



SUMMIT COUNTY, OHIO

INTERNAL AUDIT DEPARTMENT

September 12, 2008

David Marquard, P.E., P.S.
Director - Department of Environmental Services
2525 State Road
Cuyahoga Falls, OH 44223

Mr. Marquard,

Attached are the results of the third Follow-up Audit regarding the issues that were identified in the Executive Office: Department of Environmental Services (DOES) Preliminary Audit report dated February 1, 2005, and the First and Second Follow up Audit reports dated October 20, 2005 and March 9, 2007, respectively.

Third Follow-up Audit Summary

The primary focus of this follow up was to provide the DOES with reasonable assurance, based on the testing performed, on the adequacy of the system of management control in effect for the audit areas tested. Management controls include the processes for planning, organizing, directing, and controlling program operations, including systems for measuring, reporting, and monitoring performance. Management is responsible for establishing and maintaining effective controls that, in general, include the plan of organization, as well as methods, and procedures to ensure that goals are met.

Our follow up was conducted in accordance with Government Auditing Standards issued by the Comptroller General of the United States and accordingly included such tests of records and other auditing procedures as we considered necessary under the circumstances. Our procedures include interviewing staff, reviewing procedures and other information and testing internal controls as needed to assess compliance with the stated management action plans.

The follow-up process should monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action. Follow-up by internal auditors is defined as a process by which they determine the adequacy, effectiveness, and timeliness of actions taken by management on reported engagement observations.

Factors that should be considered in determining appropriate follow-up procedures are:

- The significance of the reported observation.
- The degree of effort and cost needed to correct the reported condition.
- The impact that may result should the corrective action fail.
- The complexity of the corrective action.
- The time period involved.

We appreciate the cooperation and assistance received during the course of this third Follow-up Audit. If you have any questions about the audit or this report, please feel free to contact me at extension (330) 643-2655.

Sincerely,

Bernard F. Zaucha
Director, Internal Audit

Executive Office: Department of Environmental Services
Third Follow up Audit
(APPROVED BY AUDIT COMMITTEE 12/23/2008)

Auditor:

Lisa Skapura, Assistant Director; Anthony Boston, Internal Auditor; and Ben Franjesevic, Internal Auditor

Objective:

To determine if management has implemented their management action plans as stated in the previously issued Preliminary and Follow up Audit reports.

Scope:

An overview and evaluation of policies, processes, and procedures implemented by the department/agency because of management actions stated in the management action plans during the Preliminary and Follow up Audit process.

Testing Procedures:

The following were the major audit steps performed:

1. Review the final Preliminary and Follow up Audit reports to gain an understanding of IAD issues, recommendations, and subsequent management action plans completed by the audited department/agency.
2. Review the work papers from the Preliminary and Follow up Audits.
3. Review any departmental/agency response documentation provided to IAD with management action plan responses following the Preliminary Audit and Follow up Audits.
4. Identify management actions through discussions/interviews with appropriate departmental personnel to gain an understanding of the updates/actions taken.
5. Review applicable support to evaluate management actions.
6. Determine implementation status of management action plans.
7. Complete the third Follow-up Audit report noting the status of previously noted management actions.

Summary

Of the fourteen issues and the corresponding management action plans remaining in the Third Follow up Audit Report, the DOES fully implemented three, partially implemented ten, and did not implement one.

Based on the above noted information, IAD believes that the DOES has not made a sufficient effort towards implementing the management action plans as stated in response to the issues identified in the preliminary audit. In addition, IAD believes that the Management Action Plans as originally stated are unattainable; therefore IAD is allowing the DOES to update the Management Action Plans for issues remaining as partially implemented or not implemented and to set new target dates for completion. Internal Audit will conduct another follow-up audit to confirm implementation based on the updated Management Action Plans and target dates.

Third Security Follow-Up:

Security follow-up issues noted during fieldwork are addressed under separate cover in the accompanying report in compliance with Ohio Revised Code §149.433²⁴⁸.

**Executive Office: Department of Environmental Services
Third Follow up Audit
Comments**

Listed below is a summary of the issues noted in the Follow up Audit Report, their status and updated Management Action Plan. Each issue number is in reference to the Preliminary Audit report:

Management Action Plans Fully Implemented:

- **Issue 4** - There is no formal training program in place for DOES internal procedures.

