in information disseminated to the public.

**Figure ES-I: Summary of Audit Issue #5 Results**

Audit Issue #5: The Accuracy or Adequacy of Public Documents, Reports, and Requests Prepared by the County Which Relate to the Program			
Research Subtask	Research Results	Conclusion	Recommendation
5-1	Our work revealed no issues or concerns related to the program’s financial and non-financial information systems providing useful, timely, and accurate information to the public.	Met	N/A
5-2	Although County staff monitor internal metrics, such as website visitation data and social media conversations, the County does not have policies and procedures ensuring formal evaluation of the accuracy or adequacy of public documents.	Partially Met	Hernando County should develop a formal evaluation process to ensure accuracy and adequacy of public documents, reports, and requests prepared by the County, both in general and regarding the infrastructure improvement program.

**Audit Issue #5: The Accuracy or Adequacy of Public Documents, Reports, and Requests Prepared by the County Which Relate to the Program**

Research Subtask	Research Results	Conclusion	Recommendation
5-3	The public has readily available and easy-to-locate access to budget documents and updates for the Department of Public Works and the Parks and Recreation Department, as well as specific projects. The public also has readily available status updates for specific projects. However, information on overall program performance is not proactively made available.	Partially Met	The County should improve its proactive reporting structure by producing regular reports detailing overall program performance.
5-4	The County, the Department of Public Works, and Parks and Recreation Department have limited formal policies in place to ensure the accuracy and completeness of any program performance and cost information provided to the public.	Partially Met	The County should develop formal policies and procedures governing the dissemination of all information, including program-specific information, for public consumption. Public Works and Parks and Recreation should consider developing department-specific policies and procedures governing the dissemination of program performance and cost information.
5-5	The County, the Department of Public Works, and the Parks and Recreation Department do not have procedures in place that ensure reasonable and timely actions are taken to correct erroneous and/or incomplete program information released to the public.	Did Not Meet	The County should develop formal policies governing the dissemination of information to the public that include procedures ensuring reasonable and timely actions to correct erroneous and/or incomplete information included in the public documents.

Research Task 6: Compliance of the Program with the Appropriate Policies, Rules, and Laws

**Finding Summary:**

Met

This finding is based on M&J assessment of provided data and information gathered in interviews. Our assessment found that the County has strong internal controls, policies, and practices to help ensure compliance with all applicable laws, rules, and regulations. Hernando County leverages membership in a number of organizations to stay up-to-date on federal, state, and local legislation that may impact County programs or processes. The County takes appropriate timely action to address any issues with laws, rules, regulations, or policies and procedures. Ordinance 2022-06 reflects the requirements of *Florida Statutes* 212.055(2) and the County has appropriate oversight processes to ensure funds are spent in accordance with applicable state laws, rules, and regulations.

**Figure ES-J: Summary of Audit Issue #6 Results**

Audit Issue #6: Compliance of the Program with the Appropriate Policies, Rules, and Laws			
Research Subtask	Research Results	Conclusion	Recommendation
6-1	Our work revealed no issues or concerns related to the County’s processes for assessing its compliance with applicable (relating to the program’s operation) federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies.	Met	N/A
6-2	Our work revealed no issues or concerns related to program internal controls which ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies.	Met	N/A

**Audit Issue #6: Compliance of the Program with the Appropriate Policies, Rules, and Laws**

Research Subtask	Research Results	Conclusion	Recommendation
6-3	Our work revealed no issues or concerns related to program administrators taking reasonable and timely action to address noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures identified by internal or external evaluations, audits, or other means.	Met	N/A
6-4	Our work revealed no issues or concerns related to whether program administrators have taken reasonable and timely action to determine whether planned uses of the surtax are in compliance with applicable state laws, rules, and regulations.	Met	N/A

## B. Audit Issue #1: The economy, efficiency, or effectiveness of the program

### The economy, efficiency, or effectiveness of the program

**Finding Summary** – Overall, Hernando County partially meets Audit Issue #1. This finding is based on M&J assessment of provided data and information gathered in interviews. Our assessment found that Hernando County regularly uses data and management reports to evaluate the performance and costs of capital improvement and Department of Public Works programs. Deficiencies noted in internal and external reports are addressed in a timely and reasonable manner. The County, however, can take actions to improve data collection and utilization for Parks and Recreation.

#### Subtask 1-1

Condition:

Partially Met

**Review any management reports/data that program administrators use on a regular basis and determine whether this information is adequate to monitor program performance and cost.**

Management data and reports are regularly prepared and made available for capital projects as well as Department of Public Works performance and cost. The reports are adequate and provide appropriate statistical and operational details. County staff meet regularly, both at the department level and with County administrators, to review the data and discuss program performance.

Parks and Recreation has not prioritized data collection for performance assessments over the past two years. Since 2020, the Department's focus has been on resolving issues identified during an internal audit. Now that these issues have been addressed, Parks and Recreation is beginning to review the need for more comprehensive data collection and infrastructure assessment.

Cause:

The County collects certain outputs, such as number of playgrounds and participation in recreation programs, but does not collect system-level parks and recreation area performance metrics, such as visitation numbers or infrastructure condition assessments, that are commonly used to assess parks and recreation system performance. While the Parks and Recreation Department also collected customer feedback about park conditions, and utilized a needs assessment process to help select projects for proposed surtax revenue utilization, this information best serves the County as part of a broader data collection and performance assessment process.

Effect:

The County may not be as effective in assessing performance over time, nor benchmarking performance against its peers. The lack of broad data collection and program infrastructure assessments may also result in the County prioritizing projects that do not align with program performance or community needs.



### Criteria:

Leading practices, as detailed in this report are industry-accepted practices that have proven successful in aiding organizations to operate efficiently and effectively while also limiting risk and liability. For Parks and Recreation, we considered a variety of data points collected and reported on by the National Recreation and Parks Association (NRPA) as part of the Park Metrics Agency Performance Survey program as well as other common key performance indicators to assess park performance. We noted that the County collects several data points for several of these metrics, but not enough data for comprehensive performance evaluation.

### Recommendation 1-1:

The County should begin tracking more system-level Parks and Recreation data, such as visitation and infrastructure condition assessments, to provide a more comprehensive depiction of the parks system's performance and costs. The County should regularly review and assess this data to more formally drive program performance and fee decisions. This should include analysis of changes in data over time to understand impact of changes in infrastructure, processes, or fees. Data should also be compared with peer benchmarking, to better place Hernando County's performance within context.

### Analysis Summary and Conclusion:

Subtask 1-1: Review any management reports/ data that program administrators use on a regular basis and determine whether this information is adequate to monitor program performance and cost.

To address the requirements of this subtask, M&J examined various reports and planning documents created by County staff to track and monitor program performance and cost. We separated our analysis into data used for the capital improvement program, and non-capital improvement performance and cost data.

### *Capital Improvement Program*

Hernando County maintains five-year Capital Improvement Plans (CIPs). The Capital Improvement Plan contains all proposed improvements with a cost of \$50,000 or a useful life of 10-plus years. A new five-year plan is adopted annually. The FY21-FY25 Capital Improvement Plan contains a summary of projects by funding source and anticipated funding for each of the next five fiscal years. There are also detailed project pages for each project, which contain detailed project descriptions, total sources of funding, and a project justification. Where relevant, the project pages also provide detailed cost information, separating land acquisition, design, and construction cost details. Once projects are approved and in-progress, the County Office of Management and Budget (OMB) logs all approved capital improvement projects and their current financial status.

We also reviewed budget and expenditure documents to ensure adequate level of detail is available to adequately assess program performance and cost. The County uses eFinancePlus to record all accounting transactions. Hernando County adheres to the Florida Uniform Accounting System for local governments, which ensures detailed fund classification so that all budgeted and expended funds can be traced to the appropriate fund level. Account numbers that begin with "56" are designated to record all capital asset costs. In addition, Hernando County uses the object and sub-object classification which allow for detailed-level review of how funds are budgeted and utilized for specific types of expenditures. The budget report contains a line item for each approved project to ensure transparency into project-level costs.

The Department of Public Works maintains an Engineering Projects Report spreadsheet. Each project is categorized by current state of progress, such as design, bid, or construction. Projects remain on the current project list until the final payment has been made. These project reports are made available to County leadership upon request. **Figure 1-A** shows an excerpt from a recent Engineering Projects Report.

**Figure 1-A: Public Works Department – Engineering Projects Report Sheet**

Engineering Projects Report - 4/14/2022									
	PROJECT NAME	PROJECT MGR.	FUNDING	DESIGN FIRM	CONTRACTOR	INSPECTOR	DURATION	PROGRESS	COMMENTS / UPDATES
DESIGN	South Linden Dr. from County Line Rd. to Spring Hill Dr. Sidewalk LAP  Design of 5 foot Sidewalk on the West side of South Linden Dr. from County Line Rd. to Spring Hill Dr. (County Line Rd. to Zarbis Dr./Jessica Dr. to Spring Hill Dr.)	Scott Nelson	Grant-LAP FPN: 438561-1 Agr: G2472 FAIN: 0721083B  LAP Exp: 06/22/2024  Dept. 903 Project: 110030	In-House /Consultant Survey  ----- RFQ 22-RG0026 (Survey)					3/17/22 - Project added. Pending FDOT approval to advertise RFQ for survey services. 4/14/22 - Out to Bid 4/6; Bids due 5/4.
BID	School Zones - PHASE I  Spring Hill Elementary 110180 Brooksville Elementary 110190 Hernando High School 110190 Chocochatti Elementary 110200 Nature Coast High School 110200 Challenger K-8 109890 Explorer K-8 110220 Fox Chapel Middle School 110230	Stephen Stack / Todd Crosby	Dept. 907 Project: see each zone	Cardno			100% Plans:		2/15/22 - Scott Franklin staked work on Suncoast. 3/17/22 - Working on Plans for millings area. Hernando High School has markings on Bell Rd. within City limits, not County road. Scott Herring directed to pull Bell Rd. out and advise City they can do it or County will include with project if City pays for it. 4/14/22 - Millings added and preliminary Cost Estimate completed; waiting for Elaine Singer's return from vacation to discuss and review.
BID	School Zones Upgrades - PHASE II  Updating Signage and Markings  Suncoast Elementary 110250 Springstead High School 110240 JD Floyd Elementary 110260 Pine Grove Elementary 110210 West Hernando Middle School 110210 Central High School 110210 Powell Middle School 111932 Westside Elementary 010108 Deltona Elementary 010106 Winding Waters K-8 010119 Weeki Wachee High School 010119 Parrott Middle School 010110 Moton Elementary 010113 Eastside Elementary 010114	Stephen Stack / Todd Crosby	Dept. 907 Project: see each zone	Cardno			NTP: 5/20/2020 Final: 12/6/2020		2/15/22 - Scott Franklin staked work on Suncoast. 3/17/22 - Working on Plans for millings area. Hernando High School has markings on Bell Rd. within City limits, not County road. Scott Herring directed to pull Bell Rd. out and advise City they can do it or County will include with project if City pays for it. 4/14/22 - Millings added and preliminary Cost Estimate completed; waiting for Elaine Singer's return from vacation to discuss and review.
BID	Deltona Blvd. Sidewalk LAP - Elgin Blvd. to SR50 Cortez Blvd.  Design and Construction of Sidewalk along the left (West) side of Deltona Blvd. from Elgin Blvd. to SR50 (Cortez Blvd.) - approx. 2,765 ft of 5 foot sidewalk.	Scott Nelson	Grant-LAP FPN 438500-1 LAP Exp: 02/08/2023  Dept. 903 Project: 110010	Cardno	Augustine Construction, Inc. ----- 22-CG0024		NTP: Sub: Final:		2/15/22 - Bids due 2/16. Need updated map for BOCC. 3/17/22 - Scheduled for BOCC award 4/12/22. 4/14/22 - BOCC approved award to Augustine Construction 4/12; Pre-construction meeting scheduled to be held on 5/4/22.
CONST.	State Road Canal Dredge	Keith Kolasa	Dept. 979 Project: 111869		Gator Dredging ----- PO 22000809		NTP: 4/6/2022 Final: 8/4/2022		2/15/22 - Contract issues. Need NTP. Separate P.O. for Survey. Have two (2) years to complete. 3/17/22 - Scott Herring and Keith Kolasa to meet in afternoon to discuss contract issues. 4/14/22 - NTP issued. Requested time extension denied.
CONST.	Forest Oaks @ US19 Intersection Imp.  Intersection improvements to add turn lanes and sidewalks.	Todd Crosby	Capital Imp. - Capacity  Dept. 907 Project: 107490	HDR ----- PO 21000407	David Nelson Constr. ----- PO 22000453	Scott Franklin	NTP: 5/12/2018 Final: 8/23/2022		2/15/22 - Started. 3/17/22 - Under construction; no red flags. 4/14/22 - Under construction; minor grading issue with cross slopes.
CONST.	Waterfall Drive / Winding Oaks Traffic Signal	Scott Herring	Signal System  Dept. 828 Project: 111560						2/15/22 - Under construction. Pasco County is the lead on the project. 3/17/22 - No movement on project; no MOT set up. 4/14/22 - Acquiring materials; anticipated to begin in August.

Source: Hernando County Public Works Department

Parks and Recreation also holds monthly meetings to monitor the status of capital projects. A spreadsheet with general information is used for CIP tracking. **Figure 1-B** shows a sample CIP tracking spreadsheet.

**Figure 1-B: Parks and Recreation – Capital Improvement Project Sheet**

Parks Capital Improvement Projects 2022-2026									
									
Fiscal Year	Park or Facility	Project Id#	Project Name	Description	Date Start	Date Comp	Budget	Project Manager	Status/Notes
2022	Anderson Snow	110350	Anderson Snow Splash Park	Creation of a new splash park at Anderson Snow Park.	2021		231K	Chris	been designed. We are reviewing different equipment options for
2022	Linda Pedersen	108010	Linda Pedersen Park Improvement	Part of Restore Act - Replace old Boardwalk and swim platform	11/1/2020		429K	Chris	the NTP stage. Pending permitting application submittal to the Building
2022	Veterans Park Rogers Park	107880	Playground Replacements	Replace old units with new unit adding more ADA Components	12/20/2020		250K	Chris	Completed!
2022	Lake Townsen	111420	Lake Townsen - ADA Access Road	Design Pedestrian Sidewalks to existing amities	2021		145k	Chris	engineers 100% construction cost estimate.
2022	Pioneer Park	111903	New Restrooms at Skate Park	Replace existing restrooms at the skate park.	2021		130K	Chris	February 9, 2022. Exploring alternative design proposals due to
2022	Jenkins Creek	109980	Jenkins Creek -Fishing Pier	Marine Engineer condition of existing Pier for Replacement	2021		115K	Chris	engineering services task order under Contract # 18-R00045. Purchasing is
2022	Ridge Manor	111907	Playground Replacements Ridge Manor	Replace old units with new unit adding more ADA Components	2021'		150K	Chris	the contract. Material is delivered to the location. We are currently under permitting review.
2022	Pine Island	111826	Pine Island Resurfacing Parking Lot	Reseal and strip Parking	2022		150k	Chris	Bids received, Goodwin Brother's attained lowest
2022	Ernie Wever	111914	Ernie Wever Shop Replacement	Demolition existing shop and build a new	TBD		50K	Chris	This project is for design only.
Fiscal Year	Park or Facility	Project Id#	Project Name	Description	Date Start	Date Comp	Budget	Project Manager	Status/Notes
2023	Lake House	107910	Lake House Pavilion	Replace old Stage with new.			100K	Chris	
2023	Ridge Manor	107880	Playground Replacements	Replace old units with new unit adding more ADA Components			250K	Chris	
2023	Jenkins Creek	109980	Jenkins Creek -Fishing Pier	Re-Construction of Jenkin's Creek Fishing Pier.			450K	Chris	
2023	Lake Townsen	111420	Lake Townsen - ADA Access Road	Construction of pedestrian sidewalks to existing amities.			125K	Harry/Chris	
2023	Delta Woods	111824	DWP Tennis Courts Replacement Lights	Replace existing lights on all of the tennis courts.			100K	Chris	

Source: Hernando County Parks and Recreation Department



**Figure 1-D: Transportation/Culture and Recreation – Operating Indicators and Capital Asset and Infrastructure Statistics**

Hernando County Operating Indicators										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Transportation</b>										
Number of Signals Maintained	88	88	88	85	85	86	88	88	89	89
Number of lane miles of roads re-surfaced	64	32	36	42	39	8	72	11	15	15
<b>Culture and Recreation</b>										
Number of participants in the County Recreation programs	19,185	13,799	17,955	20,045	22,049	24,790	23,596	31,516	4,848	5,808
Hernando County Capital Asset and Infrastructure Statistics										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Transportation</b>										
Lane Miles	2,380	2,393	2,407	2,457	2,492	2,516	2,556	2,771	2,776	2,795
<b>Culture and Recreation</b>										
Park acreage - developed	323	323	340	340	340	340	340	340	340	340
Park acreage - undeveloped	1,206	1,206	1,206	1,206	1,206	1,206	1,206	1,206	1,206	1,206
Trails-Jogging/Exercise/Nature	30	30	30	30	30	30	30	30	30	30
Playgrounds	14	14	14	14	14	13	13	12	12	12
Boat Ramps (lanes)	16	16	16	16	16	8	8	8	8	8
Picnic Shelters	189	189	190	190	190	190	190	190	192	192

*Source: Hernando County 2021 Annual Comprehensive Financial Report*

For Parks and Recreation, we noted that several of the collected data points, such as developed and undeveloped acreage, number of playgrounds, and number of trail miles, are consistent with datapoints used for NRPA agency evaluations.

For Parks and Recreation, there are recently introduced qualitative performance measures. Quarterly, volunteer judges from the community assess park conditions within each of the three geographic park divisions – West, Central, and East. Volunteers assess and score three parks in each district, for a total of nine assessments per volunteer. Volunteers rate each selected park on five categories:

- Cleanliness and Grounds Upkeep
- Park Amenity Conditions
- Building and Facilities Appearance
- Restroom Care
- Lawn and Landscaping

The score card provides guidance on the types of factors that are applicable for each category. Each category is assigned a score of one through five, with five being the best possible score. Scorers may also provide comments on the conditions noted during their assessment. The Department then aggregates this data to determine which park receives a quarterly award, including signage and staff acknowledgement. Anecdotally, staff use the assessment data to identify needs to improve the quality and cleanliness of the inspected parks, based on volunteer perception. As an example, assessment data has been used to generate maintenance orders related to bathroom maintenance and park cleanliness.

Vermont Systems RecTrac is a parks and recreation software solution that the Parks and Recreation Department uses for managing events, reservations, sports and leagues, and facility rentals. RecTrac can generate reports related to these specific data points.

Parks and Recreation has recently acquired Lucity, an enterprise maintenance management system that was already being used in other County departments. Currently, Parks and Recreation is utilizing it for work order tracking, and hopes to utilize the system for more proactive asset management in the future.

Parks and Recreation has not yet developed comprehensive infrastructure condition reports. The Department is still working to identify the best way to capture data on the unique types of infrastructure and assets that are within the parks and track it in a meaningful and comprehensive way.

County staff noted in interviews that there are plans for capacity assessments, as well as plans for staff training on how to better assess park utilization trends (usage of playgrounds, restrooms, community facilities, and other park amenities) to be able to provide this information to Department leadership.

Currently, there is no formal, consistent tracking of visitation data for the County parks and facilities. There may be ad hoc point-in-time assessments, but as the current collection is not consistent, it does not have adequate context for use as a performance indicator.

Within Public Works, there are a variety of data points that help capture current conditions of roads and intersections, such as pavement condition. Public Works also utilizes traffic counts to understand changes in time in roadway performance and utilization. The Department also reviews the number of work orders for road repairs and traffic patterns to understand utilization and performance of existing infrastructure. Additional information on the collected data points and their utilization is found in Subtask 1-2.

### *Summary*

Hernando County collects a variety of data points that can be used to monitor program performance and cost, but is not collecting adequate Parks and Recreation data to allow for comprehensive program performance assessment. Therefore, we determined Subtask 1-1 is partially met.

## **Subtask 1-2**

### *Condition:*

The County regularly reviews program performance and costs related to capital projects as well as Department of Public Works programs. The reports are adequate and provide appropriate statistical and operational details. County staff meet regularly, both within the Department and with County administrators, to review the data and discuss program performance.

Parks and Recreation has not prioritized data collection for performance assessments over the past two years. Since 2020, the Department's focus has been on resolving issues identified during an internal audit. Now that these issues have been addressed, Parks and Recreation can focus on more formal assessment of program performance.

### *Cause:*

The County has less formal, structured performance assessment for Parks and Recreation. The County has collected community feedback and conducted community needs assessments in developing park-specific plans, but does not have system-level assessments for performance or cost. Currently, the County is not consistently assessing park asset or infrastructure conditions, nor formally reviewing collected data to understand program performance.

### Effect:

Parks and Recreation lacks formal, regular program performance and cost assessments. The County cannot effectively assess its performance over time, nor against its peers without more comprehensive data collection and analysis. The lack of formal utilization of performance and cost data may also result in the County prioritizing projects that do not align with program performance or community needs.

### Criteria:

Best practices, or leading practices, as detailed in this report are industry-accepted practices that have proven successful in aiding organizations to operate efficiently and effectively while also limiting risk and liability. For Parks and Recreation, we considered a variety of data points collected and reported on the NRPA as part of the Park Metrics Agency Performance Survey program as well as other common key performance indicators to assess park performance. We noted that the County collects several of these metrics, but we did not see evidence of how they were used to make informed decisions.

### Recommendation 1-2:

The County should utilize data that is collected, in addition to collecting additional data, to allow for more formal evaluation of program performance and use these assessments to inform decision-making and to develop performance indicators and performance measures that allow for more proactive performance evaluation as well as the potential for continuous improvement.

### Analysis Summary and Conclusion:

Subtask 1-2: Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost.

To address the requirements of this subtask, M&J considered both program performance evaluation related specifically to capital improvement projects, as well as comprehensive program evaluation conducted for both the Department of Public Works and the Parks and Recreation Department.

We assessed how Parks and Recreation and Public Works evaluate performance and cost data. Our assessment included examination of County documents that identified performance measures to understand how the Departments have utilized collected data for performance assessment or decision-making.

### *Capital Improvement Project Performance*

For capital improvement project performance, we examined procurement policies and procedures to understand the current workflow for program performance and cost analysis. In addition, we interviewed staff in the Office of Management and Budget, Finance, Public Works, and Parks and Recreation to understand how written policies and procedures are performed. We also examined performance evaluation information and final closeout packets from Public Works and Parks and Recreation procurements completed within the last few years.

Once all projects are completed, they must go back before the Board of County Commissioners for final closeout. The Board of County Commissioners reviews each project for final closeout. Final closeout packets include the contractor's final application for payment, which states the actual costs of the project in comparison to the originally approved contract amount. The responsible department must also complete a final payment checklist as well as a vendor performance evaluation. The County is in the process of incorporating these performance evaluations into future bid assessments, to ensure that the County is only awarding contracts to responsible, cost-effective contractors.

Public Works maintains multiple data sets that document infrastructure condition levels, as described in further detail later in this section. This data is utilized to assess current infrastructure performance and identify needed maintenance and repairs.

Currently, Parks and Recreation does not maintain comprehensive infrastructure asset condition assessment results. The County is working to conduct more comprehensive condition assessments and develop a dashboard or other tracking tool to assist in assessing overall condition and prioritizing funding for future capital improvement projects.

Results of our specific testing of the completion of the payment checklist and vendor performance evaluation may be found in Section 1-6.

*Public Works*

The Department of Public Works holds monthly meetings to review the Engineering Project Reports noted in Subtask 1-1. Discussion includes project financial status and payment applications from contractors as well as project management information from Department of Public Works staff.

For Public Works, identified performance measures are found in the Hernando/Citrus Metropolitan Planning Organization (MPO) Long Range Transportation Plan. The Hernando/Citrus MPO is a joint effort between Hernando County and Citrus County to develop cooperative, comprehensive, and continuing transportation planning for transportation infrastructure projects in one or both of the counties. The Hernando/Citrus MPO chose to adopt the Florida Department of Transportation (FDOT) performance measures and statewide targets, as documented in **Figure 1-E**. The County is in the process of updating the plan for 2050, and will be incorporating and assessing updated performance as a part of that process.

