



Report # 2025-13
2025-05 Building Permit Fees follow-up
Audit #2025-05

Department of Inspector General
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Inspector General



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Clerk of the Circuit Court and Comptroller
Polk County, Florida

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INSPECTOR GENERAL AUDIT REPORT

Report #2025-13: 2025-05 Building Permit Fees follow-up

The Honorable Board of County Commissioners

We have completed a follow-up audit on action by the Building Division to resolve findings and recommendations from our audit of Building Permit Fees, Report 2023-11 issued December 19, 2023. This report contains a summary of the management action plans for each of the initial audit findings and recommendations and their current status.

We appreciate the cooperation and assistance provided by the Building Division during this follow-up process.

We hope you find this report useful in ensuring that Polk County government provides the best possible services to our residents.

Respectfully submitted,

Lita McHugh, CPA, CIG, CIGI
Inspector General

Approved:

Stacy M. Butterfield, CPA
Clerk of the Circuit Court and County Comptroller

Background

The Building Division (the Division) focuses on the administration of construction related codes, statutes, and regulations, through issuing permits, certificate of occupancy, contract competency cards, plan reviews, field inspections, and complaint investigations. Section 125.56(2), Florida Statute states the board of county commissioners may provide a schedule of reasonable fees to defer the costs of inspections and enforcement of the Florida Building Code. On April 18, 2017, the Board of County Commissioners (BoCC) adopted Resolution 17-025, to simplify the construction permit fee schedule by amending Resolution 07-099A.

The BoCC has also adopted ordinances regarding impact fees, fire service assessments, and residential waste service assessments. These fees are invoiced and collected by the Building Division at different stages of the permit process. Impact fees are due before the issuance of a certificate of occupancy, interim fire assessments are due at the time a permit is issued, and interim residential waste service assessments are due at the time a certificate of occupancy is issued.

The Accela permitting system, implemented in April 2018, places every permit application into a workflow. Tasks assigned to various Division personnel include application review, plan review, permit issuance, inspections, and issuance of a certificate of occupancy, if applicable. In fiscal year 2021-2022, the Division issued 34,022 building permits and conducted 206,309 building inspections. In fiscal year 2022-2023 36,815 permits were issued with 214,012 building inspections conducted.

Permits are categorized by application type, permit type if applicable, and property type. For example, a customer may apply for a plumbing permit to re-pipe water lines on residential property.

Scope and Methodology

The scope of our original audit included:

- Review of Sections 125.56(2), and 553.70(1)(a), Fla. Stat.
- Review of Resolution 17-025 (Current rate resolution)
- Review of Impact Fee Ordinances 2019-056 and 2023-025
- Review of Fire Assessment Final Rate Resolution 2021-136
- Review of Chapter 7, Article II Fire Service – Polk County Code of Ordinances
- Review of Residential Waste Final Rate Resolution 2022-106
- Review of Chapter 11, Article V Solid Waste – Polk County Code of Ordinances
- Interviews with Building Division personnel
- Evaluation of procedures, policies and controls over permit fees
- Testing a judgmental sample of permits

Our audit objectives were to:

- Assess the fee determination process and its compliance with the BoCC approved rate resolution and applicable fee schedule.
- Determine the adequacy of internal controls over the invoicing and recording of permit fees.

The table below details the 29 permits judgmentally selected for audit.

# of Permits Selected	Application Type	Permit Type	Property
1	Plumbing	Irrigation	Commercial
1	Plumbing	Re-pipe	Residential
2	Re-roof		Residential
15	Electric	Solar	Residential
2	Sign		Commercial
2	New Construction	Townhouse	Residential
6	New Construction	Single family	Residential

Testing was performed on activities of March 1, 2022, through February 28, 2023, but transaction and processes reviewed were not limited by the audit period.

Follow-Up Scope and Methodology

This is the follow-up on actions by management to address the findings and recommendations from our original audit of Building Permit Fees. The purpose of the follow-up was to report on the status of management's action plan. To achieve our objectives, we reviewed management responses and relevant records.

Our audit was conducted in accordance with the *Global Internal Audit Standards* of The Institute of Internal Auditors and the *Principles and Standards for Offices of Inspector General* of the Association of Inspectors General. Accordingly, it included such tests of records and other auditing procedures as we considered necessary in the circumstances.

Results

The purpose of our original audit, Report 2023-11 Building Permit Fees, was to assess the fee determination process and its compliance with the BoCC approved rate resolution and applicable fee schedule, and to determine the adequacy of internal controls over the invoicing and recording of permit fees. Our audit suggested additional measures to be considered to strengthen controls over the permit fee process. The table below provides a description of the finding, management's action plan, and its status.

Action Plan	
Finding #1	Residential plan review fees were not invoiced in accordance with the approved fee schedule.
Management Action Plan	Management has communicated to the plan review staff that they need to make sure that they verify and select the correct fee, not just for solar permits but all permits.
Current Status	Complete
Finding #2	Land use fees were not invoiced on solar permits.
Management Action Plan	We have communicated this issue to our software vendor, and we will have a script created in Accela that will assess this fee. In the interim, staff has been told to manually assess the fee.
Current Status	Complete
Finding #3	Revision fees invoiced were not included in the Resolution 17-025 fee schedule.
Management Action Plan	The fee is no longer being charged.
Current Status	Complete