Through testing IAD has verified that there are formal training programs in place.

- **Issue 21** - Certain DOES Operations and Engineering department employees utilize county assigned vehicles in the completion of their daily work duties. The majority of these employees also utilize the assigned vehicles to travel between work and home. There is no management reconciliation of the mileage placed on county vehicles assigned to a DOES employee and the assigned and documented activities/tasks performed by each employee on a daily basis.

Through testing IAD has noted that the DOES follows the County Chapter 169 which contains a vehicle usage policy. Additionally vehicle log sheets are utilized, which tracks vehicle usage by employee.

- **Issue 25** - The Department of Environmental Services does not maintain one complete and consistent listing for all contracts entered into. Therefore, IAD was unable to ensure the completeness of the population during contract testing.

Through testing and observation, IAD has noted that a complete listing of contracts is maintained on one central database.

Management Action Plans Partially Implemented:

- **Issue 1** - There are no documented internal procedures for a majority of DOES. It was noted however, that there were internal procedure manuals for the Laboratory, Safety, Water Contingency Plan, SCADA Alarm Manual, and Construction Inspection.

First Follow up

Per IAD follow-up with the Deputy Director – Administration on 7/14/05, no formal documented manual is yet in place, however, a format has been determined for the new operational procedures. Also, the actual writing of some policies and procedures has commenced for select areas. Target date for starting to issue formal polices and procedures is by the end of the third quarter of 2005.

Second Follow up

On 2/5/07, IAD obtained and reviewed a status sheet from the Deputy Director – Administration. Per the status sheet “Organization Polices and Procedures Manual in process. Numerous polices have been completed or are pending review and distribution. The majority of policy development to date has been in the departments of Human Resources, Customer Billing and Information Services.” On 1/25/07, IAD obtained and reviewed various procedures and noted that the majority of the procedures are draft and do not contain dates of revision. On 2/13/07, the Deputy Director – Administration provided IAD with procedures for the billing software application that had modifications made by DOES. However, there are no consolidated procedures for all functions of

the DOES. This issue was noted in the preliminary report approved 12/17/04 and the Deputy Director – Administration stated this would be completed by the second quarter of 2005. The same issue was again noted during the Follow up Audit approved 9/28/05 and the date to begin issuing procedures was to be the third quarter of 2005. The Deputy Director - Administration did not provide IAD with any dates of completion. Therefore, this issue continues to be considered partially implemented. On 3/8/07, the Deputy Director - Administration, provided an email indicating that this will be completed by 9/30/07.

Third Follow up

On 8/4/08, IAD met with the Deputy Director – Administration and was informed that DOES had purchased Policytech, a policy and procedure software application system for the creation, organization and standardization of policies, in January 2008. DOES is currently in the process of implementing the policy maintenance/distribution system. Per the Deputy Director – Administration, the implementation process has been slowed due to the retirement of a Computer Systems Software Analyst 3, who was previously in charge of the project. IAD observed that the software is structured by division and function, based on the organizational chart, capable of sending policies to the appropriate employees, and requires applicable employee sign-off on the respective policies. Additionally, the Deputy Director – Administration indicated that the DOES has numerous policies developed, however, less than twenty have been added to Policytech.

Updated Management Action Plan:

See separate document

- **Issue 2** - The following revision date issues were noted:
 - a) The “Policies and Procedures Manual” for DOES are memorandums that have revision dates ranging from 1987 to 2000, with the majority of the updates being in the early 1990’s. The memorandums appear to be addressing specific issues that have occurred and are not directed at overall processes.
 - b) The “Construction Inspection Manual” was last revised in July 1990.
 - c) The DOES “Safety Policies” Manual contains emergency contact names of individuals who are no longer employed by DOES. Emergency evacuation procedures are present for the Broadway and Perkins Facilities that are no longer used by DOES, and there are no evacuation procedures for the Sweitzer Road facility. The last up date of these procedures was February 22, 2000, during the administration of the former County Executive.
 - d) There are no dates of revision on the Laboratory Standard Operating Procedures (SOP) sheets for chemical analyses and the SCADA Alarm Manual.