**Figure 1-E: Hernando/Citrus MPO 2045 Long Range Transportation Plan  
Highway Safety Performance Measures**

Performance Measure	Florida Statewide Baseline Performance Five-Year Rolling Average (2012-2016)	Hernando/Citrus MPO Baseline Performance Five-Year Rolling Average (2013-2017)	2-year Hernando/Citrus MPO Target (Jan 1, 2019 to Dec 31, 2020)	4-year Hernando/Citrus MPO Target (Jan 1, 2019 to Dec 31, 2022)
Number of Fatalities	2,533	54	46	42
Rate of Fatalities per 100 Million Vehicle Miles Traveled (VMT)	1.29	1.54	1.32	1.19
Number of Serious Injuries	20,552	482	414	373
Rate of Serious Injuries per 100 Million Vehicle Miles Traveled	10.45	13.79	11.83	10.68
Number of Non-Motorized Fatalities and Non-Motorized Serious Injuries	3,173	43	37	33

Source: Hernando/Citrus Metropolitan Planning Organization



In order to understand current road utilization and prioritize needed maintenance and repairs, the County also uses traffic counts. The most recent traffic count was compiled in March of 2021, and includes current reported counts as well as the results of the most recently conducted historical count, to provide appropriate context for the updated traffic count numbers.

This information is used in concert with the annual local government mileage report. This report, prepared by the County, documents the change in paved and unpaved mileage throughout the previous year, as an assessment of the performance of the Department of Public Works. This report includes:

- Paved and unpaved total mileage at the beginning of the year
- Paved and unpaved mileage added during the year, including new construction, transfers from other jurisdictions, and previously unpaved mileage that was paved within the year
- Paved and unpaved mileage subtracted during the year, including abandonments and transfers to other jurisdictions
- Paved and unpaved total mileage at the end of the year

To help ensure that project costs are reasonable and commensurate with previously provided quality work, the Department of Public Works prepares Bid Tab Estimators. The estimator categorizes bid items, including both services and materials by category and then documents the total quantity of each item recently awarded and completed as well as the total amount paid. This information is used to calculate a weighted average, which can be used to set expectations for appropriate ranges for commensurate type of work for future projects. An excerpt from a Bid Tab Estimator is found in **Figure 1-F**.

Figure 1-F: Excerpt of the Public Works Department Bid Tab Estimator

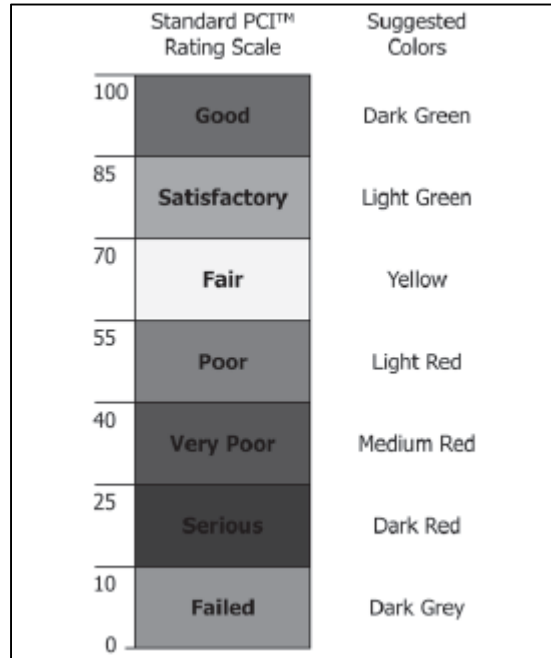
Weighted Average Cost - Hernando County Bids					
Pay Item	Description	Units	TOTAL QTY	TOTAL Amount	Weighted Average
<b>Mobilization, Traffic Control and Misc.</b>					
101-1	MOBILIZATION	LS	17.00	\$ 1,678,903.95	\$98,759.06
102-2	MAINTENANCE OF TRAFFIC	LS	17.00	\$ 635,944.20	\$37,408.48
	AS-BUILT DRAWINGS/SURVEY	LS	9.00	\$ 258,143.50	\$28,682.61
<b>ROADWAYS</b>					
	SILT FENCE/EROSION AND SEDIMENTATION CONTROL (INCLUDES INSTALLATION, REMOVAL, AND DISPOSAL)	LS	6.00	\$ 308,175.00	\$51,362.50
104-10-3	SEDIMENT BARRIER (Silt Fence)	LF	9,605.00	\$ 30,191.08	\$3.14
104-15	SOIL TRACKING PREVENTION DEVICE	EA	4.00	\$ 8,952.00	\$2,238.00
104-18	INLET PROTECTION SYSTEM	EA	19.00	\$ 3,636.44	\$191.39
107-1	LITTER REMOVAL AND DISPOSAL	AC	3.70	\$ 366.30	\$99.00
107-2	MOWING	AC	2.48	\$ 1,078.80	\$435.00
110-1.1	CLEARING AND GRUBBING	LS	7.00	\$ 209,029.50	\$29,861.36
110-1.1	CLEARING AND GRUBBING	AC	60.40	\$ 942,966.99	\$15,612.04
	MAILBOX/PAPERBOX ASSEMBLIES (with house number)	EA	50.00	\$ 12,838.99	\$256.78
	MAILBOX/PAPERBOX ASSEMBLIES (Remove, Relocate & Reset)	EA	10.00	\$ 575.00	\$57.50
110-4-10	REMOVAL OF EXISTING CONCRETE	SY	3,509.00	\$ 118,564.63	\$33.79
120-1	REGULAR EXCAVATION	CY	116,136.00	\$ 2,756,314.57	\$23.73
	BORROW EXCAVATION - CLEAN IMPORT FILL MATERIAL (Truck ticket measured)	CY	360.00	\$ 3,330.00	\$9.25
120-6	EMBANKMENT	CY	26,931.00	\$ 691,916.25	\$25.69
160-4	TYPE B STABILIZATION	SY	9,661.00	\$ 86,405.35	\$8.94
286-1	TURNOUT CONSTRUCTION-DRIVEWAY BASE-OPTIONAL MATERIALS	SY	1,668.00	\$ 85,368.24	\$51.18
285-701	OPTIONAL BASE, BASE GROUP 01	SY	200.00	\$ 18,000.00	\$90.00
785-708	OPTIONAL BASE, BASE GROUP 08	SY	308.00	\$ 15,246.00	\$49.50
327-70-6	MILLING EXISTING ASPHALT - 1-1/2" DEPTH	SY	4,336.00	\$ 27,642.00	\$6.38
	MILLING EXISTING ASPHALT - 4" DEPTH	SY	278.00	\$ 511.52	\$1.84
	LIMEROCK - NEW MATERIAL, 6" MIN (COMPACTED)(LBR 100) (w/PRIME @ 0.10 Gal/sy)(Truck Ticket Measure)	TN	2,420.00	\$ 56,071.40	\$23.17
	SP12.5 ASPHALT (1-3/4")	SY	7,295.00	\$ 76,743.40	\$10.52
334-1-52	SUPERPAVE ASPHALIC CONC. TRAFFIC B, PG 76-22	TN	190.00	\$ 56,228.28	\$295.94
334-1-53	SUPERPAVE ASPHALIC CONC. TRAFFIC C, PG 76-22	TN	834.80	\$ 168,629.60	\$202.00
337-7-82	ASPHALTIC CONCRETE FRICTION COURSE TRAFFIC C, FC 9.5, PG 76-22	TN	283.00	\$ 63,533.50	\$224.50
520-1-7	CONCRETE CURB AND GUTTER, TYPE E	LF	884.00	\$ 39,780.00	\$45.00
520-1-10	CONCRETE CURB & GUTTER, TYPE F	LF	1,900.00	\$ 64,386.25	\$33.89
520-2-4	CONCRETE CURB, TYPE D	LF	676.00	\$ 21,618.48	\$31.98
520-5-11	TRAFFIC SEPARATOR CONCRETE TYPE I, 4' WIDE	LF	170.00	\$ 9,180.00	\$54.00
520-6	CONCRETE SHOULDER GUTTER	LF	90.00	\$ 6,525.00	\$72.50

Source: Hernando County Department of Public Works

Public Works also uses the Pavement Condition Index (PCI) to calculate a score for roadway pavement sections. Pursuant to ASTM (Formerly known as American Society for Testing and Materials, and now known as ASTM International) standard practice D6433-20, Public Works documents all distress types, severity levels, and quantities within each roadway pavement section. This data is entered into PAVER, a pavement maintenance management system, which calculates the PCI score for each roadway section.

PCI assigns each road section a surface condition score on a scale of 0 to 100, with 0 representing pavements that have failed, and 100 representing pavements in near perfect condition. Public Works reviews changes in scores over time to understand the deterioration rate for roadways and to help prioritize needed repaving or remediation efforts to help extend the life of roadways.

**Figure 1-G: Standard PCI Rating Scale**



Source: Hernando County Department of Public Works

### Parks and Recreation

As noted in Subtask 1-1, Parks and Recreation does not consistently identify or collect data points that allow for overall performance assessments.

In developing the Master Plan for Anderson Snow District Park, the County identified and assessed several data points for the park, such as the number of players in the Park’s athletic leagues, the number of and size of the baseball/softball fields and soccer fields, parking and access, playground conditions, and a community assessment of park conditions. All of this information was leveraged, along with community input from a Parks Needs Assessment, to develop the Anderson Snow Master Plan. This Master Plan does not reflect a larger data collection effort that allows for more comprehensive parks system performance analysis.

Parks and Recreation collects and reviews fee revenue related to parking passes, event and facility rentals, and athletic league fees. Based on management evaluation of revenue, County administration requested an audit of park finances, cash handling, and internal controls. The internal audit found that there were inconsistencies related to fee collection and appropriate fees being charged, which threatened the validity of the data that was being used. Based on the results of the internal audit, in combination with customer feedback about the complicated parking pass system, the Department updated its fee schedule to introduce a more efficient park pass process that allows customers to purchase a single parking pass for use at all beaches, boat ramps, dog parks, and trails.

The Department acknowledges that it is continuing to identify and collect data points that will allow for performance and cost evaluation.

### *Summary*

Hernando County regularly uses performance information and other criteria to assess capital improvement program performance. Public Works regularly captures, analyzes, and leverages data related to program performance and costs. Parks and Recreation, however, lacks comprehensive infrastructure condition assessments, such as regular assessments of facility condition, including greenspace, playgrounds, parking lots, and trails, that can be utilized to prioritize future capital improvement projects. Additionally, Parks and Recreation has inconsistent data capture processes, which has led to inconsistent assessment of program performance and cost. This is complicated by internal audit concerns around the accuracy of fee collection, as noted in Subtask 1-3 below. Therefore, we determined Subtask 1-2 is partially met.

### **Subtask 1-3**

Our work revealed no issues or concerns related to review of findings and recommendations included in relevant internal or external reports on program performance and cost.

#### *Analysis Summary and Conclusion:*

[Subtask 1-3: Review findings and recommendations included in any relevant internal or external reports on program performance and cost.](#)

To address the requirements of this subtask, M&J reviewed FDOT evaluation reports of County transportation projects, as well as the results of an internal audit of the Parks and Recreation contract compliance and financial control environment.

M&J also examined the 2019, 2020, and 2021 Annual Comprehensive Financial Reports for Hernando County and noted that the auditor found no concerns with internal controls over compliance, nor other significant deficiencies or material weaknesses.

#### *Public Works*

M&J reviewed three years of Construction Contract Compliance Administrative Reviews, conducted for the Local Agency Program (LAP) administered by FDOT. We examined reviews conducted in 2019, 2020, and 2021. Pursuant to the reports associated with these reviews, the purpose of the review is to: “conduct an in-depth review of the Federal-Aid LAP projects to determine if Equal Employment Opportunity (EEO) Contract Administration procedures are being administered by the Project Administrator (PA) and resident Compliance Specialist in accordance with FHWA1273, FDOT Equal Opportunity Contract Compliance Manual, and the Local Agency Program Manual.”

In summary, issues were noted related to timely completion of tasks, as well as date stamping documents to document receipt date. The results of each review are detailed in **Figure 1-H**.

**Figure 1-H: Hernando County Construction Contract Noncompliance M&J Summary**

2021		
Section	Compliance Area	Corrective Action
<b>Process and File Organization:</b> General Project Oversight	Compliance related documents have a receipt date.	Hernando County needs to date stamp the received date on labor interviews.
<b>Process and File Organization:</b> Non-Compliance	Timely issuance of non-compliance communications in accordance with the schedule outlined in the compliance manual.	Hernando County needs to note why no Notice of Noncompliance (NNC) was issued.
<b>DBE:</b> Commercially Useful Function (CUF)	Timely completion of CUF Disadvantaged Business Enterprise (DBE) Monitoring Report.	Hernando County shall request payroll and invoices to complete CUF package that includes dailies.
<b>Wages:</b> Payroll Violations/Non-Compliance Communications	Hernando County issues noncompliance notices and payroll violations when required and in accordance with the Construction Project Administration Manual (CPAM).	Hernando County to issue Notice of Noncompliance (NNC).
2020		
Section	Compliance Area	Corrective Action
<b>EEO:</b> Subcontracts/TEA/Rental Agreements	The Notice of Rental Agreement is on file for all rentals (if required) and includes all approval signatures.	Hernando County needs to have all rental and lease agreements on file for applicable truckers.
<b>EEO:</b> Trucker Observations and Verifications	Appropriate follow up is taken in a timely manner if issues of non-compliance are identified in trucker observations and verifications.	Hernando County will need to request lease agreement.
<b>Wages:</b> Payroll	Payroll submittals are being tracked by Hernando County for timely submittal within seven days of the pay date.	Hernando County needs to track payroll submission.
<b>Process and File Organization:</b> Non-Compliance	Timely issuing non-compliance communications in accordance with the schedule outlined in the compliance manual.	Hernando County needs to track payroll submission. When submission is late, a Notice of Noncompliance needs to be delivered.
<b>Wages:</b> Payroll	Payroll submittals are being tracked by Hernando County for timely submittal within seven days of the pay date.	Hernando County needs to keep track of payroll submittals.
<b>Wages:</b> Payroll	Hernando County issues Notices of Noncompliance for payrolls not received in a timely fashion.	Notices of Noncompliance need to be sent out when payroll submissions are either not sent or sent late.
<b>Wages:</b> Payroll Violations/Non-Compliance Communications	Hernando County issues Notices of Noncompliance and payroll violations when required and in accordance with the CPAM.	Payrolls need to be submitted on time. When late, necessary correspondence needs to be made. As well, Notices of Noncompliance need to be issued when necessary.

Source: Hernando County Department of Public Works, M&J Analysis

FDOT also conducted a Quality Assurance Review of the LAP program in 2019 and identified two areas of concern. Both areas of concern relate to components of project timeframes. Specifically, FDOT noted that the number of days between FDOT’s Notice to Proceed (NTP) with the award, and the date that Hernando County advertised the job, was 50 days. This exceeds the FDOT standard of 30 days or less.

FDOT also noted that the number of days from contract end date to final invoice exceeded the FDOT standard of 120 days. FDOT found that the selected project had a gap of 200 days between contract end date and final invoice.

#### *Parks and Recreation*

Parks and Recreation was the subject of an internal audit, which was completed in August of 2020.

The internal audit, which was requested by County administration, focused on contract compliance and the financial control environment. As stated in the executive summary, the purpose of the audit was to: “provide management with some level of assurance that the department’s internal controls for the collection and recording of fees and the administration of contracts were adequate.”

The audit identified opportunities for improvement for both contract compliance and financial controls, resulting in multiple recommendations. Discussion points and recommendations are summarized in **Figure 1-1**.

**Figure 1-I: Summary – Parks and Recreation Internal Audit Discussion Points**

M&J Summary – Parks and Recreation Internal Audit Discussion Points		
	Summary Review Findings	Summary Recommendations
<b>Discussion Point 1: Financial Transactions</b>	<ul style="list-style-type: none"> <li>• Fees for annual parking passes, facility rentals, and advertising are not consistently collected</li> <li>• Contractual terms for in-house programs are not consistently enforced</li> <li>• Fees for Summer Camp campers are not consistently collected, and refunds were issued when not permissible</li> <li>• There are accounting irregularities that result in the misstatement of revenue</li> </ul>	<ul style="list-style-type: none"> <li>• Management should implement prevention and detection controls to ensure staff members collect correct fees</li> <li>• Only authorized personnel should be able to change the fee amount</li> <li>• Reconciliations of the various accounts should be performed monthly</li> <li>• Payment verification for cars entering the park should be implemented</li> </ul>
<b>Discussion Point 2: Recordkeeping</b>	<p>Various records were reviewed. These include contracts, Insurance Certificates, Camp Registration Forms, Rental Applications, Sign advertising agreements, Standard Operating Procedures, and Job Descriptions.</p> <ul style="list-style-type: none"> <li>• A number of program contracts did not comply with County Ordinances; the noncompliant contracts were authorized by department personnel</li> <li>• There are instances where insurance coverage did not comply with the contractual requirements</li> <li>• There are instances where in-house program attendee's registration forms are not complete or signed</li> <li>• Sign Advertisement Agreements were not on file for some accounts. For those that were, some were not signed, and several were expired</li> <li>• Several Parks and Recreation policies and procedures have not been updated since 2005. As well, some policies and procedures were not signed by management</li> </ul>	<ul style="list-style-type: none"> <li>• The execution and drafting of contracts should be coordinated with the County Attorney's Office and the Purchasing and Contracts Department</li> <li>• Parks and Recreation should coordinate with the Risk Management department to obtain and track insurance that complies with the contractual terms</li> <li>• Hernando County should consider exclusively using online registration for all in-house programs</li> <li>• A process should be implemented to track Sign Advertising Agreements to identify when an agreement is approaching its expiration date</li> <li>• To strengthen the record keeping process, management should consider implementing an independent document review process</li> </ul>
<b>Discussion Point 3: Network and Physical Security</b>	<p>Network and physical security measures implemented by the Parks and Recreation department were reviewed. MaxGalaxy software was reviewed for implementation effectiveness and system access rights.</p> <ul style="list-style-type: none"> <li>• The team found that all staff had the ability to change their own access rights and to modify the rate structure</li> <li>• Staff login information was discovered to be posted to a shared workspace</li> <li>• Physical keys are adequately kept and secured</li> <li>• Cash assets are not secured with dual control</li> </ul>	<ul style="list-style-type: none"> <li>• Administrator rights to MaxGalaxy should only be given to the Information Technology Department</li> <li>• Technology access rights should be based on the "Principle of Least Privilege"</li> <li>• Proper network and computer security protocol should periodically be reviewed with staff members</li> <li>• Cash handling training should be provided to the staff and staff should be told to lock their cash drawers during breaks</li> </ul>

Source: Hernando County Parks and Recreation Department, M&J Analysis

### Summary

M&J reviewed the results of reports from both internal and external sources. The result of the Parks and Recreation Department Contract Compliance and Financial Control Environment audit report constitutes findings and recommendations from a relevant internal report, in addition to the areas of concern noted in the external reviews completed for FDOT-funded projects. The programs are regularly assessed by both internal and external sources, and management is proactively reviewing programs to identify potential areas of concerns. Therefore, we determined Subtask 1-3 is met. M&J will assess the County's action related to these findings in Subtask 1-4.

### Subtask 1-4

Our work revealed no issues or concerns related to reasonable and timely actions by program administrators to address and deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc.

#### Analysis Summary and Conclusion:

Subtask 1-4: Determine whether program administrators have taken reasonable and timely actions to address any deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc.

To address the requirements of this subtask, M&J reviewed management responses and proposed corrective actions found in the internal and external reports and associated communications. M&J also conducted interviews with County staff to understand the actions taken to implement the recommendations from the reports discussed in Subtask 1-3.

M&J first assessed the timeliness of the County's responses. **Figure 1-J** summarizes the initial finding date and the management response date. M&J found that all initial responses were within appropriate timeframes.

**Figure 1-J: FDOT Compliance Report Response Time**

FDOT Date of Initial Report	Hernando County Date of initial Management Response	Elapsed Time
2/1/2021	2/16/2021	15 days
9/17/2020	10/1/2020	14 days
7/27/2020	8/3/2020	7 days

Source: Hernando County, M&J Analysis

M&J then assessed the actions taken by Hernando County to address the recommendations or findings identified in the reports. Hernando County took several corrective actions to resolve the issues noted in the FDOT reports. **Figure 1-K** summarizes the recommendations made by FDOT, and Hernando County's actions or response from management to address those recommendations. In addition, as noted in the table, Hernando County noted that one of the areas of noncompliance was based on a misunderstanding of how the form should be completed.



**Figure 1-K: Summary of MTN Resources (Third-Party FDOT Vendor) Audit  
of the Department of Public Works**

Report Name and Year	Area of Finding	Finding/Recommendation	Management Response
<b>2021 - Westside Elementary</b>	Process and File Organization: General Project Oversight	Hernando County needs to date stamp the receive dates on labor interviews.	A follow up email to the Prime Contractor will be issued outlining EEO deadlines for the specific project after the preconstruction meeting. The Residential Compliance Specialist (RCS) will only issue one email warning for untimely submittals which will be followed by an official NNC and progress through the NNC process to ensure timely submittal of documents.
	Process and File Organization: Non-Compliance	Notices of Non-Compliance are not being sent out for late payroll submittals. Hernando County needs to note why no NNC was submitted and issue NNCs for late submittals.	
	Commercially Useful Function (CUF)	No payroll or CUF on file for Unlimited Turf. Hernando County needs to request payroll and invoices to complete the CUF package.	
	Wages: Payroll Violations/Non-Compliance Communications	No NNC was issued for late payroll submittals. Hernando County needs to submit NNCs for late payroll submittals.	
	EEO: Subcontracts/TEA/Rental Agreements	Rental and Lease agreements not on file for truckers observed hauling for JMJ Hauling. No Recommendation.	
<b>2020 - Explorer K8 School</b>	EEO: Trucker Observations and Verifications	No payroll on file for Fernandez Trucking. No lease or Rental Agreement on file either. Need to request a lease agreement for Volqueto Trucking.	Additional training with the Construction Engineering Inspector has occurred. Rental and lease agreements were not required for these specific trucking activities since these activities were done off site and not within project limits. The Resident Compliance Specialist has reviewed DBE requirements and shared training materials with the inspector on site.
	Wages: Payroll	Payroll not submitted for onsite trucking observed 5/22/20. No recommendation.	

Report Name and Year	Area of Finding	Finding/Recommendation	Management Response
<b>2020 - JD Floyd Elementary School</b>	Process and File Organization: Non-Compliance	Payrolls are received late with no correspondence and no NNC.	The County Resident Compliance Specialist is reviewing daily work reports from the Engineering Specialist. The RCS has reviewed best practices to correct the lapse in communications regarding payroll submittals. Additional staff are undergoing EEO compliance training. Proactive calendar reminders will be used to ensure payroll due dates are kept. More detail and consideration will be given to projects requiring compliance review.
	Wages: Payroll	Payrolls are received late with no correspondence and no NNC.	
	Wages: Payroll	Payrolls are received late with no correspondence and no NNC.	
	Wages: Payroll Violations/Non-Compliance Communications	Payrolls are received late with no correspondence and no NNC.	

*Source: Hernando County Department of Public Works, M&J Analysis*

Parks and Recreation was also the subject of an internal audit. **Figure 1-L** summarizes the recommendations and management’s response.

