



## MANAGEMENT LETTER of AUDIT OBSERVATIONS

August 31, 2022

Mo Moabed, County Engineer,

An audit of the Engineer/Roads Department was completed on August 30, 2022. The issuance of an official Audit Report is pending Management Responses. Internal audits can be carried out in all areas of County operations, with an audit focus upon improving operations by providing management with a reasonable assurance of whether or not internal controls exist and are effective in their areas of operation. When internal control deficiencies are identified they are brought to management's attention along with recommendations for improvement within the Audit Report. As a result of this audit, the Internal Audit Function will schedule a follow-up with the Engineer/Roads Department concerning progress made on addressing the Moderate- & High-Level risks/findings indicated in the official Audit Report.

The internal audit process consists of a thorough review and understanding of applicable SOPs and policies governing operations and staff actions. Interviews with knowledgeable staff, direct observation of department activities, as well as the testing/reviewing of documentation that support activities, are conducted. This audit focused upon the period of July 1, 2021 - June 30, 2022.

The following comments, which have been or will be discussed with you, are intended to improve the Engineering/Roads Department's internal control structure. Comments are presented here and not within the official Audit Report, as these items are viewed as beyond the immediate scope of the audit. As with all Management Letters, an official response in writing is not required however at minimum verbal feedback to the internal auditor is encouraged. A few auxiliary items that were revealed, of which Engineering/Road Department leadership may want to stay abreast and address, are below (*Management Input is italicized*).

1. **Webpage Link Discrepancies -**

While viewing the Engineering/Roads webpage, the Audit noted that under the Engineering/Roads tab, the links below do not result in access to a report, plan, or study.

Under the Storm Water Management tab

When opening the [SWPPP Flow Chart](#) one finds three links at the bottom of the flowchart, none of which are operational

When opening the [LEW Flow Chart](#) one finds two links at the bottom of the flowchart, none of which are operational

Management should check the links above and appropriately address all non-functioning links.

**Management's Response:** *We will review this item and fix the deficiencies. This item will be fixed by December 31, 2022.*

2. **Organizational Chart Incomplete**

Upon receipt of the requested Organizational Chart, the internal auditor noted that the chart appears to be incomplete.

It is therefore recommended that Management complete its Organizational Chart, so that lines of authority are more clearly illustrated.

**Management's Response:** *We are preparing a new org chart, with more detailed information. This item will be updated by October 31, 2022.*

3. **Open & Pending Roads Complaints**

While reviewing the file of Road Complaints, 6/15/2021 – 6/15/2022, the Audit noted that 48 of 185 complaints were either still pending or open, and 2 additional complaints indicated that the work was completed before the actual complaint date.

Follow up with personnel indicated that none of the 185 complaints were actually still open, and the 2 additional complaints were incorrectly dated. Thus, foremen/supervisors had failed to either contact the administrative assistant to close out the pending and open work order complaints or failed to do so personally. The Audit recommends that management enforce more accurate and up-to-date recordkeeping.

**Management's Response:** *This has been addressed with engineering and road leadership team, and the communication will be improved. All the deficiencies have been taken care of, only reporting needs to be improved.*

4. **Open & Pending Engineering Complaints**

While reviewing the file of Road Complaints, 6/15/2021 – 6/15/2022, the Audit noted that 15 of 119 complaints were either still pending or open, and 5 additional complaints indicated that the work was completed before the actual complaint date.

Follow up with personnel indicated that all but one of the complaints had actually been closed, and the five additional complaints were incorrectly dated. Thus, foremen/supervisors had failed to either contact the administrative assistant to close out the pending and open work order complaints or failed to do so personally. The Audit recommends that management enforce more accurate and up-to-date recordkeeping.

**Management's Response:** *This has been taken care of by management. The communication needed to be improved, and this has been addressed.*

**NOTE:** A meeting with the Senior Human Resources Administrator informed the internal auditor that very recent position compensation modifications have resulted in more applicants seeking to work within the Engineering/Roads Department, addressing the current high vacancy rate. To his credit, the new County Engineer has made it a priority to alleviate the large number of vacancies that has existed for years within this department.

Also, the internal auditor will speak with management concerning a possible technology update for better tracking of Capital Improvement Projects. A better use of technology should allow for more efficient tracking of projects.

Thank you for the attention given to the items cited above.



Ernest Harvin, CIA