

Rick Scott
GOVERNOR



6/26/12
County Admin

Hunting F. Deutsch
EXECUTIVE DIRECTOR

June 7, 2012

CERTIFIED MAIL RETURN RECEIPT REQUESTED



The Honorable Garry Breeden
Chairman, Sumter County
7375 Powell Road
Wildwood, FL 34785

RE: On-Site Monitoring Report – April 25, 2012
Florida Small Cities Community Development Block Grant (CDBG) Program
Contract Number: 11DB-T3-05-70-01-N10

Dear Chairman Breeden:

On April 25, 2012, Tammy Anderson of our staff, met with representatives of your community to monitor the CDBG project identified above. This letter, which contains one finding and no concerns, is a summary of that visit. Monitoring is based on an examination of documentation that supports the grant Recipient's compliance with the CDBG program rules, state statutes, and federal regulations. We monitored the following areas for compliance.

- Audit Review
- Environmental Fund Release Monitoring
- Environmental Record Review
- Equal Opportunity, Section 3, and Section 504 Requirements
- Fair Housing Requirements
- Financial Management System Review
- National Objective/Benefit Monitoring
- Neighborhood Revitalization
- Program Administration

_____	Com Svcs Div	_____	Other
_____	Admin Div	_____	Co Fin
_____	Bldg & Dev Div	_____	Co Atty
_____	Pub Wks Div	_____	Comms
			Copy To:

A "finding" is a specific issue of noncompliance with federal or state regulatory requirements. Please respond to a monitoring finding within 35 days after receipt of this letter. A "concern" is an issue that, if not addressed and corrected, may later result in a finding. Some concerns may require a written response. The response should be submitted within 35 days of the day the letter is received. The Department will grant one 15-day extension to the response period if an undue hardship exists. If you require an extension, it must be requested within the 35-day response period.

Following is a summary of the areas examined and the results of the monitoring.

The Caldwell Building | 107 E. Madison Street | Tallahassee, Florida 32399-4120 | 850.245.7105
www.FloridaJobs.org | www.twitter.com/FLDEO | www.facebook.com/FLDEO



Audit Review

A single Audit under Office of Management and Budget (OMB) Circular A-133 must be performed and submitted to the Department for any year during which the grant is open and the total of all federal funds you received during the year is at least \$500,000. Submittal of the audit is due to the Department by June 30 for each fiscal year an audit is required. The audit is submitted to ensure continued compliance with any previously addressed findings or concerns noted in the audit, or to ensure that the local government has begun any corrective action it promised earlier.

The audit for FFY 2011 was provided to DEO staff during the monitoring visit and is currently under review by the Department.

Environmental Fund Release Monitoring

We reviewed the Recipient's files to ensure the Recipient has provided the Department with all necessary environmental review records as required by statute, regulations and contract.

The review indicates that all timely comments resulting from the Intergovernmental Coordination and Review (IC&R) process were addressed in the assessment.

Environmental Record Review

As required by 24 Code of Federal Regulations (CFR), Part 58.5, all Recipients of federal funds must conduct an environmental review of the project and its activities and certify compliance with applicable federal regulations, as well as state and local laws. The Recipient has taken appropriate action to assess the environmental impact of the project and its activities and has informed the public of the environmental requirements by publishing a Concurrent Notice of Finding of No Significant Impact and Intent to Request Release of Funds. The environmental review record, particularly the assessment action, was reviewed in detail. The Department completed and approved the environmental assessment on August 19, 2011, releasing the project funds. We reviewed the expenditures to determine that no more than \$5,000.00 was expended prior to the release of funds.

There were no findings or concerns noted under the area of Environmental Record Review.

Equal Opportunity, Section 3 and Section 504 Requirements

Recipients of federal funds must comply with Equal Opportunity requirements. The monitoring consisted of a review of the Recipient's employment policy, employment advertising and hiring practices.

We reviewed compliance with Section 3 of the Housing and Community Development Act of 1968 (24 CFR Part 135). Section 3 requires Recipients of United States Department of Housing and Urban Development (HUD) funds and the contractors they employ to make efforts to ensure economic opportunities generated by HUD funds are open to local low-income residents and businesses owned and operated by low-income persons. No findings or concerns on Equal Opportunity or Section 3 requirements were noted during the visit.

Section 504 of the Rehabilitation Act of 1973 (29 USC 794) required federal fund Recipients to complete a self-evaluation of their physical facilities and to make all public facilities handicap accessible by July 1, 1991. If structural changes could not be accomplished by that date, the Recipient was required

to develop a transition plan and document the progress toward making the facility accessible to physically and mentally disabled people. In our monitoring, we observed the CDBG program office for accessibility, reviewed the self-evaluation for completeness, and ensured the Recipient is on schedule with its Transition Plan.

The County has prepared an extensive and detailed self-evaluation of its facilities owned by Sumter County to determine that it meets the requirements of the Americans with Disabilities Act, as well as Section 504 of the Rehabilitation Act of 1973. The plan includes dates for completion of all renovations needed to bring the collective County buildings into compliance with Section 504 and the Americans with Disabilities Act.

There is one finding related to Section 504 and the Americans with Disabilities Act (Section 504/ADA) requirements.