**Figure 1-L: Parks and Recreation Department Audit Summary**

Summary of Issues and Recommendations	Summary Management Response
<p><b>Discussion Point 1:</b> Prevention and detection controls should be implemented to ensure correct collection of fees for rentals, parking passes, and camper fees. A policy needs to be put into place regarding fees charged to non-profit organizations. As well, account reconciliations should be performed in order to avoid accounting irregularities resulting in revenue misstatements.</p>	<p>Staff will draft a policy for Board of County Commissioners to approve a rental rate for nonprofit organizations. Training will be given to staff regarding contract and rental management. Proper segregation of duties will be addressed. Financial duties will be transferred to a position under the supervision of the Office of Management and Budget. Standard Operating Procedures will be updated to reflect updated procedures. Staff will reconcile all accounts receivables on a monthly basis. Reviews of daily work submitted to Finance Services will be periodically carried out by Management.</p>
<p><b>Discussion Point 2:</b> In order to make sure program contracts comply with County Ordinances, drafting of contracts should be coordinated with the County Attorney's Office and the Purchasing and Contracts Department. The Parks and Recreation Department should coordinate with the Risk Management Department to ensure that Certificates of Insurance comply with contractual terms of contracts. To ensure that Camp registration and forms are properly completed and submitted, Management should consider exclusively using the online registration feature provided by MaxGalaxy. Sign advertisement agreements should be tracked to ensure that expiration dates are being kept up with.</p>	<p>A full review of advertising contracts, procedures, and compliance will occur each month. Staff will create templates for all contracts and agreements. Final review will be completed by the County Attorney's Office. The Board of County Commissioners will determine signature authorization for each level of contract/agreement. A system for collection, verification, and maintenance of Certificates of Insurance will be developed with the Risk Management Department. Staff who manage contracts/agreements will be given training to ensure understanding of paperwork and the importance of adhering to contract terms.</p>
<p><b>Discussion Point 3:</b> System administrative rights should be transferred to the Information Technology (IT) Department and the Parks and Recreation Department should work with the IT Department to identify screens necessary for each of the user groups. Proper network and computer security procedures should be reviewed by staff members with the IT Department to ensure proper training. Cash handling training should be provided for all staff that handle cash on a regular basis. A system of dual control should be considered to allow for safe access of cash assets. Also, staff should be instructed to secure their cash drawer during breaks.</p>	<p>Staff will work with IT, Financial Services, and MaxGalaxy to fully utilize registration and payment abilities of the MaxGalaxy software. A review will be conducted with IT and Financial Services to determine proper system access rights. Training will be conducted with all staff to ensure proper network and computer security training. Annual cash handling training will be provided to staff. Staff will begin review of dual control system at all venues to minimize risk and ensure safety.</p>

*Source: Hernando County Parks and Recreation, M&J Analysis*

As a result of the internal audit, the County took personnel actions to remedy the identified issues, including termination of one staff and demotion of another staff who were involved in or responsible for overseeing the identified functions.

M&J conducted an interview with the new Community Services Director who is responsible for Parks and Recreation, as well as the Finance and Budget Technician responsible for Parks and Recreation financial management and oversight. In addition to these positions, there is also a newly promoted Operations Manager responsible for overseeing the day-to-day operations of all the parks.

The Finance and Budget Technician is a new position, located in the Office of Management and Budget, and does not report to the Community Services Director or the Parks and Recreation Operation Manager.

The Finance and Budget Technician is responsible for assisting all Community Services Departments, including Parks and Recreation, with all of their financial transactions. This includes requisitions, invoices, purchasing card management, as well as budget preparation and oversight. Parks and Recreation has an internal administrative staff member who assists with paying small-value invoices; all transactions must also be reviewed by the Finance and Budget Technician.

The Parks and Recreation Department also updated its fee schedule, removing the variable fees for various types of parking passes, and introduced a comprehensive parking pass that allows access to parks, trails, boat ramps, and other areas with parking fees.

#### *Summary*

Hernando County has taken timely and reasonable action to address deficiencies identified in internal and external audit reports. Therefore, we determined Subtask 1-4 is met.

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### **Subtask 1-5**

#### *Condition:*

The County regularly reviews program performance and costs related to capital projects as well as Department of Public Works programs. Public Works uses industry standards for practices as well as performance evaluation.

There are innovative practices implemented in Public Works, Parks and Recreation, and in capital project management.

Between the 2010 and 2020 census, Hernando County's population has grown 12.58 percent. As Parks and Recreation has not prioritized data collection for performance assessments over the past two years, it could not fully assess its performance. In assessing Parks and Recreation's performance against industry benchmarks, system performance lags behind median performance standards.

#### *Cause:*

The County has not consistently and strategically used data to assess performance to drive decision making for investment and development of parks and recreation areas.

#### *Effect:*

Parks and Recreation performance lags behind industry standards and median benchmarks for Parks and Recreation Departments for jurisdictions with similar populations.

#### *Criteria:*

M&J evaluated Hernando County Parks and Recreation capital asset and infrastructure statistics and compared them to industry standards published by the NRPA.

#### *Recommendation 1-5*

Parks and Recreation should develop comprehensive key performance indicators and performance measures that align with industry benchmarks and data collection standards.

## Analysis Summary and Conclusion:

### Subtask 1-5: Evaluate program performance and cost based on reasonable measures, including best practices.

Subtask 1-5 is closely related to Subtasks 1-1 and 1-2. For Parks and Recreation, M&J found these tasks to be partially met due to the lack of performance data collection as well as the lack of use of data to assess program performance and cost.

To address the requirements of this subtask, M&J examined evidence of the use of leading and innovative practices that help ensure program performance and costs are considerations in project design and implementation.

#### *Capital Improvement Projects*

Vendor Performance Evaluation forms are a valuable tool to ensure the County is receiving quality performance and appropriate costs for all procured capital improvement projects. These forms are filled out by Department staff with knowledge of the contractor's performance and cost at the completion of each contract. Evaluation of contractor performance and cost against contract deliverables, as well as providing an assessment of whether or not the contractor would be recommended for future contracts with the County is a reasonable performance measure, as well as an indicator of cost evaluation.

The County has also hired a Construction Project Coordinator who is part of County Administration and can provide consistent oversight and project management to ensure that construction projects meet performance and cost objectives.

#### *Public Works*

For Public Works, M&J assessed current performance data to assess whether or not the County is utilizing leading practices and innovative efforts to manage program performance and costs.

For projects on the CIP, the Public Works Department utilizes full sealed bid procurement to ensure competitive pricing. Currently, projects are designed to 60 percent complete, and then right-of-way for land access is acquired where applicable. Once right-of-way has been acquired, the design is completed. This decision to complete design after right-of-way acquisition ensures that the design aligns with the actual available right-of-way and does not require additional redesign or modification to reflect the right-of-way that was actually acquired. This is a leading practice designed to minimize design costs and ensure that projects go forward as designed, scoped, and budgeted.

Public Works' development of the Bid Tab Evaluator also provides strong cost evaluation, and ensures that the County is assessing bids against comparable project scope and cost. Additional assessment of recent project timeliness and cost is found in Subtask 1-6. Sampled County projects were found to be completed on time and within budget, or with adequate supporting documentation for any change orders.

The Pavement Condition Index, as detailed in Subtask 1-2, is the industry standard for assessment and objective prioritization of rehabilitation projects based on deterioration and condition. Public Works reviews changes in scores over time to understand the deterioration rate for roadways and to help prioritize needed repaving or remediation efforts to help extend the life of roadways. The Department of Public Works prioritizes projects based on lower PCI scoring. Hernando County also partners with a

number of agencies to help ensure program costs are appropriate and that the proposed utilization of funds maximizes the value of taxpayer dollars. The County regularly reviews projects to assess how they may be either performed in cooperation with other local governments, or FDOT. The County has a grant strategy to maximize the use of local dollars as match funds for state and federal transportation funding opportunities. The County estimates that it will be able to leverage proposed surtax funding as local match funding used to obtain additional grant funds.

*Parks and Recreation*

For Parks and Recreation, M&J leveraged NRPA performance metrics to assess performance based on available County data indicators. M&J also considered leading and innovative practices for program performance and delivery.

The use of score cards to allow residents to participate in park assessment and feedback is an innovative practice that encourages residents to visit the parks and increases community awareness about resources, while providing the County with community perspectives on park conditions and needs. Responses collected through the score card program reflects general satisfaction with the included parks, but that there were areas of needed maintenance, including bathroom facilities and playgrounds.

NRPA provides an annual agency performance review, which collects data from a number of parks and recreation departments from across the country. Using this information, NRPA is able to establish some baseline benchmarks for governments to compare their operations with comparable peers.

As noted in Subtask 1-2, Parks and Recreation has limited data collection currently. In addition, Hernando County’s geography means that some of its facilities, such as beaches, are not as easily compared, as only 22 percent of all parks and recreation departments across the nation manage beaches.

NRPA data is predominantly compared using either jurisdiction population or using population density. Based on 2020 census data, M&J used 194,515 for Hernando County’s population and a population density of 411.3 residents per square mile. **Figure 1-M** illustrates how Hernando County compares to median benchmarks for comparably-populated jurisdictions, with red cells indicating under-performance, and green indicating comparable performance. Overall, Hernando County is underperforming relative to peer organization median performance.

**Figure 1-M: Hernando County Parks and Recreation Comparison with NRPA Benchmarks**

Hernando County Parks and Recreation Comparison with NRPA Benchmarks		
Metric	Median	Hernando County
Residents per Park	3,170	9,725.75
Acres of Parkland per 1,000 Residents	8.9	1.55
Median Number of Residents per Playground	4,936	16,209.58
Miles of Trails	27	30.00

Source: M&J Analysis

*Summary:*

Based on documents examined and analysis performed, Public Works and capital improvement projects evaluate program performance and cost based on reasonable measures, including leading practices. Parks and Recreation has not collected data that can be consistently evaluated against industry standards. An analysis of available data found that overall, Hernando County lags behind benchmarked performance for comparably sized parks and recreation departments. Therefore, we determined Subtask 1-5 is partially met.

## Subtask 1-6

Our work revealed no concerns with the cost, timing, and quality of current program efforts based on a reasonably sized sample of projects.

*Analysis Summary and Conclusion:*

Subtask 1-6: Evaluate the cost, timing, and quality of current program efforts based on a reasonably sized sample of projects to determine whether they were of reasonable cost and completed well, on time, and within budget.

To address the requirements of this subtask, M&J selected completed projects for review from a master projects list. Sampled projects included both Public Works and Parks and Recreation projects. We reviewed the completed projects and compared the project type to those included for use with proposed surtax revenue, such as paving, sidewalks, or parks infrastructure replacement or improvements. We haphazardly selected samples of projects that were of comparable project types. Testing procedures for the sampled projects included reviewing for the following:

- Inclusion of a completed Contractor Rating Sheet
- Comparison of final price relative to initial contracted amount
- Contract start and end dates
- Documentation of applicable review and approval process for final payment recommendation
- Adequate overview of all applicable change orders

For projects that exceeded the initial contract amount, we reviewed the overage to assess if adequate justification was provided to support the change orders or additional scope. **Figure 1-N** summarizes the results of our testing. We also reviewed completed projects to understand if the work was substantially completed within the agreed-upon timeframe. Hernando County contracts include retainage clauses, in which Hernando County withholds an agreed-upon dollar amount for each day the work extends beyond the agreed-upon substantial completion date. For projects that exceeded the agreed-upon timeframe, we reviewed for adequate change orders or related documentation to support any project timeline extensions.

**Figure 1-N: Hernando County Project Testing Report**

Project	Dept	Contractor	Contract Start Date	Actual End Date	Completed Contractor Rating Sheet?	Initial Contract Award Amount :	Final Contract Amount:	Variance	Notes:
Lonnie Coburn Re-roof and Bathroom Improvements	Parks and Recreation Department	Seggie Custom Builders, LLC	10/29/2021	12/17/2021	Yes	\$ 53,842.11	\$ 66,421.48	\$ (12,579.37)	Change order added additional work
Snow Hill Road and Jones Road Resurfacing	Department of Public Works	Goodwin Bros. Construction, Inc.	3/15/2021	5/28/2021	Yes	\$ 468,817.87	\$ 450,670.90	\$ 18,146.97	
Asphalt Paving of Marsh Wren Avenue, Piping Plover Avenue, and Nordica Road-MSBU	Department of Public Works	Goodwin Bros. Construction, Inc.	5/20/2019	8/14/2019	Yes	\$ 523,455.19	\$ 520,747.92	\$ 2,707.27	
Barnevelde Road and Ruffed Grouse Road Surface Treatment	Department of Public Works	Goodwin Bros. Construction, Inc.	6/29/2019	11/9/2019	Yes	\$ 997,038.74	\$ 970,899.45	\$ 26,139.29	
Explorer K-8 Sidewalk - LAP	Department of Public Works	Florida Safety Contractors, Inc.	5/4/2020	10/28/2020	Yes	\$ 945,817.40	\$ 861,669.65	\$ 84,147.75	No-cost extension due to bad weather
Bayou Drive Shoulder Repair	Department of Public Works	Right of Way Contracting, LLC	6/8/2020	9/26/2020	Yes	\$ 448,294.73	\$ 598,796.41	\$ (150,501.68)	Additional labor & materials needed due to weather-related damage

Source: Hernando County, M&J Analysis

*Summary:*

Based on M&J’s testing, the sampled projects were either completed within budget, or had justifiable explanation to support the change orders for additional cost. All projects were completed within reasonable timeframes, based on contract terms, or had accompanying detail to support any variance from initially projected completion date. Therefore, we determined Subtask 1-6 is met.

**Subtask 1-7**

Our work revealed no issues or concerns related to the County’s establishment of written policies and procedures to take advantage of competitive procurement, volume discounts, and special pricing agreements.

*Analysis Summary and Conclusion:*

Subtask 1-7: Determine whether the County has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.

To address the requirements of this subtask, M&J examined the County’s Purchasing and Policies and Procedures Manual, spoke with staff in the County’s Office of Management and Budget, and interviewed end-user department staff about the procurement processes they have historically used for capital improvement projects to ensure that practice complies with written policies and procedures.

Hernando County Purchasing Policies and Procedures Manual clearly outlines the objectives of the manual, which includes “to purchase goods and services at the lowest price, consistent with quality, performance, and delivery requirements from capable suppliers meeting the County’s requirements.”



All procurements with an awarded value of more than \$35,000, known as the Advertised Bid Requirement (ABR) are required to go before the Board of County Commissioners for review and approval of any sealed bids. For common construction service types, the County has also established a pre-qualified contractor list for service categories. For projects that have an estimated cost of less than \$200,000 the County can choose to utilize the pre-qualified contractor list to solicit sealed bids.

County policy requires a determination of whether the requested items and/or services may be obtained through an existing County contract, a State of Florida contract, or other competitive agency contracts.

The County policy also allows for the utilization of other local government and of statewide contracts where it is most advantageous for the County. Section VI Procedure No. 140I of the Manual designates when the County may use cooperative purchasing and piggyback contracting to solicit products and services. The Chief Procurement Officer is authorized to purchase from or join other units of government in cooperating purchasing. Hernando County may also leverage piggybacking, or using a previously competitively bid and awarded contract made by another government agency to purchase the same product or service. In our review of procurement activity documented in Board of County Commissioner meeting minutes, we noted several instances of utilization of piggybacking on existing contracts for the purchase of comparable goods and services.

Section VI of Procedure No. 140I also provides for the potential of combining the respective requirements of several governmental agencies for certain commodities and issuing a joint cooperative bid/RFP. All piggyback agreements that exceed the ABR must still go before the Board of County Commissioners.

The Manual clearly outline the means for ensuring for maximizing the use of competitive procurements, volume discounts, and special pricing agreements. Therefore, we determined Subtask 1-7 is met.

## C. Audit Issue #2: The structure or design of the program to accomplish its goals and objectives

### The structure or design of the program to accomplish its goals and objectives

**Finding Summary** – Overall, Hernando County meets Audit Issue #2. This finding is based on M&J assessment of provided data and information gathered in interviews. Our assessment found that the Departments of Public Works and Parks and Recreation maintain defined organizational structures that have clear lines of authority, defined roles, and minimize overlapping roles and administration. Current staffing appears reasonable given the nature of the services provided and program workload.

#### Subtask 2-1

Our work revealed no issues or concerns related to the program organizational structure to ensure the program has clearly defined units, minimizes overlapping functions and excessive administrative layers, and has lines of authority that minimize administrative costs.

Analysis Summary and Conclusion:

Subtask 2-1: Review program organizational structure to ensure the program has clearly defined units, minimizes overlapping functions and excessive administrative layers, and has lines of authority that minimize administrative costs.

To address the requirements of Subtask 2-1, M&J leveraged County-provided information, interview notes, current organizational and staffing information, and leading practice information.

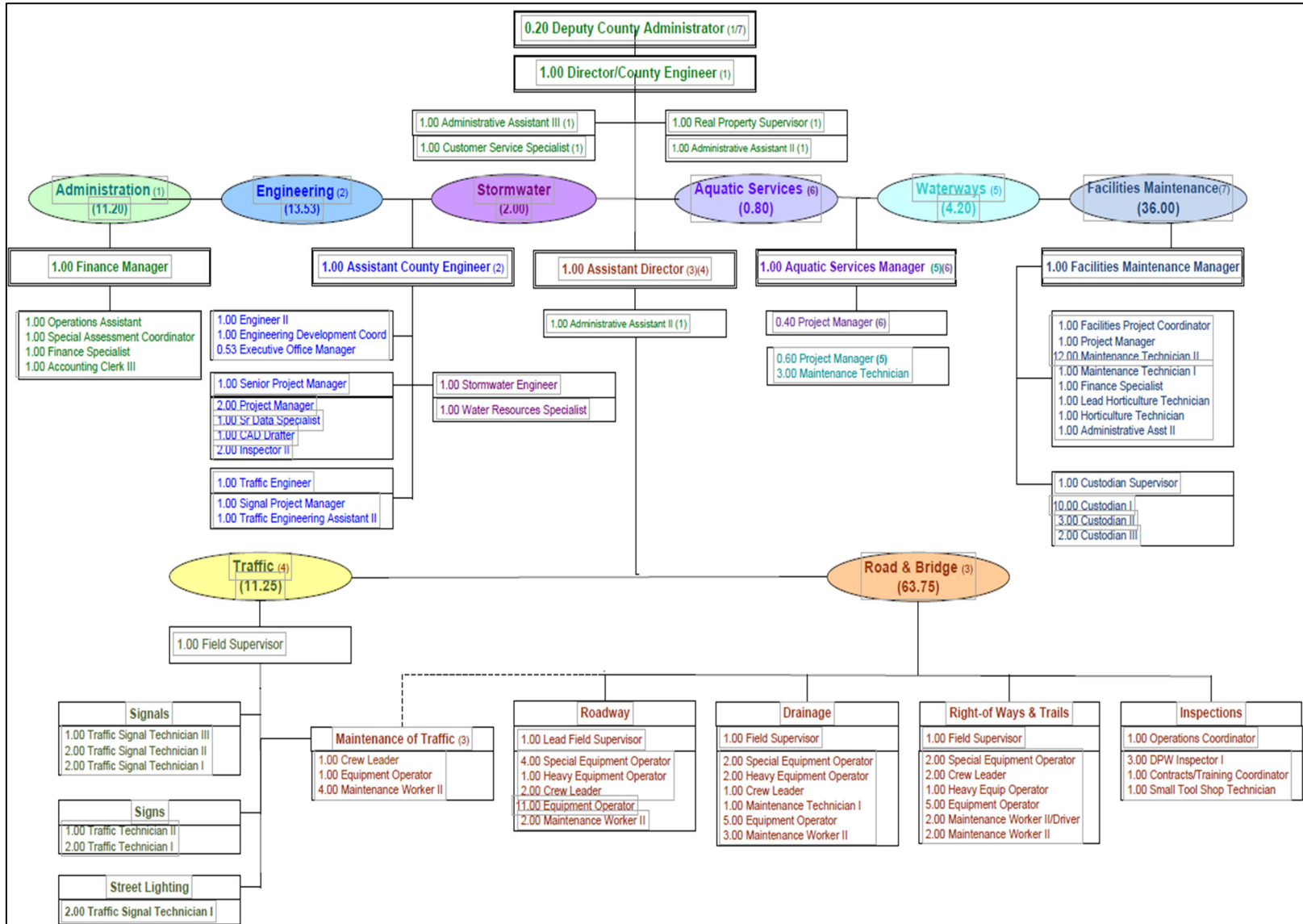
#### *Public Works*

The Department of Public Works' current organization consists of a Department Director/County Engineer, an Assistant Director, and the following eight functional divisions staffed at varying levels:

- Administration
- Engineering
- Stormwater
- Aquatic Services
- Waterways
- Facilities Maintenance
- Traffic
- Road and Bridge

The Department of Public Works reports up through the Deputy County Administrator who reports directly to the County Administrator. **Figure 2-A** shows the Department's current organizational structure.

**Figure 2-A: Department of Public Works 2022 Organization Chart**



Source: Hernando County Department of Public Works

The Department of Public Works’ organizational chart consists of 142.73 positions, of which 11.2 or 7.8 percent of the positions are administrative in nature. Average administrative rates typically range between 20 to 25 percent for governments. The Department of Public Works’ administrative percentage of 7.8 percent is a relatively low ratio of indirect to direct support positions and does not indicate any excessive administration.

The Department of Public Works’ current organization also shows span of control within typical ranges. Span of control represents the “number of heads” as opposed to the “number of full-time positions.” There are numerous benchmarks on effective or optimal span of control which all vary based on the position type, position types being overseen, and complexity of the work. According to 2020 benchmark information from the Society for Human Resource Management, the average span of control across organizations is 7:1 for executive management and 16:1 for middle management. Span of control ratios

typically increase with oversight positions lower in an organization because the tasks generally are more rote in nature.

The Department Director/Engineer has five direct reports (Assistant Director, Finance Manager, Assistant County Engineer, Aquatic Services Manager, and Facilities Maintenance Manager) plus four administrative/support positions. Given the fact that four positions are administrative in nature, this span of control seems appropriate and does not indicate unnecessary administrative layers.

The Department of Public Works maintains formal job descriptions for positions within the organizational chart that include the following categories:

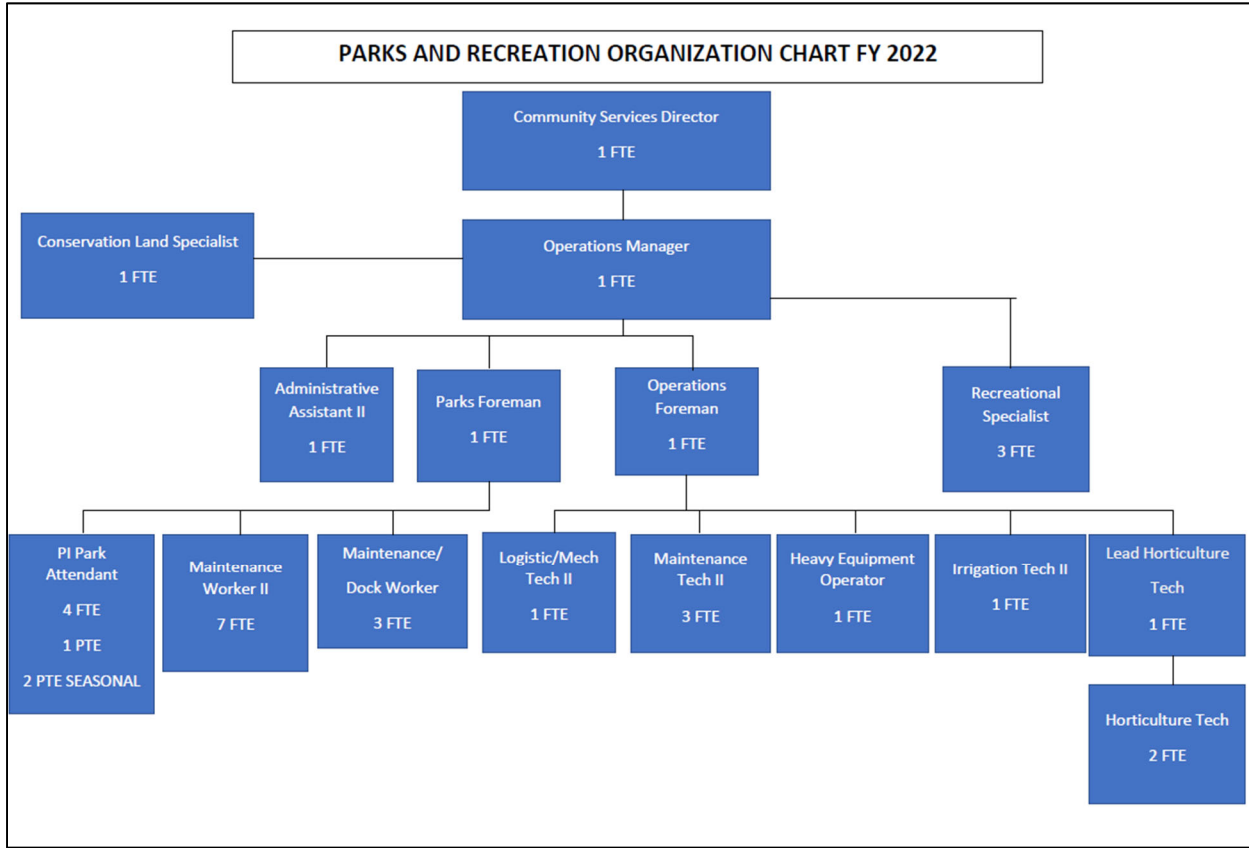
- Job Description
- Essential Job Functions
- Job Standards
- Equipment Used
- Critical Expertise to Perform Essential Functions
- Essential Physical Skills
- Environmental Conditions
- Marginal/Secondary Job Functions

The job descriptions were relatively current as they were updated between 2020 and 2021.