First Follow up

Per IAD follow-up with the Deputy Director – Administration on 7/14/05, the following were noted:

- *The existing policies and procedures manual has been thrown away, to be re-developed.*
- *A review of the Safety Policies manual is currently in progress with a new target date of completion for the end of the third quarter 2005.*
- *The updating of the various Engineering manuals has not been started; the new Public Works Manager is now in charge of formulating/updating manuals. The various Sewer Maintenance manuals will be worked on by the Public Works Manager and the Deputy Director of Operations. Target dates for completion are still by the end of 2005.*

- *The Safety Coordinator is currently involved in the review and updating of the Laboratory Standard Operating Procedures (SOP) which are in progress. New target date set for the end of the third quarter 2005.*
- *A new manual for the SCADA system will be completed with the system upgrade by the end of 2005.*

Second Follow up

On 2/5/07, IAD obtained and reviewed a status sheet from the Deputy Director – Administration. On 1/25/07, IAD obtained and reviewed various procedures. The following is the status, by the individual areas discussed in the follow up audit, as noted upon review of the status sheet and the obtained procedures:

- 1) *General policies and procedures: See issue one, above, regarding the general policies and procedures.*
- 2) *Safety Manual Procedures: The Safety Manual procedures, that per the Preliminary Audit report were to have been completed by the second quarter of 2005, and then per the Follow up Audit report by the third quarter of 2005, has been completed but has not been distributed. Upon review of the safety procedures it was noted that the majority of the procedures were created after May 10, 2006.*
- 3) *Engineering manuals: The Engineering manuals that were to have been completed by the end of the second quarter of 2005, and then by the end of 2005 per the Follow up Audit report, have not been completed. IAD was not provided with any manuals. Per the status sheet, these manuals have again been slowed by personnel issues and reorganization of the engineering department.*
- 4) *Laboratory Procedures: The Laboratory Standard Operating Procedures that were to have been completed by the end of the second quarter of 2005, and then by end of 2005 per the Follow up Audit report, have not been completed. Upon review of the procedures it was noted that the majority of the procedures for the laboratory are in draft form and the Quality Assurance Manual was revised March 4, 2006. Per the status sheet “various procedures are developed and are pending distribution.”*
- 5) *SCADA system manual: Per the preliminary report, the SCADA system manual was to have been replaced with a new system and then the new system manual would be the replacement. This was dependent upon funds being approved through the Capital Improvements Program (CIP). If the SCADA systems remained unchanged during 2005 then the existing manual was to be updated by the second quarter of 2005. The Follow up Audit report had a revised date of completion by the end of 2005. Per the status sheet, all but one Purchase Order (P.O.) was established for the purchase and the final P.O. will be established pending the appropriation of CIP carryover funds. On 2/13/07, IAD was provided with various purchase orders for the SCADA system replacement.*

The Deputy Director – Administration did not provide IAD with dates of completion for the above procedures. This issue continues to be considered partially implemented. On 3/8/07, the Deputy Director - Administration, provided an email indicating that this will be completed by 9/30/07.

Third Follow up

On 8/4/08, IAD met with the Deputy Director – Administration to determine the progress/status on the creation and revision of DOES policies and procedures. The Deputy Director – Administration did not provide IAD with any updated/additional procedures (other than the SCADA system manual incorporated into VUEworks-see below), rather, he indicated that DOES had purchased Policytech, a policy and procedure software application system for the creation, organization and standardization of policies, in January 2008. The Deputy Director – Administration stated that DOES is currently in the process of implementing the policy maintenance/distribution system,

however, the process has been slowed due to the retirement of a Computer Systems Software Analyst III, who was previously in charge of the project. The Deputy Director – Administration stated that DOES has numerous policies developed, however, less than twenty have been added to Policytech.

IAD verified that the SCADA system manual has been incorporated into VUEWorks, an asset management software application system. This allows pump station personnel to determine the alarm types and applicable response electronically rather than using a physical manual.

Updated Management Action Plan:

See separate document

- **Issue 3** - The “Public Project Manual” which addresses requirements for projects performed by outside entities is in draft form.