Finding: At the time of the monitoring the County could not provide DEO staff with the Section 504/ADA policy that certifies that the County will provide access to all federally funded activities to all individuals, regardless of handicap. The County is aware that the Section 504/ADA policy is a requirement of Community Development Block Grant funding. Currently, the County is the process of preparing the policy for an agenda item to be adopted at the upcoming County Commission meeting.

Required Action: The County shall provide a copy of the adopted Section 504/ADA policy to the Department of Economic Opportunity within 45 days of the receipt of this monitoring report.

Fair Housing Requirements

We reviewed the Recipient's Fair Housing Ordinance in accordance with Sections 760.20 through 760.23, Florida Statutes, and Title VI of the Civil Rights Act of 1968. The Recipient has developed a public information program using the County's website located at <http://sumtercountyfl.gov/index.aspx?NID=87> to inform all segments of the community of their rights and responsibilities under the local Fair Housing Ordinance. The County has undertaken the following quarterly Fair Housing activities as of the date of the monitoring visit:

- First Qtr. 2012: The County posted a fair housing Public Service Announcement video titled "Accents" on the County's website located at <http://sumtercountyfl.gov/index.aspx?NID=87>
- Fourth Qtr. 2011: The County advertized for and hosted a fair housing workshop presented by Community Legal Services of Mid-Florida on October 25, 2011, held in Bushnell, Florida.
- Third Qtr. 2011: Fair housing business cards were placed in the Public Works Department reception area for patrons to take. The cards contained local fair housing contact information and federal fair housing laws.
- Second Qtr. 2011: Sumter County staff joined efforts to display fair housing posters at the City of Bushnell Public Library.

There were no findings or concerns noted under the area of Fair Housing Requirements.

Financial Management System Review

We reviewed the Financial Management System to ensure compliance with requirements for fund control, cost allowability and accountability stated as identified in OMB Circular A-87, 24 CFR Part 85, and other applicable regulations. In reviewing the Recipient's record-keeping system, we examined documentation to confirm that the CDBG funds were incorporated into the Recipient's annual operating budget; reviewed how accounting records, including case receipts and disbursement ledgers were maintained; checked for evidence that duties were segregated; checked for timely expenditure of funds; established whether the request for funds file was complete; and ensured compliance with audit procedures.

There were no findings or concerns noted under the area of Financial Management System Review.

National Objective/Benefit Monitoring

We reviewed program files to ensure each CDBG-assisted activity was eligible under the provisions of Section 105 of the Housing and Community Development Act and that each activity met the national objectives of benefit to low- and moderate-income persons (24 CFR Part 570.490). The documentation included evidence of compliance with the certification that at least 51 percent of the persons to be served are low- or moderate-income, as well as evidence that 70 percent of the CDBG funds principally benefit low- and moderate-income persons. Each Recipient under the Small Cities Program must ensure and maintain evidence that each of its activities assisted with CDBG funds meets a national objective as contained in its certification. The Recipient appears to be in compliance with all requirements to meet a national objective, based on a review of sample records and files on the project.

There were no findings or concerns noted under the area of National Objective/Benefit Monitoring.

Neighborhood Revitalization

During the application review period, the Department determined that each Service Area met the national objective of benefiting primarily low- and moderate-income (LMI) persons. Construction plans were previously reviewed for consistency with the application. During monitoring, any addendum issued after the construction plans review and any change order(s) executed after contract award were reviewed for eligibility.

If the project includes new sewer or water hookups funded by the grant, we reviewed hookup files to ensure that the homes connected were LMI households. Additionally, if sewer hookups were funded, we reviewed compliance with the hookup notice requirements in Section 381.00655 (1), Florida Statutes.

The Department also visited the construction site in each service area. Based on document review and a visit to each service area, it appears the funded activities remain consistent with the application.

There were no findings or concerns noted under the area of Neighborhood Revitalization.

Program Administration

This review focuses on whether the Recipient has a project management system that complies with program requirements. We reviewed the filing system and record retention procedures for compliance with 24 CFR Part 570.490 (b), (c), and (d). Project progress was compared to the Work Activity Plan to determine on-time performance and expenditures. If non-CDBG funds were pledged in the application, we reviewed the amount expended to date. If program income was generated, its disposition was examined. Finally, if the Recipient received a citizen complaint, the file was reviewed to ensure that the Recipient followed its Citizen Participation Plan while resolving the complaint.

There were no findings or concerns noted under the area of Program Administration.

Please be aware that this report does not relieve your jurisdiction of its obligation to continue to administer the grant according to federal and state laws, the program rules, and sound management practices. During future monitoring trips, we will monitor the following areas:

- Audit Review
- Equal Opportunity, Section 3, and Section 504 Requirements
- Fair Housing Requirements
- Financial Management Transaction Testing
- Labor Standards
- National Objective / Benefit Monitoring
- Neighborhood Revitalization
- Program Administration

We appreciate the helpful and cooperative attitude of those who provided assistance during the visit. If you have questions on this report or need additional information, please call Tammy Anderson, Community Assistance Consultant, at (850) 717-8425 or contact her via e-mail at tammy.anderson@deo.myflorida.com.

Sincerely,



Bob Dennis
Community Program Manager

BD/RD/ta

cc: Mr. Scott B. Cottrell, P.E., Public Works Director, Sumter County
Mr. Andy Easton, Andy Easton & Associates, Inc.