#### *Parks and Recreation*

The Parks and Recreation Department consists of a departmental Operations Manager, a Conservation Land Specialist, three Recreation Specialists, multiple trade and maintenance positions, and an administrative position. The Parks and Recreation Department reports up through the Community Services Director (who support the Department and four other County departments) who reports directly to the County Administrator. **Figure 2-B** shows the Department's current organizational structure.

**Figure 2-B: Parks and Recreation Department’s 2022 Organization Chart**



*Source: Hernando County Parks and Recreation Department*

The Parks and Recreation Department’s organizational chart consists of 35 positions, of which one, or 2.9 percent of the positions are administrative in nature. Average administrative rates typically range between 20 to 25 percent for governments. The Parks and Recreation Department’s administrative percentage of 2.9 percent is a relatively low ratio of indirect to direct support positions and does not indicate any excessive administration.

The Operations Manager has six direct reports plus one administrative support position. This span of control seems appropriate and does not indicate unnecessary administrative layers.

The Parks and Recreation Department maintains formal job descriptions for positions within the organizational chart that include the following categories:

- Job Description
- Essential Job Functions
- Job Standards
- Equipment Used
- Critical Expertise to Perform Essential Functions
- Essential Physical Skills
- Environmental Conditions
- Marginal/Secondary Job Functions

The job descriptions were relatively current as they were updated between 2019 and 2022.

### Summary

Both the Department of Public Works and the Parks and Recreation Department maintain current organizational structures that have clear lines of authority, defined roles, and minimize overlapping roles and administration. Therefore, we determined that Subtask 2-1 is met.

## Subtask 2-2

Our work revealed no issues or concerns related to the reasonableness of current program staffing levels given the nature of the services provided and program workload.

### Analysis Summary and Conclusion:

Subtask 2-2: Assess the reasonableness of current program staffing levels given the nature of the services provided and program workload.

To address the requirements of Subtask 2-2, M&J leveraged interview notes, current organizational and staffing information, and County-provided information.

### Public Works

The Department of Public Works' current organization chart shows 142.73 authorized positions and has remained relatively consistent over the past three years. Currently, there are 11 unfilled positions which represents 7.7 percent of total authorized positions. **Figure 2-C** shows the Department's authorized positions over the past three years.

**Figure 2-C: Department of Public Works' 2020 – 2022 Authorized Position Count**

FY2020	FY2021	FY2022	FY2022 Vacant	FY2022 % Vacant
136	135.20	142.73	11	7.7%

Source: Hernando County Department of Public Works

The increase in positions from FY2021 to FY2022 was due to increases in positions (and partial positions) spread across Real Property, Engineering, Aquatic Services, Waterways, Traffic, and Administration functions.

The County also leverages outside contractors to supplement Public Works staffing when there are sustained staff shortages or other challenges to filling vacancies. If the proposed program surtax is approved, County leadership indicated during interviews that an additional project management position(s) within the Department would be needed likely to be funded through the County's Transportation Trust Fund.

### Parks and Recreation

The Parks and Recreation Department's current organization chart shows 32.7 authorized positions plus two authorized seasonal positions as needed. The Department's number of authorized positions have remained relatively consistent over the past three years. Currently, there are two unfilled positions which represents 6.1 percent of total authorized positions (not including the two seasonal positions). **Figure 2-D** shows the Parks and Recreation Department's authorized positions over the past three years.

**Figure 2-D: Department of Parks and Recreation’s 2020 – 2022 Authorized Position Count**

FY2020	FY2021	FY2022	FY2022 Vacant	FY2022 % Vacant
29.5	29.5	32.7	2	6.1%

*Source: Hernando County Parks and Recreation Department*

The increase in positions from FY2021 to FY2022 were due to increases in positions (and partial positions) spread across Maintenance positions and the addition of the Community Services Director.

If the proposed program surtax is approved, County leadership indicated during interviews that an additional project manager position(s) within the Department would be needed to manage the additional projects which would likely to be funded through the County’s General Fund.

*Summary*

Both the Department of Public Works and the Parks and Recreation Department maintain fairly consistent staffing levels in terms of authorized positions, and current position vacancy rates for both Departments are generally low. If the County’s proposed surtax passes, additional projects for both Departments will come online. Accordingly, the County should evaluate its current authorized position counts and potential use of contractors to determine if additional positions are needed and/or the increased use of contractors. Therefore, we determined that Subtask 2-2 is met.

## D. Audit Issue #3: Alternative methods of providing program services or products

### Alternative methods of providing program services or products

**Finding Summary** – Overall, Hernando County meets Audit Issue #3. This finding is based on M&J assessment of provided data and information gleaned from interviews. Our assessment found that Hernando County demonstrates the use of alternative service delivery methods and the assessment of external vendors. Hernando County regularly communicates with peer organizations to identify current service delivery models and the perceived pros and cons of each model to potentially alter operations in Hernando County. The County has not conducted any related formal feasibility assessments as listed in the audit objective, but has demonstrated the performance of informal assessments for determining alternative service delivery models through formal procurement evaluations, peer comparisons, and management’s understanding of various cost models.

#### Subtask 3-1

##### Condition:

Both the Department of Public Works and the Parks and Recreation Department utilize contracted/outsourced services for specific service provision when it makes economic sense, or when specific technical skills, manpower, and/or time are needed that are not maintained internally. The determination to contract/outsource certain services was not based on formal assessments or feasibility studies.

##### Cause:

The County has not performed any formal assessments or feasibility studies for the Department of Public Works nor the Parks and Recreation Department.

##### Effect:

The County does not understand or maintain documented financial and operational benefits and/or risks associated with using third-party vendors for all services being performed by third-party vendors.

##### Criteria:

Based on industry norms, the use and type of contracted/outsourced services appears reasonable. However, the County has not conducted any related formal feasibility assessments as listed in the audit objective to provide detailed expected financial and operational benefits and/or risks.

##### Recommendation 3-1:

The County should conduct formal assessments and/or feasibility studies that document expected financial and operational impacts when considering a service to be contracted/outsourced.



Analysis Summary and Conclusion:

Subtask 3-1: Determine whether program administrators have formally evaluated existing in-house services and activities to assess the feasibility of alternative methods of providing services, such as outside contracting and privatization, and determine the reasonableness of their conclusions.

To address the requirements of this subtask, M&J evaluated County-provided information, interview notes, third-party contracts, and agreements with public sector organizations to identify the evaluation of related in-house services and the feasibility of utilizing contracted/outsourced vendors.

*Public Works*

The Department of Public Works uses a variety of contract and outsourced services to perform specific departmental functions when the use of a third-party makes economic sense, or when specific technical skills, manpower, and/or time are needed that are not maintained internally.

The Department of Public Works has historically leveraged third-party vendors for specific services and **Figure 3-A** shows the current services that are outsourced by service type.

**Figure 3-A: Department of Public Works’ Current Contracted/Outsourced Services**

Service Type	Current Contracted/Outsourced Service
Construction	Roadway Construction
Construction	Stormwater Construction
Construction	Canal Dredging
Construction	Sidewalk Construction
<b>Engineering</b>	
Engineering	Fiber Optic Installation
Engineering	Pavement Condition Evaluation
Engineering	Surveying
Engineering	Appraisal Performance
Engineering	Land Acquisition
Engineering	Material Testing
Engineering	Water Sampling
Engineering	Construction Engineering and Inspections
Engineering	Engineering Planning
Engineering	Roadway Design
Engineering	Traffic Studies
Engineering	Gopher Tortoise Monitoring
Engineering	Plant Restoration/Monitoring
Engineering	Seagrass Mitigation
Engineering	Environmental Studies/Asbestos Testing
Engineering	Fiber Optic Installation
<b>Outdoor Maintenance</b>	
Outdoor Maintenance	Invasive Plant Removal
Outdoor Maintenance	Fence Installation
Outdoor Maintenance	Traffic Markings and Striping
Outdoor Maintenance	Tree Trimming and Removal

Service Type	Current Contracted/Outsourced Service
Outdoor Maintenance	Mowing
Outdoor Maintenance	Sod Installation
Outdoor Maintenance	Hydrograss Seeding
Outdoor Maintenance	Sidewalk Inspection/Repair
Outdoor Maintenance	Handrail Maintenance/Repair/Installation
Outdoor Maintenance	HOA Sprinkler Inspection/Repair
Outdoor Maintenance	Street Sweeping
Facilities/Property Maintenance	Fire Extinguisher Certification and Inspection
Facilities/Property Maintenance	Termite Inspection/Treatment
Facilities/Property Maintenance	Pest Control
Facilities/Property Maintenance	Fire Alarm Monitoring
Facilities/Property Maintenance	Generator Maintenance Agreement

*Source: Hernando County Department of Public Works*

The contracted/outsourced services shown in **Figure 3-A** are generally common types of services for Public Works departments to utilize third-party vendors for service provision based on industry norms.

The Department of Public Works also leverages agreements with other public sector organizations to construct or modify roadways enhancing the safety, longevity, and efficiency of the County’s transportation infrastructure. In recent years, the County has entered into agreements with FDOT, Southwest Florida Water Management District, and Pasco County for roadway improvement projects where the County funds a portion of the project. Many of the agreements with FDOT allow for state funds to be the primary funding source. **Figure 3-B** shows an example of the project budget from an agreement between the County and FDOT for a roadway and drainage construction project. For this particular project (Project Name: *SR50 from Windmere Road/Bronson Boulevard to US98/McKethan Road*), the County is responsible for funding \$69,000 out of a total estimated project cost of \$27.8M.

**Figure 3-B: Sample Project Budget from Combined County and FDOT Project**

<b>EXHIBIT "A"</b>	
<b>PROJECT BUDGET</b>	
This exhibit forms an integral part of that certain Locally Funded Agreement between the State of Florida, Department of Transportation and Hernando County, dated _____, 2018.	
I.	TOTAL ESTIMATED COST..... \$ 27,826,782.00
II.	PROJECT PARTICIPATION
	State .....\$ 27,757,782.00
	Federal.....\$ 0.00
	Local Funds.....\$ 69,000.00
III.	PROJECT funds are subject to legislative appropriation of available funds.

*Source: Hernando County Department of Public Works*

*Parks and Recreation*

Based on interviews with County leadership, the Parks and Recreation Department uses contract and outsourced services to perform specific departmental functions when the use of a third-party makes economic sense, or when specific technical skills, manpower, and/or time are needed that are not maintained internally.

The Parks and Recreation Department has historically leveraged third-party vendors for specific services and **Figure 3-C** shows the current services that are outsourced by service type.

**Figure 3-C: Parks and Recreation Department’s Current Contracted/Outsourced Services**

Service Type	Current Contracted/Outsourced Service
<b>Outdoor Maintenance</b>	Garbage Collection
<b>Outdoor Maintenance</b>	Mowing
<b>Outdoor Maintenance</b>	Pest Control
<b>Outdoor Maintenance</b>	Invasive Plant Management
<b>Technical</b>	Water Tank Inspections
<b>Technical</b>	Fire Extinguisher and Hood Inspections
<b>Operations</b>	Staffing (at specific facilities)

*Source: Hernando County Parks and Recreation Department*

The contracted/outsourced services shown in **Figure 3-C** are generally common types of services for Parks and Recreation departments to utilize third-party vendors for service provision.

### Summary

Both the Department of Public Works and the Parks and Recreation Department utilize contracted/outsourced services for specific service provision when it makes economic sense, or when specific technical skills, manpower, and/or time are needed that are not maintained internally. The Department of Public Works actively pursues and leverages organizations external to the County to help fund transportation projects. Based on industry norms, the use and type of contracted/outsourced services appears reasonable, and the use of outside funds for transportation projects is a common practice and good for the County. The County has not conducted any related formal feasibility assessments as listed in the audit objective, but has demonstrated the performance of informal assessments for determining alternative service delivery models through formal procurement evaluations, peer comparisons, and management's understanding of various cost models. Therefore, we determined that Subtask 3-1 is partially met.

### Subtask 3-2

Our work revealed no issues or concerns related to whether program administrators have assessed any contracted and/or privatized services to verify effectiveness and cost savings achieved.

Analysis Summary and Conclusion:

Subtask 3-2: Determine whether program administrators have assessed any contracted and/or privatized services to verify effectiveness and cost savings achieved and determine the reasonableness of their conclusions.

To address the requirements of this subtask, M&J evaluated County-provided information, interview notes, and the County's Procurement Policies and Procedures Manual to identify the evaluation of related in-house services and the feasibility of alternative service delivery models.

The County maintains formal procurement processes for assessing contracted services which both the Department of Public Works and the Parks and Recreation Department consistently practice. The County generally enters into contracted services for a single project or for ongoing services up to one, three, or five years before a formal renewal or procurement rebid is required. The County's processes allow the County to assess performance and either continue leveraging the existing vendor, or conduct an open procurement to obtain additional vendor proposals and pricing.

Additionally, the County requires the use of a Vendor Performance Evaluation Form (Evaluation Form) to assess vendor performance at the end of the contract. M&J obtained evidence demonstrating the use of the Evaluation Form for completed projects by both the Department of Public Works and the Parks and Recreation Department. The use of the Evaluation Form is required as dictated in the County's Procurement Policies and Procedures Manual which was last updated in November 2020. The Evaluation Form allows feedback from the user department related to numerous vendor attributes (quality, timeliness, responsiveness, etc.) on a scale ranging from "poor" to "excellent." The Evaluation Form also allows the user department to provide free text responses to questions and input as to whether the user department would recommend the vendor for another County project or not.

The County has demonstrated regular assessments of contracted/outsourced vendors used to make future decisions. Therefore, we determined that Subtask 3-2 was met.

### Subtask 3-3

Our work revealed no issues or concerns related to the changes made to service delivery models where the County determined that program costs could be reduced without affecting program quality.

Analysis Summary and Conclusion:

Subtask 3-3: Determine whether program administrators have made changes to service delivery methods when their evaluations/assessments found that such changes would reduce the program cost without significantly affecting the quality of services.

To address the requirements of this subtask, M&J evaluated County-provided information, interview notes, and County management tools to determine changes made to service delivery methods.

As shown in Subtask 3-1, both the Department of Public Works and the Parks and Recreation Department have demonstrated the use of alternative service delivery models by delivering core departmental functions/activities through a combination of internal staffing and the use of contracted/outsourced services. The service delivery approaches are generally common within government public works, and parks and recreation functions.

In 2021, the County hired a Construction Projects Coordinator as part of County Administration with extensive construction industry experience including owning his own general contractor business, overseeing hundreds of millions of dollars of construction activities, and overseeing construction for a local government entity. The Construction Projects Coordinator focuses on vertical construction for the County with an emphasis on complex projects for the Parks and Recreation Department.

Typically, organizations would have to leverage a contract/outsource arrangement to obtain the previously mentioned skills/experience level for construction coordination and management, so it is fortunate for the County to possess the qualities internally.

The in-house Construction Projects Coordinator leverages multiple leading practice tools to help coordinate and manage County vertical construction projects that third-party contractors/vendors would often utilize. The tools assist by providing real time information that can inform management decisions for project management and service delivery options. The Construction Projects Coordinator maintains a Construction Master Schedule which details all ongoing vertical construction projects within the County. The Construction Master Schedule provides details on estimated costs, phase, and timing by project. **Figure 3-D** shows a sample of the Construction Master Schedule.



Figure 3-E: Sample Section of “Project Spreadsheet”

Project Name/Number:	
Project Manager:	
<b>TASK DESCRIPTION</b>	<b>DATE COMPLETED</b>
<b>D/B/B Team Selection</b>	
Advertisement	
Notice of Award	
<b>Design</b>	
Bd. Approved Agreement	
Issue P.O.	
Plan Review - Phase I	
Plan Review - Phase II	
Plan Review - Phase III	
<b>Permitting</b>	
Code Review Submittal	
Response to Comments	
Permit Issued	
<b>Bidding</b>	
Advertisement	
Pre-Bid Conference	
Bid Opening	
Notice of Award	
<b>Construction</b>	
Bd. Approved Agreement	
Issue P.O.	
Certs. of Insurance Checked	
Notice to Proceed	
Cert. of Substantial Completion	
Cert. of Final Completion	
<b>Close-Out</b>	
Board Approval	
Notice of Acceptance	
Notice of Settlement	





The County has demonstrated successful provision of public works and parks and recreation services through a combination of internal and external resources. The County maintains active participation in numerous industry organizations that offer opportunities to communicate with peers locally and across the country. A small representative sample of industry organizations in which the County is actively engaged includes the Florida Association of Counties, Small County Coalition of Florida, and Florida Government Finance Officers Association. Many of these industry organizations provide benchmarking information, case studies, and white papers on leading practices including alternative service delivery models.

Based on interviews with County leadership and management, multiple County professionals articulated their constant communications with peers about alternative service delivery model strategies, leading practices, and lessons learned.

The Department of Public Works and the Parks and Recreation Department both leverage various service delivery methods consisting of internal service provision, the use of contracted/outsourced services, and collaborative projects with other public sector organizations. The County's use of multiple service delivery methods for public works and parks and recreation services is generally consistent with leading practices and peer service delivery models. Therefore, we determined that Subtask 3-4 is met.

## E. Audit Issue #4: Goals, objectives, and performance measures used by the program to monitor and report program accomplishments

### Goals, objectives, and performance measures used by the program to monitor and report program accomplishments

**Finding Summary** – Overall, Hernando County partially meets Audit Issue #4. This finding is based on M&J assessment of provided data and information gathered in interviews. Our assessment found that Hernando County has set project-specific objectives for the roadway infrastructure program which speak to program-wide goals. These roadway infrastructure objectives are reasonable and measurable and have appropriate internal controls to guarantee the program maintains progress toward the established goals and objectives. Overall, the County lacks a strategic plan to which all program goals, beyond just infrastructure improvement, can be measured; such strategic planning would allow leadership to focus all programs and projects on a unified vision for the County.

#### Subtask 4-1

##### Condition:

Partially Met

**Review program goals and objectives to determine whether they are clearly stated, measurable, can be achieved within budget, and are consistent with the County's strategic plan.**

Hernando County maintains program-wide and project-specific measurable objectives for roadway infrastructure and project-specific but not program-wide measurable objectives for recreation infrastructure. The aforementioned roadway and recreation infrastructure objectives speak to program goals and identify funding sources for budget maintenance – however, the program goals and objectives do not speak to larger County-wide strategy.

##### Cause:

Hernando County does not have a comprehensive strategic plan. The County's 2040 Comprehensive Plan serves as the County's strategic plan for development and land use matters, but the County does not have countywide goals and objectives. Additionally, the County does not have a comprehensive parks management plan which evaluates the County's recreation program as a whole.

##### Effect:

The lack of a countywide strategic plan and/or comprehensive parks management plan could result in disjointed efforts between projects and programs which do not work in concert and compete for funding, attention, and resources. Projects and programs can also become difficult to effectively measure when appropriate goals are not established.

### Criteria:

Goals are commonly defined as long-term, measurable outcomes for a program, while objectives are shorter, still measurable actions that work toward achieving the larger goal. Successful implementation of goals and objectives by an organization allows for strategic positioning and utilization of staff and resources.

### Recommendation 4-1:

The County should develop a County-wide strategic plan to which program-specific goals and objectives can be applied. The County should consider developing a comprehensive parks management plan which looks at management of the County's recreation infrastructure as a whole.

### Analysis Summary and Conclusion:

Subtask 4-1: Review program goals and objectives to determine whether they are clearly stated, measurable, can be achieved within budget, and are consistent with the County's strategic plan.

To address the requirements of this subtask, M&J conducted interviews with County and program leadership regarding the program's goals and objectives, as well as reviewed documentation of the County's 2040 Comprehensive Plan and other individual plans, especially as it related to transportation and recreation.

The last reference to a County-wide strategic plan was the County's 2017 Annual Report, which included 14 goals categorized into seven visions. As of our Audit, the closest documentation of countywide goals is the 2040 Comprehensive Plan, which primarily governs development and land use. Without a true strategic plan, we were unable to ensure program objectives are consistent with countywide goals. Our analysis focuses on whether goals and objectives are reasonable, measurable, and can be achieved within budget.

### *Hernando County 2040 Comprehensive Plan*

The Hernando County 2040 Comprehensive Plan was adopted in September 2018 by Board of County Commissioners Ordinance No. 2018-16 and went into effect November 2018. The Comprehensive Plan governs the County's land use and provides goals, objectives, and levels of service for the County's growth and development over the next 20 years. The plan includes 12 chapters detailing the expectations for different types of land use and facilities, both privately and publicly owned. The chapters included in the Comprehensive Plan cover the following elements:

1. Future Land Use Element
2. Intergovernmental Coordination Element
3. Economic Development Element
4. Housing Element
5. Transportation Element
6. Utilities Element
7. Recreation and Open Space Element
8. Public School Facilities Element
9. Capital Improvement Element
10. Conservation Element
11. Coastal Management Element
12. Property Rights Element

The Comprehensive Plan also includes a section with future land use maps. For the purposes of this Performance Audit, we reviewed Chapters Five and Seven, on the Transportation Element and the Recreation and Open Space Element, respectively. During our review of the Comprehensive Plan, as outlined in **Figures 4-A** and **4-B**, we determined the goals, objectives, and strategies laid out speak only to growth and development, especially as it pertains to land use. The Comprehensive Plan does not, however, provide overall strategic direction for the County’s programs and initiatives. A strategic plan establishes a vision for how all County services can work in unison toward specific outcomes. The Comprehensive Plan only provides that vision for land use-related services, not the County’s programs as a whole.

The Comprehensive Plan’s Transportation Element lays out five goals, as shown in **Figure 4-A**, with associated objectives and strategies. The Transportation Element establishes a strategic plan for improving roadway infrastructure and managing traffic congestion. The Transportation Element also establishes levels of service for roadway capacity in concordance with those set by FDOT. Of note: **Figure 4-A** is abridged to remove the strategies not relevant to the scope of this audit.

**Figure 4-A: Hernando County 2040 Comprehensive Plan Transportation Element**

Goal, Objective, or Strategy	Text
Goal 5.01 - Transportation and Future Land Use	Hernando County’s transportation system is designed to encourage economic growth and quality development through staging and coordination of local and regional transportation infrastructure and amenities.
Objective 5.01A	A multi-modal transportation network shall be designed to accommodate the future development anticipated within the planning horizon based on the Future Land Use Map. The Hernando/Citrus MPO Long Range Transportation Plan (LRTP) is the primary guiding document for programming improvements to the transportation network. Maps will maintain consistency with the LRTP.
Objective 5.01B	Maintain and expand a system of frontage roads and cross-access easements parallel to County arterial and collector roads. The frontage road network is designed to enable the creation of shared drives, shared easements, and alternative routes. Frontage road configuration is intended to optimize corridor and roadway network function, maintain capacity on the functionally classified network, and provide aesthetic, safe, and convenient access to multiple properties and business sites.
Objective 5.01C	Hernando County shall establish and maintain standards for transportation related design and construction including roadways, bicycle and pedestrian facilities, transit accommodations and site parking/circulation.
Strategy 5.01C (1)	The County shall address at a minimum, safety-related hazards which are coordinated with FDOT standards for roadway design, drainage and erosion, traffic control, bicycle and pedestrian design, transit design, and traffic calming, where applicable, for consistency.

