

**ECONOMIC DEVELOPMENT &
PLANNING DEPARTMENT
REAL ESTATE DIVISION
AUDIT 19-19
OCTOBER 3, 2019**



CITY OF TAMPA

Jane Castor, Mayor

Internal Audit Department

Christine Glover, Internal Audit Director

October 3, 2019

Honorable Jane Castor
Mayor, City of Tampa
1 City Hall Plaza
Tampa, Florida

RE: Economic Development and Planning Department - Real Estate Division, Audit 19-19

Dear Mayor Castor:

Attached is the Internal Audit Department's report on the Economic Development and Planning Department's Real Estate Division.

We thank the management and staff of the Real Estate Division for their cooperation and assistance during this audit.

Sincerely,

/s/ Christine Glover

Christine Glover
Internal Audit Director

cc: John Bennett, Chief of Staff
Dennis Rogero, Interim Chief Financial Officer
Thom Snelling, Planning and Development Director
Ernest Mueller, Senior Assistant City Attorney II
Monica Amman, Real Estate Division Manager

**ECONOMIC DEVELOPMENT &
PLANNING DEPARTMENT
REAL ESTATE DIVISION
AUDIT 19-19
OCTOBER 3, 2019**

/s/ Debbie Abbott

Auditor

/s/ Christine Glover

Audit Director

**ECONOMIC DEVELOPMENT &
PLANNING DEPARTMENT
REAL ESTATE DIVISION
AUDIT 19-19**

BACKGROUND

The Real Estate Division (Division) acts as a central services organization, providing purchase, sale, and leasing services for City of Tampa's (City) departments. The Division also handles eminent domain projects, which can be acquired from property owner voluntarily or through the court process. The Division has no budgeted funds of its own for use in purchasing properties and acts only at the direction of other City departments and divisions.

Eminent domain is the government's power to take property. The government entity has to prove that taking the property is for a public purpose and has to pay fair compensation. The property may be needed permanently or for a specified period of time. Eminent domain is declared for road improvement projects such as rights of way, roundabouts, and road expansion.

STATEMENT OF OBJECTIVES

This audit was conducted in accordance with the Internal Audit Department's FY2019 Audit Agenda. The objectives of this audit were to ensure:

1. The system of internal controls is in place for acquisitions, dispositions, and leases.
2. Controls are in place for eminent domain projects and are in compliance with statutes, rules, and regulations.

STATEMENT OF SCOPE

The audit period covered activity that occurred from October 1, 2017, to August, 2019. Tests were performed to determine whether the Real Estate Division personnel were fulfilling their stated duties and responsibilities in an effective and efficient manner. Original records as well as copies were used as evidence and verified through observation and physical examination.

STATEMENT OF METHODOLOGY

Specific tests performed include:

- Real estate transactions selected from acquisitions, dispositions, and leases concerning the City. Leases included City as landlord and City as tenant. A sample was randomly selected using a 90% confidence level and 10% error rate. Files were reviewed to determine requirements of each type had been completed.

- A random sample of eminent domain project files was selected using a 90% confidence level and 10% error rate. The files were reviewed to determine controls were in place and steps were taken to ensure compliance with statutes, rules, and regulations.

STATEMENT OF AUDITING STANDARDS

We conducted this performance audit in accordance with generally accepted government auditing standards. 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 our audit objectives.

AUDIT CONCLUSIONS

Based upon the test work performed, we conclude:

1. The system of internal controls is in place for acquisitions, dispositions, and leases.
2. Controls are in place for eminent domain projects and are in compliance with statutes, rules and regulations.