Goal, Objective, or Strategy	Text
Strategy 5.01C (2)	Complete Streets, Traffic Calming, Transit Facilities Design, and other transportation-related elements described in this chapter may be applied on a project-specific or site-specific basis. Guidelines and typical graphics consistent with adopted plans, standards and programs will be published to illustrate the use of these concepts for appropriate locations.
Strategy 5.01C (3)	The County shall coordinate future updates of standards contained in the land development regulations with the adopted Facilities Design Guidelines and MPO plans in order to implement the growth strategy and land use objectives contained in this plan while ensuring safe and adequate design.
Strategy 5.01C (4)	Minimum driveway spacing standards by functional classification shall be established for driveways accessing County maintained roadways.
Strategy 5.01C (5)	New residential development should have points of access that connect to the arterial or collector road system but shall not have residential driveways connecting directly to those systems.
Strategy 5.01C (6)	Design standards for wildlife crossings should be utilized where warranted on a site-specific situation.
Strategy 5.01C (7)	Low-impact development techniques for stormwater in transportation design, including slopes, planting plans, and materials, may be used and/or required as determined appropriate.
Strategy 5.01C (8)	Hernando County designates the Suncoast Parkway as a Scenic Corridor, recognizing a vision for the corridor as rich in scenic and recreational opportunities. The County should maintain buffering standards consistent with the vision for development adjacent to the parkway.
Objective 5.01D	The County shall plan for the procurement and protection of sufficient rights of way to accommodate the multi-modal transportation network of roadways, bicycle and pedestrian traffic, and transit as outlined in the land development regulations, adopted Facilities Design Guidelines, adopted MPO plans and the 2040 Roadway Plan Map.
Objective 5.01E	Provide for safe bicycle and pedestrian facilities as an integral element of the planning and design for planned improvements and reconstruction of the roadway network where appropriate.
Objective 5.01F	Incorporate a transit system component into the transportation network that provides for the immediate and long-term mobility needs of all segments of the County's population.
Objective 5.01G	Protect intermodal routes and coordinate with state, regional and private entities to optimize efficiency and ensure that these routes serve as an asset for economic development.
Goal 5.02 - Transportation Management	Hernando County's transportation system is designed to promote economic growth and quality development through the use of proactive and diverse transportation management strategies.
Objective 5.02A	The County will participate in the Hernando/Citrus Metropolitan Planning Organization's annual update of the Congestion Management Process (CMP) consistent with the LRTP.

Goal, Objective, or Strategy	Text
Strategy 5.02A (1)	Annual recommendations of the CMP shall be prioritized based on safety and congestion issues and included in the County Capital Improvements Program.
Strategy 5.02A (2)	CMP recommendations for corridors and intersections should be coordinated with the specific land use and development plans.
Strategy 5.02A (3)	For appropriate new intersections and/or intersection improvements, a roundabout or traffic circle configuration should be analyzed as a potential option to signalization.
Strategy 5.02A (4)	<p>CMP mechanisms may include Transportation Demand Management Strategies developed in coordination with DOT and the Tampa Bay Area Regional Transit Authority that mitigate peak-hour congestion impacts, including:</p> <ul style="list-style-type: none"> <li>a. Telecommuting,</li> <li>b. Transit information systems,</li> <li>c. Alternative work hours,</li> <li>d. Car and van pooling,</li> <li>e. Guaranteed ride home program,</li> <li>f. Parking management,</li> <li>g. Addition of general purpose lanes,</li> <li>h. Computerized signal systems,</li> <li>i. Intersection or midblock widening, and</li> <li>j. Intelligent Transportation Systems.</li> </ul>
Strategy 5.02A (5)	Maintenance of levels of service, and congestion management shall continue to be the two primary means by which Hernando County maintains air quality standards established for transportation-related pollutants by the Florida Department of Environmental Protection and the U.S. Environmental Protection Agency through the planning horizon.

Goal, Objective, or Strategy	Text
Strategy 5.02A (6)	<p>Regulatory flexibility may be afforded to transportation systems in accordance with specific planning standards. Formulation of flexible standards may be done through the annual CMP process, or through updates to the County’s concurrency management system. The following mechanisms may be considered for application to specific areas:</p> <ul style="list-style-type: none"> <li>a. Recognition of anticipated temporary reductions in levels of service (LOS) for targeted areas with accompanying transportation diversification and congestion management tools;</li> <li>b. Adoption of lowered levels of service for target segments, or corridor-wide level of service determinations that would accommodate segment-specific decreases in level of service performance;</li> <li>c. Concurrency exception areas that promote integrated transit, bikeways, and pedestrian ways that adequately address circulation issues;</li> <li>d. Alternative fee structures for transportation impacts; public-private partnership agreements for improvements, easements, amenities, and other mechanisms that help to facilitate the efficient flow of increased economic activity at designated activity centers and along strategic corridors; and</li> <li>e. Other mechanisms that align transportation strategies with future land use strategies.</li> </ul>
Goal 5.03 - Transportation Levels of Service	<p>Public investment in transportation infrastructure shall ensure adequate capacity to accommodate projected growth and should incentivize growth areas. New development shall contribute proportionally to its impact on the roadway network.</p>
Objective 5.03A	<p>LOS standards for roadways shall be adopted as part of this plan.</p>
Strategy 5.03A (1)	<p>Roadway levels of service shall be determined using methodologies approved by FDOT and codified in the County’s concurrency management system. Roadway levels of service for peak-hour traffic volume shall be:</p> <ul style="list-style-type: none"> <li>a. “D–urban” on County roadways within the Adjusted Urbanized Area Map;</li> <li>b. “D–rural” for all other County roadways; and</li> <li>c. “C” for state roads, or, as set by FDOT for state roads on the Strategic Intermodal System.</li> </ul>

Goal, Objective, or Strategy	Text
<p>Strategy 5.03A (2)</p>	<p>Constrained corridors are roadways which are precluded from widening improvements because of right of way constraints due to existing development, scenic, or environmental impediments. Lowered levels of service are deemed acceptable along constrained corridors.</p> <p>Constrained corridors include:</p> <ul style="list-style-type: none"> <li>a. Fort Dade Avenue from Cobb Road to Citrus Way/CR-491;</li> <li>b. Snow Memorial Highway from U.S. 41 to Lake Lindey Road/CR476;</li> <li>c. Jasmine Drive from SR-50 to Mondon Hill Road;</li> <li>d. Broad Street/U.S. 41 from the Jefferson Street intersection to SR-50A;</li> <li>e. Jefferson Street from U.S. 41 to Mildred Avenue;</li> <li>f. U.S. 41 from SR-50A to Howell Avenue;</li> <li>g. Ponce De Leon Blvd. (U.S. 98) from south of Yontz Road to Jefferson Street (SR -50A);</li> <li>h. Spring Hill Drive from U.S. 19 to Anderson Snow Road;</li> <li>i. Mariner Boulevard from SR-50 to County Line Road;</li> <li>j. Northcliffe Boulevard from U.S. 19 to Mariner Boulevard;</li> <li>k. Deltona Boulevard from SR-50 to Forest Oaks Boulevard;</li> <li>l. Linden Drive from Mariner Boulevard to County Line Road;</li> <li>m. Cortez Boulevard (CR 550) from Bayport Pier to Shoal Line Boulevard;</li> <li>n. Pine Island Drive from Pine Island to Cortez Boulevard (CR 550);</li> <li>o. Osowaw Boulevard from Pasco County to U.S. 19;</li> <li>p. Shoal Line Boulevard from Cortez Boulevard to CR 595;</li> <li>q. Howell Avenue/Main Street from Yontz Road to Lamar Avenue;</li> <li>r. County Line Road (existing alignment) from Suncoast Parkway to U.S. 41;</li> <li>s. Elgin Boulevard from Deltona Boulevard to Mariner Boulevard;</li> <li>t. Waterfall Drive from Spring Hill Drive to County Line Road;</li> <li>u. Spring Lake Highway from Hickory Hill Road to SR-50; and</li> <li>v. Ayers Road from Broad Street (U.S. 41 to Hayman Road).</li> </ul>
<p>Strategy 5.03A (3)</p>	<p>Other techniques used to manage constrained corridors include:</p> <ul style="list-style-type: none"> <li>a. The provision of transit service,</li> <li>b. Enhanced pedestrian and bicycle access,</li> <li>c. Access management,</li> <li>d. Improved signal timing,</li> <li>e. Upgrades to comply with current design standards,</li> <li>f. Development controls,</li> <li>g. Intersection, turning movement and signal upgrades,</li> <li>h. Traffic demand management techniques,</li> <li>i. Capacity improvements along alternative corridors, and</li> <li>j. Lowered levels of service.</li> </ul>



Goal, Objective, or Strategy	Text
Strategy 5.03A (4)	The County’s Canopy Road Ordinance protects road segments, whether urban or rural, that are characterized by canopy trees bordering the roadway. The road segments covered by this ordinance are adopted by resolution of the Board of County Commissioners. These roads shall have a level of service standard of LOS "E" for peak hour traffic.
Strategy 5.03A (5)	County Line Road experiences automobile trip loads directly generated by two local government jurisdictions, Hernando County and Pasco County. Due to the traffic volume resulting from this arterial road’s local and regional service characteristics, future planning for this facility shall be coordinated with Pasco County. The adopted LOS standard of D-urban for peak-hour traffic shall be maintained, except that the segment from Waterfall Drive to the Suncoast Parkway may be allowed to operate at LOS E-peak hour until appropriate facility improvements can be planned and implemented.
Strategy 5.03A (6)	Hernando County shall minimize investment in new and expanded roadway capacity in the Coastal Zone. Evacuation levels of service are maintained primarily by land use controls and evacuation operations.
Strategy 5.03A (7)	Adequate hurricane evacuation clearance times for the coastal population shall be maintained in accordance with standards contained in the Coastal Management Element of this plan.
Strategy 5.03A (8)	Land development shall not be permitted unless adequate road facilities exist or are ensured at or above the adopted levels of service in accordance with this element and the Concurrency Management System outlined in the Capital Improvements Element of this plan.
Strategy 5.03A (9)	Land development shall be required to pay an impact fee, dedicate land, enter into a proportionate fair share agreement, and/or provide for other means, of fulfilling their fair share of the cost of impacts from new development on the roadway network.
Goal 5.04 - Airport	Hernando County should promote its public airport as an economic hub through land use protection and compatibility, the development of an employment base, airport facility improvements, and promoting aviation compatible development.
Objective 5.04A	Hernando County should promote the continuation and expansion of aviation, aviation-related and aviation-compatible facilities at the County-owned airport and surrounding area, and shall coordinate planning of land use and infrastructure that enables efficient aviation-related economic development.

Source: Hernando County

The Comprehensive Plan’s Recreation and Open Space Element lays out two goals, as shown in **Figure 4-B**, with associated objectives and strategies. The Recreation and Open Space Element establishes guidelines for the County’s park system and park design. The Recreation and Open Space Element also establishes levels of service for active and passive recreation.

As noted in **Figure 4-B**, Strategy 7.01A(1) recommends the County establish a master plan for parks, park facilities, and open space. As of our audit, Hernando County has not developed a master parks management plan ensuring proposed projects are part of comprehensive parks management goals and objectives. The current goals established in the Comprehensive Plan focus on parks as individual entities rather than provide a system-wide view of recreation space strategy and management.

**Figure 4-B: Hernando County 2040 Comprehensive Plan Recreation and Open Space Element**

Goal, Objective, or Strategy	Text
Goal 7.01 – Park System	Hernando County will provide opportunities for recreation and enjoyment of natural and cultural areas for its citizens and visitors by ensuring a diverse parks system that is sufficient to meet the needs of the population served.
County Park Plan	
Objective 7.01A	Hernando County should evaluate the extent and operation of its current parks, establish standards for the provision of parks, and use citizen input to plan for parks infrastructure and facilities.
Strategy 7.01A (1)	<p>Hernando County will consider developing and maintaining a countywide master plan for parks, park facilities and open space that includes, at a minimum:</p> <ul style="list-style-type: none"> <li>a. An evaluation of the parks system in conjunction with annual budgetary allocations, capital funding and adequate facilities;</li> <li>b. Development of a long-term strategy for parks and major facilities that will meet identified needs for both the permanent and visitor population; and</li> <li>c. Identification of options for development of a County Recreation Center to serve the recreation needs of Hernando County citizens, attract visitors, and serve regional user populations.</li> </ul>
Park Classifications	

Goal, Objective, or Strategy	Text
Strategy 7.01A (2)	<p>Hernando County will use the following park classification standards based on park size, location, and recreation type:</p> <ul style="list-style-type: none"> <li>a. Active recreation includes outdoor or indoor activities that involve physical activity to engage in competition or exercise including such facilities as athletic fields of any kind, courts (tennis, basketball, handball, etc.), gymnasiums, swimming pools, playgrounds, jogging, and exercise trails; and</li> <li>b. Passive recreation includes outdoor activities that are based on or dependent upon natural resources and may or may not involve physical activity such as walking and biking trails, nature centers, hunting, fishing, boating, and canoeing. Passive recreation includes lands designated as preserves.</li> </ul>
Regional Parks	
Strategy 7.01A (3)	<p>Regional park and open space facilities are generally recognized as those lands in Hernando County located primarily within the Chassahowitzka National Wildlife Refuge, the Withlacoochee State Forest, the Weekiwachee Preserve, and other state and federal owned preserve and recreation areas. Regional facilities generally involve over 100 acres and are maintained by state and federal entities.</p>
District Parks	
Strategy 7.01A (4)	<p>Hernando County District parks are:</p> <ul style="list-style-type: none"> <li>a. Generally 40 acres or larger in size,</li> <li>b. Accessible to the residents of the district(s) it is designed to serve, and</li> <li>c. Designed to include five or more active recreation facilities of any type.</li> </ul>
Community Parks	
Strategy 7.01A (5)	<p>Hernando County Community parks are:</p> <ul style="list-style-type: none"> <li>a. Generally 20 acres or larger in size,</li> <li>b. Accessible to the residents of the surrounding community, accessible by bicycles and pedestrians, and</li> <li>c. Designed to include three or more active recreation facilities of any type.</li> </ul>
Neighborhood Parks	

Goal, Objective, or Strategy	Text
Strategy 7.01A (6)	<p>Hernando County requires a system of neighborhood and mini-park type parks that are owned, developed, and managed by private developers, neighborhood organizations, homeowners’ associations, and community groups. These types of parks are:</p> <ul style="list-style-type: none"> <li>a. Generally less than 20 acres in size;</li> <li>b. Have appropriate facilities designed to meet the recreation needs of the development; and</li> <li>c. Provided by subdivisions, single family planned development projects and multi-family projects that include more than 50 dwelling units in accordance with the County land development regulations.</li> </ul>
Preserves	
Strategy 7.01A (7)	<p>Hernando County shall manage preserves under its Environmentally Sensitive Lands Program for the purpose of providing ecologically valuable open space that is also accessible for passive recreational and educational pursuits where appropriate.</p>
Levels of Service	
Objective 7.01B	<p>Hernando County will maintain a park system that provides its citizens with sufficient levels of service for both active and passive recreation.</p>
Strategy 7.01B (1)	<p>Hernando County will utilize a level of service of two acres of parks containing active recreation facilities per 1,000 residents at peak population, and at least two additional acres of parks containing passive recreation and open space per 1,000 residents at peak population calculated on a countywide basis.</p>
Strategy 7.01B (2)	<p>At least one district park or one community park shall be located and maintained in each of the designated impact fee park districts.</p>
Strategy 7.01B (3)	<p>The provision of acceptable sites or facilities for district or community parks by proposed development may be used to mitigate recreational needs and maintain adopted levels of service.</p>
Strategy 7.01B (4)	<p>Review of projects with greater than 1,000 new residential units will require an analysis of the proximity and accessibility of a district or community park by the proposed development to determine whether additional facilities are needed.</p>
Alternative Funding	
Strategy 7.01B (5)	<p>Hernando County should pursue alternative funding and partnership opportunities for park lands acquisition, facilities, and management as appropriate including, but not limited to, grant funding, private/corporate funding where appropriate, adoption of appropriate user fees, private contracts for management or maintenance, public-private partnerships, and volunteer arrangements with community groups.</p>
Coordination of Facilities	
Objective 7.01C	<p>Hernando County should explore opportunities for the coordination of joint use of facilities, public-private partnerships, and creative management arrangements to expand and enhance recreational opportunities and experiences for Hernando County residents.</p>

Goal, Objective, or Strategy	Text
Strategy 7.01C (1)	Identify opportunities for joint or shared use recreation facilities such as those at municipalities, county schools, colleges, churches, community centers and private facilities that are open to the public.
Strategy 7.01C (2)	Work with the Hernando County School Board through the joint interlocal agreement to identify and discuss the opportunities for joint-use recreation facilities at County schools.
Strategy 7.01C (3)	Coordinate with federal and state agencies to facilitate the expansion and management of passive recreational opportunities through the limited development of facilities in natural areas.
Goal 7.02 – Park Design	Hernando County shall provide for park design and access standards that maximize use including opportunities for special needs populations of the County.
Objective 7.02A	Hernando County should utilize design standards for parks that enhance them as community focal points, and provide attractive and convenient accessibility and function.
Strategy 7.02A (1)	<p>The parks and open space standards for Hernando County should include the following design features:</p> <ul style="list-style-type: none"> <li>a. Incorporation of low-impact development principles that maximize drainage efficiency, promote green space and incorporate valuable natural resources into the design including karst features, wetlands, forest units, shade trees, and scenic views;</li> <li>b. Incorporation of layouts, amenities and design themes that encourage direct bicycle and pedestrian connection to surrounding communities for convenient and safe alternatives to automobile access;</li> <li>c. Incorporation of parking for daily use and additional low-impact overflow parking for events;</li> <li>d. Coordination of nearby transit access as part of a focal point;</li> <li>e. Provision of convenient and safe vehicle, pedestrian, and bicycle access to district and community parks; and</li> <li>f. Mitigation of noise, lighting, and other potential encroachments on the peaceful enjoyment of adjacent property, especially residential.</li> </ul>
<b>Special Needs</b>	
Objective 7.02B	Hernando County should accommodate the special needs of physically and mentally impaired residents at the Hernando County Parks system.
Strategy 7.02B (1)	Hernando County shall comply with all Americans with Disabilities Act requirements in designing parks facilities and upgrading or retrofitting older facilities as funding becomes available.

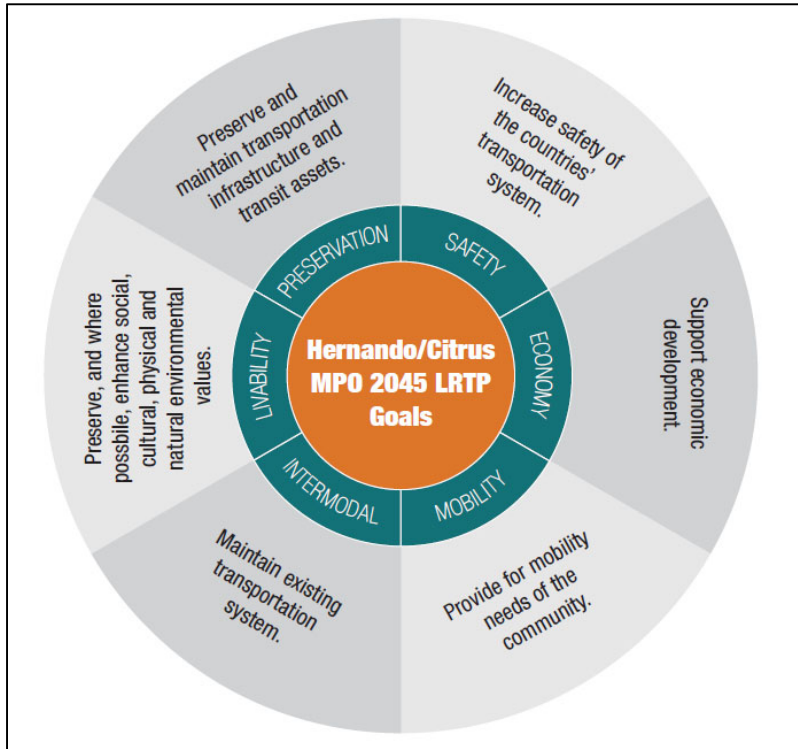
Goal, Objective, or Strategy	Text
Strategy 7.02B (2)	<p>Hernando County should determine the need for recreation programs for special needs groups including the mentally impaired, elderly, and other groups with mental or physical disabilities or limitations.</p> <p>The County shall consider opportunities to join with other entities such as schools, the County Library system and community groups to make parks available or to conduct programs to meet special needs.</p>
<b>Waterways Access</b>	
Objective 7.02C	Hernando County encourages access to and responsible enjoyment of its waterway’s resources including rivers, springs, bays, and the Gulf of Mexico, including a system of waterway access into its parks system.
Strategy 7.02C (1)	The County should expand, enhance, and maintain boat ramps, kayak launches, public docks, and other facilities where feasible at parks and other popular boating destinations such as Hernando Beach and the Withlacoochee River.
Strategy 7.02C (2)	Water access facilities should be designed using low-impact development and Florida Department of Environmental Protection Clean Marina standards and should accommodate non-motorized craft such as canoes, kayaks, and paddleboards in a safe manner, where possible and appropriate for the waterbody being accessed.
Strategy 7.02C (3)	Hernando County should develop and implement a “blueways” water-access trail system for paddle-craft that seeks to enhance the user-experience in a manner that promotes tourism volume and length of stay. The blueways plan shall be consistent with and enhance the “Nature Coast” segment of the Florida circumnavigational Saltwater Paddling Trail.
Strategy 7.02C (4)	The County should work to promote and market the Coast-to-Coast Connector multi-use trail as a major recreation and tourism asset and ensure the consistency of development initiatives with trail objectives and standards.

Source: Hernando County

*Hernando/Citrus MPO 2045 Long Range Transportation Plan*

The Hernando/Citrus MPO published a Long Range Transportation Plan (LRTP), which is updated every five years, to provide guidance for short- and long-term planning addressing transportation needs. The LRTP sets out a series of goals for multimodal transportation in the region, as detailed in **Figure 4-C**. The goals were set using guidance from several sources, including Fixing America’s Surface Transportation Act from the federal government, the Florida Transportation Plan, and local policies.

**Figure 4-C: Hernando/Citrus MPO 2045 L RTP Goals**



Source: Hernando/Citrus Metropolitan Planning Organization

For the goals presented in the L RTP, Hernando/Citrus MPO sets a series of measurable objectives, such as those utilized to measure the region’s Safety Goal detailed in **Figure 4-D**. These measurable objectives are updated periodically based on the latest available data. For example, the targets were updated between the initial adoption of the L RTP in December 2019 and a plan update in February 2020.

**Figure 4-D: Hernando/Citrus MPO 2045 L RTP Highway Safety Performance Measures**

Performance Measure	Florida Statewide Baseline Performance Five-Year Rolling Average (2012-2016)	Hernando/Citrus MPO Baseline Performance Five-Year Rolling Average (2013-2017)	2-year Hernando/Citrus MPO Target (Jan 1, 2019 to Dec 31, 2020)	4-year Hernando/Citrus MPO Target (Jan 1, 2019 to Dec 31, 2022)
Number of Fatalities	2,533	54	46	42
Rate of Fatalities per 100 Million Vehicle Miles Traveled (VMT)	1.29	1.54	1.32	1.19
Number of Serious Injuries	20,552	482	414	373
Rate of Serious Injuries per 100 Million Vehicle Miles Traveled	10.45	13.79	11.83	10.68
Number of Non-Motorized Fatalities and Non-Motorized Serious Injuries	3,173	43	37	33

Source: Hernando/Citrus Metropolitan Planning Organization

In addition to identifying goals and objectives, the LRTP also identifies existing and committed, cost feasible, and illustrative roadway projects in the two counties, determining the priority of each project based on several measurable factors, including:

- Fatal Flaw – Omission of a project anticipated to contribute significant adverse impacts to the environment or the community
- Pipeline Project – Priority given to projects that have been partially funded
- Future Congestion – Projects on corridors anticipated to relieve current or future congestion
- Regional Freight – Designated freight corridors
- Connectivity – Improvements in connectivity between major roadways or activity centers
- Economic Development – Projects that enhance and promote economic development in the area
- Public Support – Projects that are identified as high-priority by public support
- High Crashes – Projects on corridors that experience higher than average crash rates

The goals, priorities, and projects laid out in the Hernando/Citrus MPO Long Range Transportation Plan help Hernando County strategically determine which projects to pursue, and how to measure the success of those projects against a series of clearly identified goals.

#### *Anderson Snow District Park Master Plan*

In addition to the aforementioned chapters of the 2040 Comprehensive Plan, we also reviewed the Anderson Snow District Park Master Plan to understand how the County conducts planning and sets goals for individual park projects. The planning process has been comprised of three phases:

1. An assessment of the park's current conditions
2. A community-driven assessment of the park's needs and creation of a future vision
3. The development of the Anderson Snow District Park Master Plan

The condition assessment for Anderson Snow District Park details the amenities and recreation facilities available at the park, as well as the approximate usage levels during local baseball, softball, and soccer league seasons. The needs assessment presents feedback from the public regarding existing facilities and an explanation of how the district park needs growth in order to adhere to the levels of service introduced in the 2040 Comprehensive Plan. The needs assessment also introduces economic development opportunities and the requirements for capitalizing on those opportunities. **Figure 4-E** provides an example from the Anderson Snow District Park Master Plan of how the County prioritizes park needs through several criteria established to measure the importance and feasibility of each need.



**Figure 4-E: Anderson Snow District Park Master Plan Needs Prioritization Table**

Preconditions	Location	Recreational Opportunities Provided	Required Level of Investment	Economic Development (Tourism) Potential	Future Growth Potential	Community Importance	Total Score
Lack of unique features and amenities	Park-wide	High	Medium (Variable)	High	High	Low	12
Identifiable Focal Point	To be determined	High	Medium	Medium	High	Medium	12
Entryway	Entryway	Low	Low	Medium	Low	Medium	7
Lack of Access	Anderson Snow Road	Low	Medium	Low	Low	Low	6
Layout of Existing Facilities	Park-wide, particularly the concessions area	Low	Medium	Low	Medium	High	7
Playground	Playground	Medium	Medium	Low	Low	High	9
ADA Accessibility	Park-wide	High	Low	Low	Low	Medium	8
Lack of Shade	Park-wide	Low	Low	Low	High	High	9
Lighting	Concessions Area and Field 7 & 8 at a minimum	Medium	Medium	Low	Low	High	9
Park Level of Service	County-wide	Medium (Variable)	Medium (Variable)	Low (Variable)	High	Low	9

Source: Hernando County

*Board of County Commissioners Meetings Minutes*

In addition to County and regional plans, we also reviewed the presentations made to the Board of County Commissioners and subsequent decisions on priority projects to be funded by the possible discretionary surtax. In particular, we looked at three presentations from October 2021 and February 2022 (two separate presentations occurred in February 2022).

During the October 26, 2021, meeting of the Board of County Commissioners, County leadership discussed the authorized uses of the surtax as per section 212.055(2) of the *Florida Statutes*, estimates of how much the surtax would generate each year, comparable efforts in other Florida counties, and perceived needs for the County’s infrastructure improvement program. The minutes M&J reviewed included two reports which addressed specific infrastructure projects for both roadway and recreation infrastructure improvement. The Brooksville-Tampa Bay Regional Airport Infrastructure Development Plan reviewed roadways around the regional airport and recommended improvement projects based upon the conditions. The Hernando County Boat Ramp Master Plan measured the County’s current boat ramps against the levels of service identified in the 2040 Comprehensive Plan and identified deficiencies. While the presentation did not set specific goals for the infrastructure improvement program, it did provide the basis for the next two meetings and indicated how the County measures the needs of the County’s infrastructure.

During the February 8, 2022, meeting of the Board of County Commissioners, County leadership presented the results of a public survey utilized to gather public feedback on the projects proposed for funding through the potential surtax. The responses to the survey questions shown in **Figure 4-F** helped County staff determine a proposed project list, including expected costs and funding sources (including impact fees, grants, and the proposed surtax). While this meeting did not formally set goals for the infrastructure improvement program, the Board of County Commissioners did approve County staff moving forward in drafting a resolution to adopt the list of specific projects funded by the surtax as developed through the public survey.

**Figure 4-F: Half-Cent for Roads and Recreation Survey Questions**

Would you support a ½ cent sales tax to make improvements in roads and recreation?
What additional Parks and Recreation amenities/projects should the County prioritize for the future? Prioritize your choices. (1 = Highest Priority 8 = Lowest Priority)
Please provide any additional comments regarding the Parks and Recreation projects from the previous question (how you prioritized the projects, additional projects are you interested in, etc.).
What transportation projects should the County prioritize in an effort to reduce congestion on roadways? Prioritize your choices. (1 = Highest Priority 9 = Lowest Priority)
Please provide any additional comments regarding the transportation projects from the previous question (how you prioritized the projects, additional projects are you interested in, etc.).
Would you approve paying for these improvements/projects with an additional half cent local sales tax (an increase from 6.5 to 7.0 cents)?
Please provide any additional comments you may have regarding the possible half cent sales tax referendum.

*Source: Hernando County*

During the February 22, 2022, meeting, the Board of County Commissioners approved Ordinance 2022-06 establishing the surtax referendum. The Board of County Commissioners additionally approved Resolution 2022-47 which adopted the list of specific projects to be funded with the surtax. The list prioritized the seven roadway improvement projects and 11 recreation projects, as well as identified the total cost of each project and how it could be completed through available and future funding sources, including existing impact fees, future impact fees, grants, and the proposed sales tax.

### Summary

Overall, Hernando County has established high-level program goals for roadway and recreation infrastructure maintenance and improvements, with specific measurable objectives speaking to those high-level goals for roadway improvements. Individual projects for both roadway and recreation improvements have specific objectives speaking to the levels of service established in the 2040 Comprehensive Plan, however, the County should consider developing a comprehensive parks management plan to develop measurable goals and objectives that speak to the recreation infrastructure as a whole similar to how the Hernando/Citrus MPO Long Range Transportation Plan does for roadway infrastructure. Additionally, the County should consider developing a countywide strategic plan for government operations. While the 2040 Comprehensive Plan provides strategic planning for development and land use, an overarching strategic plan can better drive all actions of the County government. Therefore, we determined Subtask 4-1 is partially met.

## Subtask 4-2

### Condition:

Partially Met

**Assess the measures, if any, the County uses to evaluate program performance and determine if they are sufficient to assess program progress toward meeting its stated goals and objectives.**

Roadway infrastructure improvements are regularly assessed using reasonable performance measures which speak to program progress toward achieving stated goals and objectives. Recreation infrastructure improvements, however, are not assessed using system-wide performance measures.

### Cause:

The County does not currently track any system-wide performance measures or visitation indicators for the County's parks system. Furthermore, with no system-wide goals and objectives for the recreation infrastructure program, as discussed in Subtask 4-2, any performance measures tracked by the County could not be used to track progress against strategic goals.

### Effect:

Without effective measurement of whether the program is achieving formal, set goals and objectives, leadership risks having no way of assessing whether service delivery meets expectations, has notable deficiencies, and/or is making positive progress toward providing expected service levels.

### Criteria:

Goals are commonly defined as long-term, measurable outcomes for a program, while objectives are shorter, still measurable actions that work toward achieving the larger goal. Successful implementation of goals and objectives by an organization allows for strategic positioning and utilization of staff and resources. Performance measures are regularly collected data and other indicators of a program's progress toward achieving its stated goals and objectives.

#### Recommendation 4-2:

As the County develops program goals and objectives which comprehensively guide the management of the County's recreation infrastructure, the County should identify performance metrics and standards which can be regularly tracked and reported as those metrics provide indicators of the recreation infrastructure program's progress toward achieving stated goals and objectives.

#### Analysis Summary and Conclusion:

Subtask 4-2: Assess the measures, if any, the County uses to evaluate program performance and determine if they are sufficient to assess program progress toward meeting its stated goals and objectives.

To address the requirements of this task, M&J interviewed County staff regarding the measures used to evaluate program performance. Once we understood the narrative around the documentation we received, we reviewed various reports and sets of data to assess whether the measures included are sufficient to evaluate program progress.

#### Public Works

As discussed in Subtask 4-1, the Hernando/Citrus MPO LRTP sets out several specific, measurable objectives to assess program process toward transportation infrastructure goals. Many of these performance targets are based upon FDOT standards, such as Truck Travel Time Reliability (TTTR), a measurement that assesses how frequently trucks are able to travel on specific roadways without significant delays caused by traffic congestions. Hernando County adopted FDOT's two-year and four-year targets, allowing the MPO to plan specific projects to improve the efficiency of truck travel through the County and measure against those projects' progress through changes in the TTTR index.

In addition to the specific measurements detailed in the LRTP, Hernando County also tracks mileage and traffic counts throughout the year. The County prepares an annual local government mileage report which tracks the following:

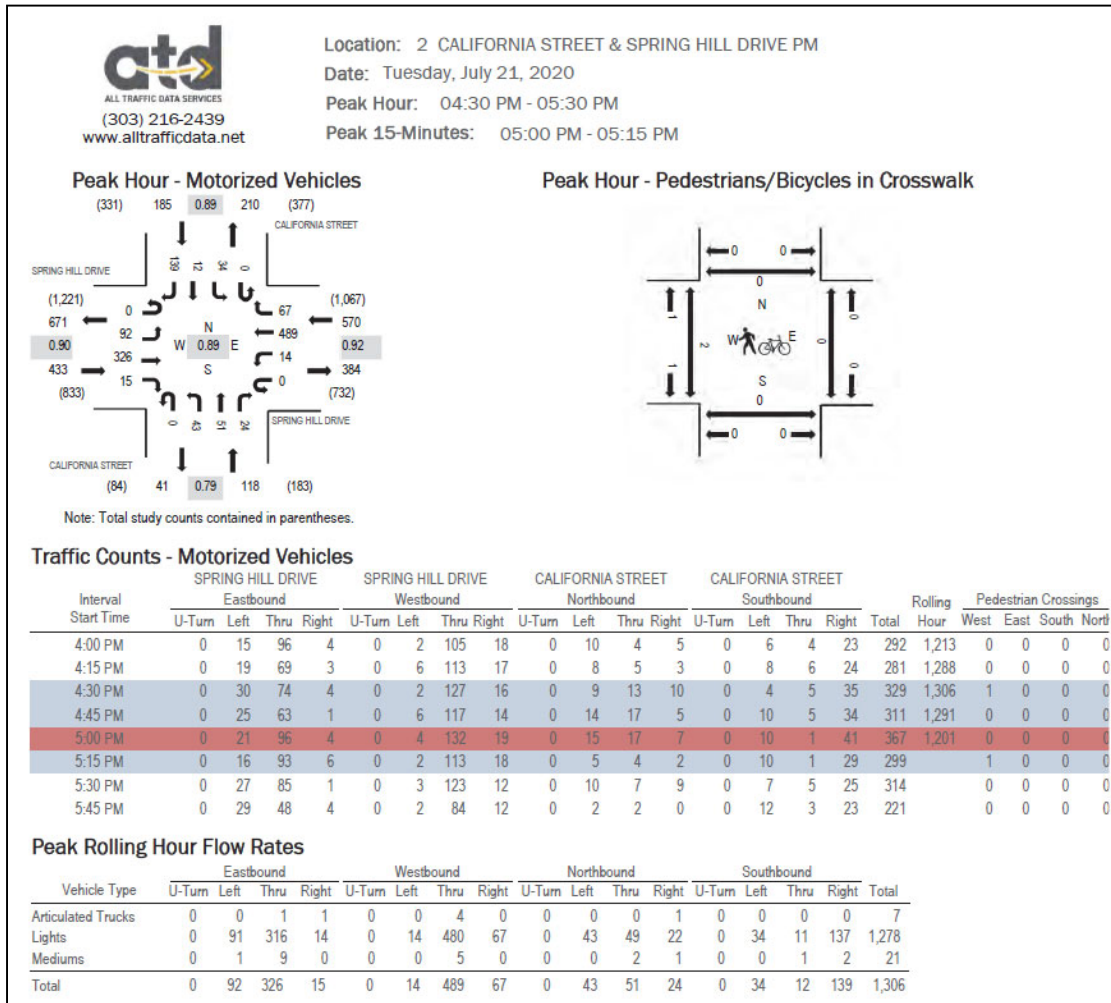
- Paved and unpaved total mileage at the beginning of the year
- Paved and unpaved mileage added during the year, including new construction, transfers from other jurisdictions, and previously unpaved mileage that was paved within the year
- Paved and unpaved mileage subtracted during the year, including abandonments and transfers to other jurisdictions
- Paved and unpaved total mileage at the end of the year

Mileage counts can represent reasonable measurements for assessing program performance, if the County has set a goal for number of County miles to be paved each year. All references to paved roadways in the 2045 LRTP refer to the condition of pavement as a measurement. As such, the tracking of mileage does not provide any current benefit beyond meeting the reporting requirements of section 218.322 of the *Florida Statutes*.

The most recent traffic count was reported in March 2021 and compared the Annual Average Daily Traffic (AADT) count for 71 roadways to the last AADT recorded for that roadway. Depending on the roadway, the last time each roadway was measured was anywhere from 2012 to 2018. For those roadways which underwent projects to alleviate traffic between the last measurement to 2021, these AADT counts can represent reasonable measurements for assessing program performance.

Traffic counts are also tracked for specific projects as part of the planning process. **Figure 4-G** is a sample count from the Brooksville-Tampa Bay Regional Airport Infrastructure Development Plan. The figure shows how contractors help the County collect data on the number, types, and behavior of vehicles that utilize specific intersections at high-volume intervals, as well as data on the behavior of pedestrians and cyclists in the intersection crosswalks.

**Figure 4-G: California Street and Spring Hill Drive Traffic Counts**



Source: Department of Public Works

The data presented in **Figure 4-G** can help provide a baseline for the project before initiation of the work. Once the project is underway, the County or its contractors can continue to measure the traffic counts in conjunction with other data presented in the LRTP used to measure congestion to determine program progress.

*Parks and Recreation*

Measurement of program progress is less formalized for the recreation infrastructure component. Each quarter, the Parks and Recreation Department utilizes volunteers from the community to inspect and judge the County’s parks in order to determine perceptions of the parks:

- Cleanliness/grounds upkeep

- Park amenity conditions
- Building/facilities appearance
- Restroom care
- Lawn and landscaping

These inspections result in cumulated scores from each of the volunteer judges, allowing the County to identify concerns with the appearance of the County's parks. The County also regularly (usually annually) evaluates contractors' performance in maintaining the appearance and upkeep of the parks and their facilities.

While these measurements can speak to those parks that might require additional attention, they fail to capture meaningful information that can be used to assess the progress of the County's recreation infrastructure improvement program. Currently, the County does not track any system-wide performance metrics or visitation indicators. Individual plans, such as the Anderson Snow District Park Master Plan, include estimated visitor counts for specific activities (primarily participation in sports leagues), but these are not comprehensive and are only calculated for those parks already identified for infrastructure improvements. We recommend the County develop trackable measures, even if they are just output data like visitation counts, that can be used to provide direction for and evaluation of program progress.

We recognize all senior leadership in the Parks and Recreation Department have been in their positions for under two years and have made an effort to develop new policies and procedures and have begun developing new metrics for performance tracking. For example, the department has recently implemented Lucity for work order management and has begun tracking work orders by status, category (such as preventative maintenance), location, etc. While the work order data is primarily output data, it could be used to develop performance metrics. However, the current focus of the Parks and Recreation Department in using quarterly community reviews of parks, vendor assessments, and work order data is on short-term status and immediate needs for parks and facilities. As the Parks and Recreation Department develops system-wide goals and objectives, we encourage leadership to start looking at long-term planning and develop tracking metrics that align with long-term goals.

#### *Summary*

Hernando County has reasonable performance measures used to evaluate roadway infrastructure program progress, but lacks system-wide performance measures tracked for recreation infrastructure improvement. Therefore, we determined Subtask 4-2 is partially met.

### **Subtask 4-3**

Our work revealed no issues or concerns related to internal controls, including policies and procedures, providing reasonable assurance that program goals and objectives will be met.

## Analysis Summary and Conclusion:

Subtask 4-3: Evaluate internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives are met.

To address the requirements of this subtask, M&J interviewed County staff to understand internal controls present in the program, as well as reviewed purchasing policies and procedures, and external messaging regarding the surtax.

### *Board of County Commissioners*

Internal controls for program management start with the Board of County Commissioners. In an effort to be transparent, program goals and proposed surtax-funded projects were identified through the public interest survey and approved by the Board of County Commissioners during a public discussion and vote, as detailed in Subtask 4-3. By including the public in the planning process, the County aims to maintain accountability to the residents. Every agenda item discussed by the Board of County Commissioners includes an overview of the agenda item, the financial impact, any legal notes, the County government's recommendation, and confirmation of review by all relevant departments and functional areas. **Figure 4-H** shows the financial impact, legal note, recommendation, and review process for Agenda Item #19373 – Discussion Regarding Results of Survey for Potential Half-Cent Sales Tax Referendum for Roads and Recreation at the regular meeting of the Board of County Commissioners on February 8, 2022. The agenda item, which was made publicly available in both the agenda packet and minutes packet, included backup documentation detailing a summary of the survey results, individual survey results, and the recommended projects list. **Figure 4-H** shows the agenda item and backup documentation were reviewed by the following functional areas prior to Board of County Commissioners review and approval:

- County Administrator and Deputy County Administrator
- Parks and Recreation Department
- Department of Public Works
- Office of Management and Budget
- Purchasing and Contracts
- County Attorney's Office
- Clerk of Circuit Court and Comptroller's Office

All agenda items go through similar review processes, ensuring multiple levels of review and approval for any purchase or recommendation that goes before the Board of County Commissioners.

**Figure 4-H: Board of County Commissioners Agenda Item #19373 Review Process**

<b>FINANCIAL IMPACT</b>		
None at this time, for discussion purposes only.		
<b>LEGAL NOTE</b>		
The Board is authorized to act upon this matter pursuant to Chapter 125 Florida Statutes.		
<b>RECOMMENDATION</b>		
It is recommended that the Board discuss the survey results, the proposed project listing, and provide direction to staff to continue with implementation of the sales tax referendum.		
<b>REVIEW PROCESS</b>		
Elaine Singer	Completed	01/28/2022 12:10 PM
Christopher Linsbeck	Completed	01/28/2022 4:12 PM
Scott Herring	Completed	01/28/2022 12:18 PM
Toni Brady	Completed	01/31/2022 4:04 PM
Pamela Hare	Completed	01/31/2022 4:10 PM
Jenine Wimer	Completed	01/31/2022 4:14 PM
Tobey Phillips	Completed	02/01/2022 9:21 AM
Jeffrey Rogers	Completed	02/01/2022 6:39 PM
Colleen Conko	Completed	02/02/2022 8:20 AM
Board of County Commissioners	Completed	02/08/2022 9:00 AM

Source: Hernando County

*Financial Controls*

During our interviews, management identified plans to consistently list each project as a separate line item in the annual budget, clearly delineating projects’ costs and allowing County staff and residents to review whether projects are remaining within budget in any given year.

The County’s Purchasing and Contracts Policies and Procedures Manual (Manual) governs the ways in which funds may be spent. The manual includes a series of internal controls including appropriate delegation levels of commitment authority; approval requirements for purchases; separation of responsibilities guaranteeing multiple levels of review and approval; procedures for securing competitive bids; and procedures for use and issuance of contracts, purchase cards, purchase orders, and change orders. Finally, the manual also requires vendor performance evaluations to ensure contracted vendors are meeting agreed-upon service levels and maintaining expected progress toward program goals.



### *Citizen Oversight Committee*

Section 9 of Hernando County Ordinance No. 2022-06, the ordinance approving placing the surtax referendum on the ballot, establishes a Citizen Oversight Committee to serve as an advisory and reporting body to the Board of County Commissioners. The committee will be comprised of County voters who apply to take part in the advisory body, as selected by the Board of County Commissioners, and will provide an annual report on the County's expenditure of surtax proceeds. The body's goal will be to guarantee proper expenditure of funds on the projects approved by the board and allowed under section 212.055(2) of the *Florida Statutes*. Ordinance 2022-06 includes the stipulation that if the committee is not established by March 2, 2023, the County's existing Economic Development and Airport Technical Advisory Committee will perform the duties of the surtax-focused Citizen Oversight Committee until the committee is properly established, guaranteeing oversight of surtax expenditures.

### *Summary*

Our review of internal controls identified internal controls present in Board of County Commissioners procedures, financial policies, and citizen oversight which provide reasonable assurance that program goals and objectives will be met. Therefore, we determined that Subtask 4-3 is met.

## F. Audit Issue #5: The accuracy or adequacy of public documents, reports, and requests prepared by the County or which relate to the program

### The accuracy or adequacy of public documents, reports, and requests prepared by the County or which relate to the program

**Finding Summary** – Overall, Hernando County partially meets Audit Issue #5. This finding is based on M&J assessment of provided data and information gathered in interviews. Our assessment found that Hernando County has adequate financial and non-financial information systems that provide useful, timely, and accurate information to the public regarding budget and project-specific updates. However, the County does not have formal policies and procedures in place to ensure regular, accurate, and complete information regarding overall program performance. The County also does not have formal or informal policies and procedures in place to correct erroneous and/or incomplete information included in information disseminated to the public.

#### Subtask 5-1

Our work revealed no issues or concerns related to the program’s financial and non-financial information systems providing useful, timely, and accurate information to the public.

Analysis Summary and Conclusion:

Subtask 5-1: Assess whether the program has financial and non-financial information systems that provide useful, timely, and accurate information to the public.

To address the requirements this subtask, M&J reviewed public channels of communication, including meeting minutes and the County’s use of the OpenGov platform. We also developed an information systems inventory related to the development of reports for public consumption through interviews with County personnel.

#### *Meeting Minutes*

Our team reviewed meeting agendas and minutes from the Board of County Commissioners regarding the infrastructure improvement program to determine if these meeting reports provide useful, timely, and accurate information to the public. For each meeting of the Board of County Commissioners, the County posts in advance an agenda and an agenda packet. The agenda packet includes a description of most every or every agenda item, including any backup documentation. For the meetings identified in Subtask 4-1 which directly related to the discretionary surtax, the agenda packet provided the survey results, the recommended projects list, the draft language for the surtax ordinance, and all presentation documents that were set to be introduced during the meeting. The County additionally posts meeting minutes and a meeting minutes packet for each meeting of the Board of County Commissioners, once approved at the next meeting. The meeting minutes packet contains all documentation presented during the meeting, as well as a summary of the actions taken, the discussions held, and any enacted ordinances, resolutions, or other legal documents. Finally, the County posts video record of the meetings when recorded.

The County additionally posts agendas, agenda packets, meeting minutes, meeting minutes packets, and videos of meeting for various other bodies, including the Hernando/Citrus MPO. As with the Board agenda and minutes packets, the MPO agenda and minutes packets include full documentation of public presentations and summaries of discussions and actions taken.

The County posts all agenda, agenda packets, meeting minutes, meeting minutes packets, and videos to the County website, along with videos of other public events, public notices of events, and media releases. From our review of 2021 and 2022, the County posted complete documentation for all Board and MPO meetings.

### *County Website*

We reviewed the County website to understand what information is provided and whether the information included appears to be updated in a timely manner and useful for the County's residents. The website has a robust list of online services and opportunities available as well as general information about the County, its residents, and its municipalities. Along with links to other County agencies (such as the Sheriff and the Clerk of Circuit Court), the website provides a list of each Hernando County government department.

The Department of Public Works pages include six sets of subpages, based upon the Department's services, as well as contact information for the Department, a glossary of relevant definitions, and information about the Department's Americans with Disabilities Act Transition Plan. The six sets of subpages are:

- Administration – Includes information about the Director's Office, customer service, and finance
- Waterways/Aquatic Services – Includes information about the marine program, the Port Authority, County waterways, and the Waterways Advisory Committee
- County Engineering – Includes information about civil design and construction management, stormwater engineering, and traffic engineering
- Municipal Service Benefit Unit (MBSU) – Includes information about community improvement projects financed through special non-ad valorem tax assessments
- Roads Maintenance/Operations – Includes information about bridge maintenance, drainage maintenance, roadways maintenance, signs and signals, and streetscape and trails maintenance
- Submit a Service Request – Allows residents to submit non-emergency service requests

The Department of Public Works pages provide guidance on issues ranging from submitting Right of Way use permits to traffic calming, as well as all Board of County Commissioners policies related to the Department of Public Works. The pages also provide updates on project status for various types of public works projects. **Figure 5-A** shows a screenshot of the website's status page for MBSU road paving, sidewalk development, and lighting installation projects. The screenshot was captured on July 12, 2022, with information clearly updated as recently as a vote taken on July 5, indicating timely updates to the project status information. Most projects include a link to a map demonstrating the special assessment boundary and project limits in relation to property parcels.

**Figure 5-A: Hernando County Website: Current and Recently Completed MSBU Projects**

**HERNANDO COUNTY, FL**

SERVICES · DEPARTMENTS · OUR COUNTY · I WANT TO... Search...

Public Works

Adopt-A-Road

Facility Design Guidelines

MSBU (Road Paving, Sidewalk, Street Lighting)

Current and Completed Projects

Submit a Service Request

Right of Way Use Permit

Traffic Calming Guidelines

Staff Directory

CONTACT

**Public Works**  
1525 E. Jefferson St.  
Brooksville, Florida  
34601

Phone (352) 754-4060  
Fax (352) 754-4423

RESOURCES

Definitions

Departments » Departments N-Z » Public Works » MSBU (Road Paving, Sidewalk, Street Lighting) »

## Current and Recently Completed Projects

Font Size: + - Share & Bookmark Feedback Print

### MSBU Project Status

<a href="#">MSBU Project</a>	<a href="#">Phase</a>	<a href="#">Status</a>
● Albany Area Road Paving	Failed	05/09/2022 Vote results: (Yes-47% No-53%)
● <a href="#">Blackberry Court Paving</a>	Pre-Construction	Preparation for Sept Bid release
● Holland Springs Industrial Park Street Lighting	Property Owners Vote	Vote cards mailed 06/10/2022; Responses due 07/25/2022
● <a href="#">Malibar Road Paving</a>	Unity of Title	Notices mailed 06/22/2022; applications due 07/22/2022
● <a href="#">Mandrake Road Paving</a>	Completed	Rate Resolution adopted 05/10/2022
● <a href="#">Milgate Court Paving</a>	Pre-Construction	Preparation for Sept Bid release
● Nashville Warbler Road Paving	Failed	07/05/2022 Vote results: (Yes-50% No-50%)
● <a href="#">Penn State/Scaup Duck Paving</a>	Unity of Title	Notices mailed 06/22/2022; applications due 07/22/2022
● Pheasant Area Paving	Completed	Rate Resolution adopted 01/11/2022
● <a href="#">Warbler Road Paving</a>	Pre-Construction	Preparation for Sept Bid release

**LEGEND**

● In Progress ● Completed ● On Hold ● Failed/Canceled

Source: *hernandocounty.us*

Similar lists are provided for other types of projects, such as stormwater projects, which include pictures of the in-progress and completed projects and the cost of the project.

The Parks and Recreation Department’s pages include six sets of subpages. The department’s main landing page also includes an overview of the County parks system, contact information for the department, and links to relevant news articles. As showing in **Figure 5-B**, the main department landing page is occasionally updated to include callouts for relevant projects, events, and other quick news statements. The screenshot was taken July 12, 2022; while we encourage the County to provide more timely updates to remove information after events, the call out of such events is commended.

**Figure 5-B: Hernando County Website: Parks and Recreation Main Landing Page**



Source: [hernandocounty.us](http://hernandocounty.us)

As also noted in **Figure 5-B**, the six sets of subpages are:

- [Parking Passes](#) – Allows residents to purchase annual parking passes to the County’s park system
- [Facility Reservations](#) – Allows residents to rent facilities and fields at particular properties
- [Sports Leagues](#) – Includes information about the various sports leagues that operate out of the County’s parks
- [Summer Camp](#) – Includes information about summer camp programs offered by the department for residents
- [Swim Advisory Status](#) – *link currently directs users to the next subpage*
- [Shoal Line Boulevard Recreation Area Feasibility Study \(Weekiwachee Preserve\)](#) – Includes information about the feasibility study to redevelop land owned by the County in the Weekiwachee Preserve for recreational opportunities

Most of the subpages included on the Parks and Recreation Department landing page are high-level informational pages, most with applications. The Feasibility Study page, however, provides in-depth information about the project, including results of the public survey, notices for public meeting, updates from public body meetings, legal documents, and more.

The Parks and Recreation Department landing page also provides links in the sidebar to information about each park and preserve included within the County’s system. A page about environmentally sensitive lands provides an overview of the Hernando County Environmentally Sensitive Lands Program with updates on each ongoing and recently completed project.

While not directly linked from the Parks and Recreation Department’s pages, a series of pages dedicated to the Anderson Snow District Park project are included in the County’s Planning Department webpages. The Anderson Snow District Park project pages include project updates, frequently asked questions about the project, summaries from public meetings, and documentation about the project’s initial conditions and needs assessment.

Overall, the County website provides a bounty of information. From the website, users can access the County’s ordinances, meeting agendas and minutes, budget information and financial updates, meeting and event calendars, contact information for County personnel, the County’s annual report and more. For the most part, the County keeps resources, news items, and documents up to date, however, there were a couple instances where a document linked to from multiple pages was outdated on some of those pages. For example, the County’s annual report was current on all pages except the County Administration’s page. We do not consider this a serious concern, but encourage the County to develop a list of all locations on the website where regularly updated reports exist and ensure those documents get updated across each of those locations.

*Hernando Half Cent Website*

In addition to the main County website, Hernando County has developed a website specifically for information and updates about the discretionary surtax. The website provides background on and justification for the surtax, video and documentation from public presentations given by County government staff, the list of projects to be funded by the surtax, answers to frequently asked questions, and more. The website also provides information on how residents can apply to serve on the Citizen Oversight Committee, as well as information on the duties and expectations of the committee.

*Information Systems Inventory*

Interviews with program personnel, as well as documentation received from the County, identified the information systems included in **Figure 5-C** as the primary and secondary systems utilized for program reporting, financial management and reporting, and general County reporting.

**Figure 5-C: Information Systems Utilized for Reporting**

System	Hernando County Applications
Lucity	Work management tool utilized by both Public Works and Parks and Recreation for work orders, customer requests, preventative maintenance planning, scheduling, and project-specific budget forecasting
LION (DPWSys and AdminSys)	Internal system utilized by Public Works for tracking engineering time and all County departments for managing change orders, grants, legal requests, and purchases
Various Crash Data Collection Systems	Public Works reports crash data through several systems as mandated by FDOT

System	Hernando County Applications
PAVER Pavement Maintenance Management System	Public Works utilizes PAVER to calculate the PCI score for each roadway pavement section through documentation of distress types, severity levels, and quantities
Geographic Information System (GIS)	Public Works utilizes GIS for creating, managing, analyzing, and publishing maps for public consumption
Local Agency Program Information Tool (LAPIT)	Public Works utilized LAPIT for State grant management through June 2021
Grant Application Process (GAP)	Public Works utilizes GAP for State grant management; this system replaced LAPIT in June 2021
Vermont Systems RecTrac	Parks and Recreation utilizes RecTrac for general management of the County's parks, including event, reservation, sports leagues, and facilities management
eFinancePlus	Countywide system for purchase orders, requisitions, financial approvals, and financial reporting
OpenGov	Countywide system for budget preparation, tracking, and reporting, as well as public procurement
MinuteTraq	Countywide system for managing agenda items for public meetings, including for Board of County Commissioners meetings

Source: Hernando County

The systems used for management of work, projects, and assets/facilities are utilized for internal reports, reporting to regulatory agencies, and reports for public consumption published on the website and presented through public meetings.

OpenGov supports the County's reporting of budget and current finances. The County website provides access to budget documents from FY2016 through the current year. The OpenGov platform allows the County to provide weekly updates for expected and actual revenues and expenses for each budget fund. **Figure 5-D** captures a screenshot of the budget update for the Transportation Trust Fund as accessed through OpenGov on July 12, 2022.

Figure 5-D: Hernando County OpenGov Budget Update

Collapse All	2021-22 Current Budget	2021-22 Actual
▶ Revenues	\$ 12,178,110	\$ 9,485,019
▼ Expenses	12,178,110	6,053,310
▶ Personnel Services	7,636,206	4,644,294
▶ Operating Expense	1,729,519	1,193,821
▶ Budget Reserves	2,597,176	0
▶ Transfers	209,573	209,572
▶ Grants & Aid	5,550	5,537
▶ Capital Outlay	86	86
Revenues Less Expenses	\$ 0	\$ 3,431,708

Source: hernandocounty.us

### *Hernando County Public Information Office*

The Hernando County Public Information Office is responsible for the provision of accurate, relevant, and timely information to the public regarding County events, news, programs, and services. The office manages the County's multimedia channels, including meeting video recordings, the County websites, and the County's social media channels (Facebook, Twitter, YouTube, and Pinterest). The office also responds to public records requests, pursuant to Chapter 119 of the *Florida Statutes*, providing the public with access to reports and program updates upon request.

### *Summary*

Hernando County utilizes a series of information systems which produce project reports and updates that are regularly shared through the County's public channels, including County websites and agenda and minutes packets for public meetings. Therefore, we determined that Subtask 5-1 is met.

## **Subtask 5-2**

### Condition:

Partially Met

**Review available documents, including relevant internal and external reports, that evaluate the accuracy or adequacy of public documents, reports, and requests prepared by the County related to the program.**

Although Hernando County staff monitor internal metrics, such as website visitation data and social media conversations, the County does not formally evaluate the accuracy or adequacy of public documents.

### Cause:

The County does not have formal policies and procedures for the regular evaluation of information disseminated to the public, nor does the County have internal or external reports evaluating the accuracy or adequacy of public information.

### Effect:

Without regular evaluation of public information, the public may lose confidence in the documentation and reporting provided by the County.

### Criteria:

Communications leading practices encourage organizations to develop and implement formal policies and procedures for review of public information to ensure accuracy, adequacy, and completeness.

### Recommendation 5-2:

Hernando County should develop a formal evaluation process to ensure accuracy and adequacy of public documents, reports, and requests prepared by the County, both in general and regarding the infrastructure improvement program.



### Analysis Summary and Conclusion:

Subtask 5-2: Review available documents, including relevant internal and external reports, that evaluate the accuracy or adequacy of public documents, reports, and requests prepared by the County related to the program.

To address the requirements of this subtask, M&J conducted interviews with County staff regarding the internal controls in place to guarantee the accuracy or adequacy of public documents as well as reviewed internal and external reports provided by the County evaluating the programs in question and their compliance with regulations and industry standards.

Through interviews with County personnel, we learned the County tracks website statistics for the surtax website to understand how website visitors are using the website. The County also monitors social media conversations regarding specific projects and provides updates for those projects with numerous questions. Finally, staff indicated the Half-Cent Sales Tax Task Force (comprised of Hernando County employees and responsible for guiding the government's efforts on the surtax referendum) reviews all information for accuracy and completeness of any documents regarding the surtax before publication.

During fieldwork, we did not identify any instances of inaccurate information presented in documents publicly available through the County's communications channels or the documents provided to M&J by County personnel. However, the standard for Subtask 5-2 is the regular evaluation of accuracy or adequacy of public documents, reports, and requests prepared by the County related to the program. While the County utilizes website analytics and social media engagement to determine the adequacy of public information, there is no formal process for the evaluation of information's accuracy, completeness, or adequacy.

We also reviewed each of the internal and external audit reports provided to us by the County, as well as the full internal audit schedule conducted by the Hernando Clerk of Circuit Court and Comptroller's Audit Services function from 2018 to 2021. None of the reports reviewed included an evaluation of the adequacy, accuracy, and completeness of publicly available program information or general information.

#### *Summary*

While we recognize the use of internal analytics, such as website metrics, provides some informal assurance public information is accurate and adequate, these informal measures alone are not sufficient. The County has no formal procedures for evaluation of information accuracy and adequacy, and no internal or external reports evaluating information on the programs' behalf. Therefore, we determined that Subtask 5-2 was partially met.

### Subtask 5-3

#### Condition:

Partially Met

**Determine whether the public has access to program performance and cost information that is readily available and easy to locate.**

The public has readily available and easy-to-locate access to budget documents and updates for the Department of Public Works and the Parks and Recreation Department, as well as specific projects. The public also has readily available status updates for specific projects. However, information on overall program performance is not proactively made available.

#### Cause:

The County's proactive reporting is limited to budget information and specific project updates published through the website and Board of County Commissioners meeting minute packets. The County does not proactively produce comprehensive program reports to share with the public.

#### Effect:

Proactive reporting of program performance allows for increased transparency and government accountability. By not proactively sharing program performance information, the County limits the public's ability to independently determine the effectiveness of County services.

#### Criteria:

We based our determination on whether reports were proactively made available through public communication channels, such as the website, and whether available reports adequately addressed program performance and cost.

#### Recommendation 5-3:

The County should improve its proactive reporting structure by producing regular reports detailing overall program performance.

#### Analysis Summary and Conclusion:

[Subtask 5-3: Determine whether the public has access to program performance and cost information that is readily available and easy to locate.](#)

To address the requirements of this subtask, M&J reviewed publicly available reports and channels of communication, as identified in Subtask 5-1. In order to meet the standard of this subtask, we focused on those reports and updates proactively made available to the public.

As addressed in Subtask 5-1, the County website provides a wealth of information for users, ranging from how-to guides and applications to financial reports and project updates. The Public Works pages of the website identify ongoing projects, as shown in **Figure 5-A**, however, these updates do not provide budgetary information. Other projects identified throughout the department's pages only identify completed costs. Additionally, reports on these pages are limited to project-specific progress updates, rather than any overarching reports on program metrics and performance.

The Parks and Recreation pages of the website include several project listings, with the most attention given to the Shoal Line Boulevard Recreation Feasibility Study. The feasibility study's subpages do include updates and links to Board of County Commissioners meeting agenda packets that provide overviews of actions taken and some costs associated with said actions, but no overall status or budget tracking mechanism. All other projects listed are part of the Environmentally Sensitive Lands Program and are one-to-two-bullet overviews of the projects – the project listings do not include updates on the project or any information of budget allocations or expenditures. Similar to Public Works, the Parks and Recreation pages do not provide comprehensive reports on program performance.

As discussed in Subtask 5-1, the other major Parks and Recreation project, the Anderson Snow District Park, is included in the Planning Department’s pages on the website. The website provides some updates on the project, most recently, though, from May 2020 when the master plan was developed. Since the development of the master plan, the website has not been updated to reflect progress made against the plan or any budgetary information.

OpenGov provides a look at the overall status of revenues collected and expenditures against the current fiscal year budget. Each fund is broken down by revenue sources and expenditure categories, with a total budget expenditures table showing all funds budgeted to and expended for specific projects. **Figure 5-E** is a screenshot of the total budget expenditures table indicating the budget and actual expenditures for the Department of Public Works as well as specific project budgets and actual expenditures for specific special assessment paving projects in progress. **Figure 5-F** is a screenshot of the total budget expenditure table indicating the budget and actual expenditures for the Parks and Recreation Department as well as specific project budgets and actual expenditures. **Figures 5-E and 5-F** were captured on July 12, 2022.

**Figure 5-E: Hernando County OpenGov Total Budget Expenditures: Public Works**

Collapse All	2021-22 Current Budget	2021-22 Actual
▼ Department of Public Works	66,855,877	15,638,241
▶ Gas Taxes	40,870,703	5,719,154
▶ Stormwater Management	8,425,284	1,361,913
▶ Road & Traffic Maintenance	5,597,725	3,603,810
▶ Facilities Maintenance	5,840,433	2,760,306
▶ Transportation Trust	4,310,043	1,336,948
▶ Engineering	1,811,689	856,110
▶ Grants	65,035,973	17,137,119
▶ County Administration	40,832,854	18,124,490
▶ Economic Development	22,654,445	2,635,867
▼ MSBUs	15,193,660	6,462,534
▶ MSBU Other	10,672,342	4,891,486
▼ MSBU Paving	2,489,228	772,567
(09945) Royal Highlands "B" Pav	274,113	176,289
(09930) Piping Plover Paving MSBU	261,837	20,066
(09920) Hurricane Dr Rd Paving	265,476	16,355

Source: [hernandocounty.us](http://hernandocounty.us)

**Figure 5-F: Hernando County OpenGov Total Budget Expenditures: Parks and Recreation**

Collapse All	2021-22 Current Budget	2021-22 Actual
▼ Community Services	13,242,727	7,209,720
▼ Parks & Recreation	6,322,566	3,901,495
(04441) Parks & Recreation	5,899,094	3,745,960
(01703) Chinsegut Hill Facilities	399,204	144,849
(04881) Little Rock Cannery	24,268	10,686
▶ Library Services	2,868,435	1,812,246
▼ Aquatic Services & Waterways	1,770,178	307,904
(01461) Aquatic Services	923,451	48,295
(01462) Waterways Maintenance-TT	458,567	256,357
(04571) FL Boating Imprvmnt Pgm	388,160	3,252

Source: [hernandocounty.us](http://hernandocounty.us)

As noted in **Figures 5-E and 5-F**, specific project budgets and expenditures are notated within the OpenGov reports. However, the OpenGov platform does not currently include project descriptions, program performance metrics, or links to descriptions or metrics, so understanding projects and programs requires some cross-checking with other sources. We encourage the County to find a way to better link the OpenGov budget report with project descriptions and statuses.

The most notable exclusion to available data is regular comprehensive program performance information. The County primarily focuses on specific project updates, both in terms of what is included on the website and in Board of County Commissioners meetings. The County does produce an annual report, which is posted to the website and provides an overview of each department’s accomplishments for the year. However, the annual report does not provide a periodic and timely snapshot of program performance. **Figure 5-G** shows the 2021 Annual Report’s Public Works section and **Figure 5-H** shows the Parks and Recreation section. As evidenced in these figures, the sections provide accomplishments with limited context, metrics without benchmarks or goals identified, and limited budget information.

**Figure 5-G: Hernando County 2021 Annual Report: Public Works**

**PUBLIC WORKS**

**Property Management** - Sold **46** properties; total revenue: **\$1,674,467**

**Aquatic Services** - Hernando Beach Perimeter Channel: completed replacement and upgrades of channel markers and information signage

**Operations** - Potholes Filled: **500**, Roads Graded: **730**, Swales Cleaned/Dug Out: **300**, Culverts Cleaned: **130**, Sign Repair/Installations: **600**, Signal Resets: **90**

**Facilities** - Installed **203** touchless faucets, **224** touchless toilet flush valves, and Bi-Polar Ionization in HVAC systems countywide



**LAMESA ROAD DRA PROJECT**  
Property was acquired and a swale and drainage retention area (DRA) was constructed to serve the residents residing off Lamesa Road.

Source: *Hernando County*

Figure 5-H: Hernando County 2021 Annual Report: Parks and Recreation



Source: Hernando County

The County does have a Public Information Office, as discussed in Subtask 5-1, which responds to Public Records Requests. Board of County Commissioners Policy No. 01-03 governs Public Records Requests, how the public may request records, and how the County must respond to requests. From interviews with County staff and our review of Policy No. 01-03, we understand the County will provide documentation and information on program performance and cost, however, we do not feel reactive provision of program information is a fully suitable replacement for proactive reporting.

#### Summary

The County's proactive reporting of program performance focuses on project-specific updates and budget reporting, with limited regular reporting on comprehensive program performance. Therefore, we determined that Subtask 5-3 was partially met.

### Subtask 5-4

#### Condition:

Partially Met

#### **Review processes the program has in place to ensure the accuracy and completeness of any performance and cost information provided to the public.**

Hernando County, the Department of Public Works, and Parks and Recreation Department have limited formal policies in place to ensure the accuracy and completeness of any program performance and cost information provided to the public.

#### Cause:

The County's formal policies and procedures governing the dissemination of information are limited to Public Records Requests, the County's government access television channel, annual financial reports, and Board of County Commissioner agenda items. But even those policies are limited in clearly defined processes for ensuring accuracy and completeness of public information.

#### Effect:

Without policies in place to govern the dissemination of information to the public, and especially those policies ensuring the accuracy and completeness of information, the County risks providing misleading information to the public, limiting residents' ability to make informed conclusions as to the performance of tax-funded programs.

### Criteria:

Formal, written policies and procedures help guide an organization's actions, ensuring every action taken by an organization works toward achieving organizational goals, including efficiency, effectiveness, high levels of customer service, and/or adherence to leading practices.

### Recommendation 5-4:

The County should develop formal policies and procedures governing the dissemination of all information, including program-specific information, for public consumption. The Public Works and Parks and Recreation Department should consider developing department-specific policies and procedures governing the dissemination of program performance and cost information.

### Analysis Summary and Conclusion:

Subtask 5-4: Review processes the program has in place to ensure the accuracy and completeness of any performance and cost information provided to the public.

To address the requirements of this subtask, M&J conducted interviews with County staff and reviewed written County policies and procedures related to the dissemination of performance and cost information to the public. Our analysis relied heavily on the evaluations of the other subtasks from Audit Issues #4 and #5.

In our review of Board of County Commissioner policies which govern the actions of the County government, we identified two policies related to the provision of information to the public:

- Policy 01-03: Public Records Requests
- Policy 30-01: Government Broadcasting Operational Policy

The Public Records Requests policy, as discussed in Subtask 5-3, provides the process for responses to requests from the public for documentation. The policy does not include a process or requirement for County staff to review information for accuracy or completeness.

The Government Broadcasting Operational policy governs the structure, mission, and programming of the County's government access television channel. The policy provides criteria for the channel staff to evaluate permitted programming, but does not provide a process or requirement for County staff to review for accuracy or completeness, nor does it govern any information provision beyond the television channel.

Beyond the informal processes discussed in Subtasks 4-3 and 5-2 related to the Citizen Oversight Committee and Half-Cent Sales Tax Task Force reviewing surtax-related information prior to dissemination, we were only able to identify two formal processes we could identify for the guarantee of accuracy and completeness of information provided to the public. The two formal processes identified were the external audit conducted for the Annual Comprehensive Financial Report and the review process for Board of County Commissioners agenda items as discussed in Subtask 4-3. The external audit is utilized to ensure financial information presented to the public is accurate and complete as determined by an independent party. The agenda item review process creates an internal control requiring multiple levels of review and approval before information is disseminated to the public. This review, however, only formally exists for information publicized through Board of County Commissioner meetings – any other public information does not go through a similar formal review process.

### Summary

Overall, the County does not have formal policies governing comprehensive dissemination of information to the public. Formal policies are limited to Public Records Requests, the government access television channel, annual financial reports, and Board of County Commissioners agenda items. Program performance information is not subject to formal policies. Therefore, we determined that Subtask 5-4 is partially met.

## Subtask 5-5

### Condition:

Did Not Meet

**Determine whether the program has procedures in place that ensure that reasonable and timely actions are taken to correct any erroneous and/or incomplete program information included in public documents, reports, and other materials prepared by the County and that these procedures provide for adequate public notice of such corrections.**

Hernando County, the Department of Public Works, and the Parks and Recreation Department do not have procedures in place that ensure reasonable and timely actions are taken to correct erroneous and/or incomplete program information released to the public.

### Cause:

As discussed in Subtask 5-4, the County has limited formal policies governing the dissemination of information to the public. None of those formal policies include procedures for correcting any erroneous and/or incomplete information.

### Effect:

Without procedures in place to correct erroneous and/or incomplete program information, the County risks continued public visibility of said erroneous information, limiting residents' ability to make reasonable judgements.

### Criteria:

We evaluated the written policies governing dissemination of information to understand what processes – if any – exist for correcting erroneous and/or incomplete program information.

### Recommendation 5-5:

The County should develop formal policies governing the dissemination of information to the public that include procedures ensuring reasonable and timely actions to correct erroneous and/or incomplete information included in the public documents.

Analysis Summary and Conclusion:

Subtask 5-5: Determine whether the program has procedures in place that ensure that reasonable and timely actions are taken to correct any erroneous and/or incomplete program information included in public documents, reports, and other materials prepared by the County and that these procedures provide for adequate public notice of such corrections.

To address the requirements of this subtask, M&J reviewed written policies and procedures related to the dissemination of documentation for public consumption as identified in Subtask 5-4.

As discussed in Subtask 5-4, there are two formal policies and two formal processes for the dissemination of information to the public. The two policies, governing Public Records Requests and the government access television channel, have neither procedures for ensuring accurate and complete information or reasonable and timely actions to correct any erroneous and/or incomplete information. And the two formal processes, governing the external audit and review of Board of County Commissioners agenda items, are not explicitly included in any written documentation, so do not formally include any procedures for correcting information. Interviews with County staff, likewise, did not identify any formal or informal policies or procedures governing the correction of erroneous and/or incomplete information.

As a minor caveat – the County’s public communications channels are commonly used for announcing notices of public meeting and information availability, so we recognize the County would most likely have a suitable mechanism for providing adequate public notice of corrections made. However, without formal or informal policies to confirm that assumption, we were unable to give the County credit for that capability.

#### *Summary*

Because the County has neither formal nor informal procedures in place that ensure reasonable and timely actions are taken to correct any erroneous and/or incomplete program information – or information in general – included in public documents, reports, and other materials, we determined the County did not meet the requirements of Subtask 5-5.



## G. Audit Issue #6: Compliance of the program with appropriate policies, rules, and laws

### Compliance of the program with appropriate policies, rules, and laws

**Finding Summary** – Overall, Hernando County meets Audit Issue #6. This finding is based on M&J assessment of provided data and information gathered in interviews. Our assessment found that the County has strong internal controls policies and practices to ensure compliance with all applicable laws, rules, and regulations. Hernando County leverages membership in a number of organizations to stay up-to-date on federal, state, and local legislation that may impact County programs or processes. The County takes appropriate timely action to address any identifies issues with laws, rules, regulations, or policies and procedures. Ordinance 2022-06 reflects the requirements of *Florida Statutes* 212.055(2) and the County has appropriate oversight processes to ensure funds are spent in accordance with applicable state laws, rules, and regulations.

#### Subtask 6-1

Our work revealed no issues or concerns related to whether the program has a process to assess its compliance with applicable (*i.e.*, relating to the program's operation) federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies.

Analysis Summary and Conclusion:

Subtask 6-1: Determine whether the program has a process to assess its compliance with applicable (*i.e.*, relating to the program's operation) federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies.

To address the requirements of this subtask, M&J examined Hernando County's written policies and procedures, as well as interviewed Finance, Procurement, and end-user Department staff about internal processes for ensuring compliance.

We also assessed general oversight and review processes to understand what reviews are in place that allow the County to assess compliance appropriately.

For financial compliance, the County utilizes the Office of Management and Budget, which is responsible for procurement oversight and compliance, as well as the Finance Department, to ensure proposed activity and expenditure compliance.

For procurement, all five Office of Management and Budget staff are involved in procurements, in addition to end-user department staff. The Purchasing Agent is responsible for coordinating with the end-user department to draft all procurement documents. Once the end-user department has approved the accuracy of the procurement documents, the procurement package must be reviewed by the Contract Compliance Officer, who reviews for compliance with all applicable laws, rules, regulations, and local policies. If the procurement will be performed with grant funds, then there is a secondary review by a Grants Accountant specifically for compliance with grant terms and conditions, as well as approved scope and allowable activities.

All procurements must also be reviewed by the Procurement Coordinator, then a legal review, and then the final approved is the Chief Procurement Officer, who signs and then releases the procurement for bidding.

Within Finance, each invoice submitted for payment is reviewed for compliance with appropriate state, federal and local policies as well as within the terms of the contract. The County also has a contract compliance audit position, which ensures that deliverables are in compliance with contract scope and standards. If an invoice requires the expenditure of grant funds, there is a separate grant review before Accounts Payable review and audit to ensure compliance and eligibility with all applicable grant requirements and allowable activities.

For all capital projects, Finance maintains a list of approved signatories who are authorized to review and approve invoice for payment against contracts. These lists are updated annually, and signatories are authorized at the account level, rather than given blanket approval for all capital projects within their Departments.

In addition to internal processes and roles for oversight, legal compliance is supported by the compliance requirements of governmental agencies that oversee grant funds allocated or awarded to the County. Hernando County has updated its procurement packet to include FDOT requirements for all County solicitations related to road construction or other projects that may be funded with FDOT monies.

As noted in Subtask 1-4, Hernando County has taken prompt action to strengthen internal controls and ensure appropriate compliance within Parks and Recreation.

The County also has an internal audit function, which periodically reviews whether or not individual departments, sections, or units are complying with written County and Departmental policies and procedures. The internal audit function has scheduled reviews of high-risk functions, and may also implement audit functions in response to requests from county management, the County Attorney, or the Board of County Commissioners.

In addition to the specific practices and procedures noted above, the County also has a County Attorney and a County Administrator who provide general oversight of County activities. Both the County Attorney and County Administrator reviews and signs off on all Board of County Commissioners' agenda items. In addition, the Agenda Packet contains a "Legal Note" section, which provides evidence of the authority the Board and County have to act upon all proposed matters.

The County maintains membership in a number of state and national organizations, such as the Florida City and County Managers Association and the Florida Association of Counties that provide access to leading operational and compliance practices as well as provide information about how changes in state or federal laws, rules, or regulations may impact operations.

In addition to the County administrative memberships, Parks and Recreation is a member of the Florida Recreation and Parks Association. Public Works is a member of both the Florida chapter and national organization of the American Public Works Association (APWA), as well as the Institute of Transportation Engineers, the National Association of County Engineers, the American Society of Flood Plain Managers, and the Florida Association of County Engineers and Road Superintendents. These memberships allow County employees and administrators to share leading practices as well as discuss how changes in state or federal laws, rules, or regulations may impact operations.

The County is also a member of the Small County Coalition (SCC), a non-partisan statewide alliance of County commissions in Florida's small and rural counties. The SCC's primary mission is to help Florida's small and rural counties address legislative issues from a small county/rural perspective and work effectively with state agency leadership.

### *Summary*

Based on M&J's analysis, the County has processes in place to assess compliance with applicable federal, state, and local laws, rules, and regulations; contracts, grant agreements, and local policies. Therefore, we determined that Subtask 6-1 is met.

## **Subtask 6-2**

Our work revealed no issues or concerns related to program internal controls to determine whether they are reasonable to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures.

### *Analysis Summary and Conclusion:*

Subtask 6-2: Review program internal controls to determine whether they are reasonable to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures.

To address the requirements of this subtask, M&J reviewed the County's applicable internal and external audit reports to determine if there were any identified material weaknesses or deficiencies that directly impact the program. M&J also interviewed staff with assigned financial, contractual, grants management, or comparable duties to understand the performance of these functions and the implementation of reasonable controls.

As noted in Subtask 1-3, our review of the 2019, 2020, and 2021 Annual Comprehensive Financial Reports found no weaknesses or deficiencies in internal controls.

As described in Subtask 1-4, the County has made positive changes to strengthen internal controls and ensure stronger segregation of duties related to cash handling and financial management within the Parks and Recreation Department.

We also reviewed Internal Controls Questionnaires (ICQs) completed by the County as part of their annual auditing process. The County provided M&J with 11 completed questionnaires on topics such as expenditures, governmental revenue, grant revenue and expenditures, payroll, and capital assets management. These ICQs summarize internal control processes as well as identify key control steps, such as the hard coding of authorizations into the system used for payment processing workflow. The use of hard coded system-level authorizations and mandatory approvals is a best practice for preventing fraud and abuse. We found these written processes to align with written policies as well as with the information gathered through our interviews about how processes are currently being performed by County staff. Additionally, the documented controls are designed to assess both financial as well as operational compliance.

#### *Summary*

The County has appropriate segregation of duties, and reasonable internal controls procedures and practices to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures. Therefore, we determined that Subtask 6-2 is met.

### **Subtask 6-3**

Our work revealed no issues or concerns related to whether program administrators have taken reasonable and timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures identified by internal or external evaluations, audits, or other means.

#### *Analysis Summary and Conclusion:*

Subtask 6-3: Determine whether program administrators have taken reasonable and timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures identified by internal or external evaluations, audits, or other means.

To address the requirements of this subtask, M&J reviewed management response to any identified auditor findings or material weaknesses, and determined whether the corrective actions were implemented and were reasonable to address the identified noncompliance. We also interviewed program and administrative staff to understand the functional processes that were modified as a result of the actions taken.

As detailed in Subtask 1-4, several instances of noncompliance were identified in both internal and external evaluations. **Figure 6-A** summarizes the identified noncompliance and the County's actions to resolve.

**Figure 6-A: Hernando County – Internal/External Reports Summary Results and Management Response**

Auditing Entity	Year Reviewed	Summary of Findings	Management Response
FDOT	2019	<ul style="list-style-type: none"> <li>Timeframes for advertisement postings and final invoicing are not being kept at a compliant standard</li> </ul>	<ul style="list-style-type: none"> <li>Shifts in staffing with the County caused for a delay in advertisement</li> <li>The Department of Public Works will emphasize the importance of deadlines with the Purchasing and Contracts Department</li> </ul>
Hernando County Clerk of Circuit Court and Comptroller: Audit Services Department	2020	<ul style="list-style-type: none"> <li>Improper refunds and discounts to customers.</li> <li>Incorrect changing of the rate table</li> <li>Non-compliant contracts, agreements, and Insurance Certificates</li> <li>Incorrect access rights for employees in the MaxGalaxy system</li> </ul>	<ul style="list-style-type: none"> <li>Staff will be trained better to understand updated SOPs and compliance procedures</li> <li>Templates will be created for all agreements and contracts</li> <li>Monthly review processes will be implemented</li> <li>Proper access rights will be determined by the IT Department</li> <li>Cash handling training will occur</li> </ul>
MTN Resources (Third-Party FDOT Vendor)	2019	<ul style="list-style-type: none"> <li>Payroll not received for onsite trucking operations</li> <li>No NNC issued when payroll is submitted late</li> </ul>	<ul style="list-style-type: none"> <li>The County met with the Grants Compliance team to solidify best practices</li> <li>Calendar reminders will be used for payroll due dates</li> </ul>
	2020	<ul style="list-style-type: none"> <li>Rental and lease agreements not on file for truckers observed</li> <li>Payroll not received for on-site trucking operations</li> </ul>	<ul style="list-style-type: none"> <li>Rental and lease agreements are not required because the trucking was offsite</li> </ul>
	2021	<ul style="list-style-type: none"> <li>Labor interviews need to be stamped</li> <li>Need payroll information</li> <li>No NNC issued for late payroll submittal</li> </ul>	<ul style="list-style-type: none"> <li>NNCs will be issued once in the beginning of a project</li> <li>An email to the Prime Contractor about EEO deadlines will be issued</li> </ul>

*Source: Hernando County*

Hernando County met all reviewing entity deadlines for response. We reviewed subsequent information issued by FDOT or its representative to confirm that FDOT considers the noted issues resolved. We also reviewed organizational changes and process changes related to the Parks and Recreation internal audit, as detailed in Subtask 1-4, to confirm that management action was taken as documented in the management response.

*Summary*

We identified no instances of negligent or untimely response by the County. The County has taken reasonable and timely actions to address non-compliance identified by internal and external audits and program reviews. Accordingly, Subtask 6-3 is met.



## Subtask 6-4

Our work revealed no issues or concerns related to whether program administrators have taken reasonable and timely action to determine whether planned uses of the surtax are in compliance with applicable state laws, rules, and regulations.

### Analysis Summary and Conclusion:

Subtask 6-4: Determine whether program administrators have taken reasonable and timely action to determine whether planned uses of the surtax are in compliance with applicable state laws, rules, and regulations.

To address the requirements of this subtask, M&J reviewed *Florida Statutes* 212.054 and 212.055(2) and applicable County resolutions to understand the County's authority to call a referendum for a surtax.

We interviewed both operational and management staff to understand the proposed uses of the surtax, and the process the County utilized to develop the proposed uses. We interviewed County management and staff in administrative oversight positions to understand general administrative and managerial oversight roles and responsibilities. We also interviewed program staff to understand operational oversight processes and responsibilities.

In February of 2022, the Hernando County Board of Commissioners adopted Ordinance 2022-06. Ordinance 2022-06 levies, subject to voter approval, a one-half of one percent infrastructure surtax. If approved, the surtax will be in effect from January 1, 2023 through December 31, 2032. The Ordinance is in compliance with *Florida Statute* 212.055(2) and specifically states that any and all proceeds collected will be spent to "finance, plan, and construct infrastructure, as that term is defined in *Florida Statutes* 212.055(2), and for the acquisition of any interest in land for public recreation, conservation, or protection of natural resources."

We also examined Resolution 2022-47. This Resolution adopts the "Hernando County Local Government Infrastructure Surtax Recommended Projects List" which identifies seven roads projects, and 11 recreation projects that surtax revenue will support. Resolution 2022-47 was adopted in February of 2022, and the agenda item notes the review of the Chief Procurement Officer, County Attorney, Clerk of Circuit Court and Comptroller, Deputy County Administrator, and County Administrator, among others.

### Summary

County leadership has taken reasonable and timely actions to develop a list of planned surtax revenue use, and determined the planned uses are in compliance with applicable state laws, rules, and regulations. Therefore, we determined that Subtask 6-4 is met.

## H. County Response

The following pages contain the County's response to the performance audit.



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**August 8, 2022**

**Office of Program Policy Analysis and Government Accountability  
State of Florida, Office of Legislative Services  
111 W. Madison St., Suite 874  
Tallahassee, FL 32399  
Via Email:**

**To Whom It May Concern:**

This letter is in response to the Mauldin and Jenkins (M & J) Independent Auditors' Report titled Hernando County; Florida Discretionary Surtax Performance Audit dated August 2, 2022. In accordance with the requirements of Ch. 2018-118, Laws of Florida, the State of Florida, Office of Program Policy Analysis and Government Accountability (OPPAGA) selected Mauldin and Jenkins (Atlanta, GA) to conduct a performance audit of infrastructure improvements for the Department of Public Works and Recreation Improvements for the Parks and Recreation Department as well as areas related to the proposed levy of a discretionary sales tax pursuant to s. 212.055(7), Florida Statutes. This statute requires that Florida local governments, with a referendum for a discretionary sales surtax held after March 23, 2018, undergo a performance audit. The performance audit is conducted on the program(s) associated with the proposed sales surtax. The audit must be completed and published on the County's website at least 60 days before the referendum is held. OPPAGA is charged with procuring and overseeing the audit. The County is responsible for fully cooperating with the audit, auditor requests, and publication of the final audit results on the County's website.

The final report evaluated 25 different audit objectives, or subtasks. Of those 25 audit objectives/subtasks, Hernando County:

- Met – 15 audit objectives/subtasks
- Partially Met- 9 audit objectives/subtasks
- Did Not Met – 1 audit objective/subtask

Under Florida state law, Hernando County's Board of County Commissioners are responsible for administration of the surtax funds, if the referendum passes. The referendum provides for the collection, distribution and use of the sales surtax proceeds that will be used to improve the roadways and recreational centers throughout Hernando County by expanding roadways, improving intersections, constructing new recreation areas, and making capital improvements to existing recreation areas under Hernando County's Parks and Recreation Department and Environmentally Sensitive Lands Program. Because of the importance of this referendum, Hernando County has responded to each individual recommendation provided by the auditors in the final audit report.





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### Research Task 1 – The Economy, Efficiency, or Effectiveness of the program

#### Audit Objective/Subtask 1.1 – Partially Met

**Auditor Research** - This finding is based on M&J assessment of provided data and information gathered in interviews. Our assessment found that Hernando County regularly uses data and management reports to evaluate the performance and costs of capital improvement and Department of Public Works programs. Deficiencies noted in internal and external reports are addressed in a timely and reasonable manner. While Parks and Recreation collects some data points, the collected data is not adequate to allow for system-level performance and cost assessment. The County, however, can take actions to gather additional data and utilize all data to regularly assess performance and cost for the Parks and Recreation Department.

**Auditor Recommendation** - The County should begin tracking more system-level Parks and Recreation data, such as visitation and infrastructure condition assessments, to provide a more comprehensive depiction of the parks system's performance and costs. The County should regularly review and assess this data to more formally drive program performance and fee decisions. This should include analysis of changes in data over time, to understand impact of changes in infrastructure, processes, or fees. Data should also be compared with peer benchmarking, to better place Hernando County's performance within context.

#### Hernando County Management Response –

Hernando County concurs with this tracking system-level parks data recommendation. Although some of the parks that have staff attending access points currently have data tracking capabilities already in place, most of the existing park sites are not collecting data, specifically boat ramps, playground parks, sensitive lands, and other parks in which there are no controlled access points. As applicable, Hernando County shall recommend and evaluate options for improved tracking mechanisms for data collection at parks.

#### Audit Objective/Subtask 1.2 – Partially Met

**Auditor Research** - The County does not have adequate data to assess Parks and Recreation system-level performance, nor infrastructure performance. As a result, the County has not completed periodic evaluations of the program using performance information.

**Auditor Recommendation** - The County should utilize data that is collected, in addition to collecting additional data, to allow for more formal evaluation of program performance and use these assessments to inform decision making and to develop performance indicators that allow for more proactive performance evaluation as well as the potential for continuous improvement.

#### Hernando County Management Response -

Hernando County concurs with the recommendation for the utilization of data that is collected. By collecting, evaluating, and using the information to formulate park improvement plans, the Hernando



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County Parks and Recreation Department can take steps to proactively improve performance evaluations of the existing operations.

### **Audit Objective/Subtask 1.5 – Partially Met**

**Auditor Research** – The County has several innovative practices designed to provide enhanced program performance and costs. Parks and Recreation, however, is not achieving industry benchmarks for performance.

**Auditor Recommendation** – Parks and Recreation should develop comprehensive key performance indicators and performance measures that align with industry benchmarks and data collection standards. These indicators should be used as part of the surtax program performance assessment.

### **Hernando County Management Response -**

Parks and Recreation will analyze the options of using comprehensive key performance indicators and performance measures that align with industry benchmarks and data collection standards. These indicators should be used as part of the surtax program performance assessment.

## **Audit Issue #3: Alternate Methods of Providing Services or Products**

### **Audit Objective/Subtask 3.1 – Partially Met**

**Auditor Research** - Both the Department of Public Works and the Parks and Recreation Department utilize contracted/outsourced services for specific service provision when it makes economic sense, or when specific technical skills, manpower, and/or time are needed that are not maintained internally. The County has not conducted any related formal feasibility assessments but has demonstrated the performance of informal assessments for determining alternative service delivery models through formal procurement evaluations, peer comparisons, and management's understanding of various cost models.

**Auditor Recommendation** – The County should conduct formal assessments and/or feasibility studies that document expected financial and operational impacts when considering a service to be contracted/outsourced.

### **Hernando County Management Response -**

Hernando County acknowledges the recommendation to conduct a formal assessment and/or feasibility study when it comes to outsourcing contracted services. Should Hernando County as a whole elect to conduct a feasibility study or assessment for future outsourcing for contracted services, the Parks and Recreation Department shall provide any necessary data and/or assistance in this effort. Furthermore, any resulting future implementations of operational or financial policy changes, the department shall subsequently conform to those directives. The current staffing levels in the Public Works Department has driven the need for outsourcing several of our services. In many cases the feasibility of determining which services to bring "in-house" is not realistic due to current workloads and staffing levels. Should



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the resources become more available, and an analysis reveals this to be a more cost-effective solution, staff will analyze the potential of bringing additional resources/capabilities in house. One of the areas to further study will include the timeliness of the services to be provided and the determination that any resources to be done in-house will be able to be fully utilized on a long-term basis and not just on a project basis or fiscal year basis.

### **Audit Issue #4: Goals, Objectives, and Performance Measures Used by the Program to Monitor and Report Program Accomplishments**

#### **Audit Objective/Subtask 4.1 – Partially Met**

**Auditor Research** - The County maintains program-wide and project specific measurable objectives for roadway infrastructure and project specific but not program wide measurable objectives for recreation infrastructure. The aforementioned roadway and recreation infrastructure objectives speak to program goals and identify funding sources for budget maintenance – however, the program goals and objectives do not speak to larger Countywide strategy.

**Auditor Recommendation** – The County should develop a countywide strategic plan to which program-specific goals and objectives can be applied. The County should consider developing a comprehensive parks management plan which looks at management of the County’s recreation infrastructure as a whole.

#### **Hernando County Management Response -**

Hernando County is in the process of engaging the employees to develop a solidified vision that would help drive a strategic type of plan. The County agrees it should develop a parks management plan to help identify the needs of the citizens and strategize the best use of county resources.

#### **Audit Objective/Subtask 4.2 – Partially Met**

**Auditor Research** – Roadway infrastructure improvements are regularly assessed using reasonable performance measures which speak to program progress toward achieving stated goals and objectives. Recreation infrastructure improvements, however, are not assessed using system-wide performance measures.

**Auditor Recommendation** – As the County develops program goals and objectives which guide the management of the County’s recreation infrastructure, the County should identify performance metrics and standards which can be regularly tracked and reported as those metrics provide indicators of the recreation infrastructure program’s progress toward achieving stated goals and objectives.



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### **Hernando County Management Response -**

Hernando County concurs with the recommendation to develop program goals and objectives for recreation infrastructure. Baselines should be established for the creation of benchmarks, which would allow staff to implement programs to assist the County in meeting identified goals and objective

### **Audit Issue #5: The Accuracy or Adequacy of Public Documents, Reports, and Requests Prepared by the County Which relate to the Program**

#### **Audit Objective/Subtask 5.2 – Partially Met**

**Auditor Research** – Although County staff monitor internal metrics, such as website visitation data and social media conversations, the County does not have policies and procedures ensuring formal evaluation of the accuracy or adequacy of public documents.

**Auditor Recommendation** – Hernando County should develop a formal evaluation process to ensure accuracy and adequacy of public documents, reports, and requests prepared by the County, both in general and regarding the infrastructure improvement program.

#### **Hernando County Management Response -**

Hernando County will work to formalize the current process in each department to ensure the information provided to the public is accurate and relevant.

#### **Audit Objective/Subtask 5.3 – Partially Met**

**Auditor Research** – The public has readily available and easy-to-locate access to budget documents and updates for the Department of Public Works and the Parks and Recreation Department, as well as specific projects. The public also has readily available status updates for specific projects. However, information on overall program performance is not proactively made available.

**Auditor Recommendation** – The County should improve its proactive reporting structure by producing regular reports detailing overall program performance.

#### **Hernando County Management Response -**

Hernando County will create a more holistic approach of reporting that would easily summarize implemented programs and services. The County will work on formalizing this in the coming months and ensure that the Oversight Committee is involved in the process providing feedback as necessary.

#### **Audit Objective/Subtask 5.4 – Partially Met**

**Auditor Research** – The County, the Department of Public Works, and Parks and Recreation Department have limited formal policies in place to ensure the accuracy and completeness of any program performance and cost information provided to the public.



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P 352.754.4002 ♦ F 352.754.4477 ♦ W [www.HernandoCounty.us](http://www.HernandoCounty.us)

**Auditor Recommendation** – The County should develop formal policies and procedures governing the dissemination of all information, including program-specific information, for public consumption. Public Works and Parks and Recreation should consider developing department-specific policies and procedures governing the dissemination of program performance and cost information.

### **Hernando County Management Response –**

Hernando County acknowledges the recommendation to develop formal policies and procedures for dissemination of information specific to program performance. Currently, the policies in place to disseminate are county-wide and go through the specific Records Custodians. This recommendation shall be forwarded to the Public Information Department for their evaluation of our existing procedures as it relates to the public reporting.

The Public Works Department will work with County Administration and the Office of Public Information to develop formal procedures for the dissemination of program specific information, project schedule and status updates for Public Works. One potential idea is to include program specific metrics as part of the Annual Report that is prepared for all of Hernando County. Additionally, the Citizens Oversight Committee will provide reporting and metrics on the Half Cent Sales Tax Projects.

### **Audit Objective/Subtask 5.5 – Did Not Meet**

**Auditor Research** - The County, the Department of Public Works, and the Parks and Recreation Department do not have procedures in place that ensure reasonable and timely actions are taken to correct erroneous and/or incomplete program information released to the public.

**Auditor Recommendation** – The County should develop formal policies governing the dissemination of information to the public that include procedures ensuring reasonable and timely actions to correct erroneous and/or incomplete information included in the public documents.

### **Hernando County Management Response -**

Hernando County acknowledges the recommendation to develop formal policies and procedures for reasonable timeliness to correct erroneous and/or incomplete information included in public documents. Currently, the policies in place to disseminate are county-wide and go through the specific Records Custodians. This recommendation shall be forwarded to the Public Information Department for their evaluation of our existing procedures as it relates to the public reporting.

The Public Works Department will work with County Administration and the Office of Public Information to develop formal procedures for timely actions to correct erroneous and/or incomplete information in public documents. We would anticipate that this procedure will be developed/adopted in conjunction with the procedure for program specific information (Finding 5-4)



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Thank you for coordinating this audit, as required by State Statute, and the opportunity to respond and provide comments. Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Jeffrey Rogers".

Jeffrey Rogers, P.E.

County Administrator

Hernando County

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cc: Toni Brady, Hernando County Office of Management and Budget Director  
Hernando County Attorney's Office (via email)  
M&J Auditors (via email)