First Follow up

Per IAD follow-up with department management on 7/14/05, no action has yet been taken. A new Public Works Manager has recently been hired in the Engineering department which will finalize and complete the implementation of this manual. New target date for completion is by the end of the third quarter of 2005.

Second Follow up

On 2/5/07, IAD obtained and reviewed a status sheet from the Deputy Director – Administration. Per the status sheet “Emphasis has changed from “Public Project Manual” to Construction Standards Manual and to Design Standards Manual. Both are being reviewed by Engineering staff; Construction Standards Manual completed, Design Standards Manual in review process with expected completion of June 2007.” On 1/25/07, IAD obtained and reviewed various procedures from the Deputy Director – Administration. IAD reviewed a “Standard Construction Drawings and Procedures” manual which had a date of 6/24/03. IAD was unable to confirm that the “Design Standards Manual” was in process because IAD was not provided with a draft version. On 3/8/07, the Deputy Director - Administration, provided an email indicating that this will be completed by 5/31/07.

Third Follow up

On 8/4/08, the Deputy Director – Administration informed IAD that DOES had purchased Policytech, a policy and procedure software application system for the creation, organization and standardization of policies, in January 2008, and are in the process of implementation, however, less than twenty procedures to date have been incorporated within the system. Additionally, the Deputy Director – Administration indicated that there has been no progress on the Construction Standards manual.

Updated Management Action Plan:

See separate document

- **Issue 8** - There are no approved, written policies and procedures for the billing and collections processes.

First Follow up

Per IAD follow-up with department management on 7/14/05, the software for the Billing department was just updated in May 2005 and training was completed. However, internal policies and

procedures have not yet been developed. Target date for completion is now by the end of the third quarter of 2005.

Second Follow up

On 2/5/07, IAD obtained and reviewed a status sheet from the Deputy Director – Administration. Per the status sheet this was “completed 4th quarter 2006”. On 1/25/07, IAD obtained and reviewed various procedures from the Deputy Director – Administration. IAD reviewed procedures for the SSI software application that were provided with the application, which had modifications made by DOES. Per an email from the Deputy Director – Administration, on 2/13/07, the modified SSI software application manuals are accessible by all billing employees via the billing server. IAD also reviewed the following procedures created by DOES: “New Account Setup”, “Customer Acct Adjustment/Refund” and “Employee Acct. Access”. Two of the three procedures did not contain effective dates and there were no other procedures for the billing department functions such as collections. Therefore, IAD is unable to determine if the procedures are effective, if they have been communicated to the staff or that they cover all of the functions of the billing department. Therefore, this issue continues to be considered partially implemented. On 3/8/07, the Deputy Director - Administration, provided an email indicating that acknowledgement forms with signatures will be obtained from employees to verify communication, distribution, and receipt of policies by 3/31/07.

Third Follow up

On 8/4/08, IAD met with the Deputy Director – Administration to determine the status of the billing and collections policies and procedures. The Deputy Director – Administration informed IAD that DOES had purchased Policytech, a policy and procedure software application system for the creation, organization and standardization of policies, in January 2008, and are in the process of implementation, however, less than twenty procedures to date have been incorporated within the system.

Furthermore, the Deputy Director – Administration did not provide IAD with updated billing and collections procedures that would indicate any progression of the Management Action Plan. Additionally, IAD was not provided with any documentation indicating that billing and collections procedures had been incorporated into Policytech and distributed to employees. Therefore, IAD deems this management action plan partially implemented.

Updated Management Action Plan:

See separate document

- **Issue 10** - No reconciliation of adjustments between the number (or dollar amount) of adjustments to customer bills in SSI and the forms that authorize those adjustments is performed.

First Follow up

Per IAD follow-up with the Deputy Director – Administration on 7/14/05, a reconciliation process has been implemented effective May 2005 which compares authorized adjustment forms to the UB Adjustment Journal ran from the billing system, however, no policies and procedures have yet been written for the process. Target date for completion is scheduled for the end of the third quarter of 2005.

Second Follow up

On 1/25/07, IAD obtained and reviewed various procedures from the Deputy Director – Administration. Upon review, the “Customer Account Adjustment Policy” did not have an effective date or policy number. IAD was not provided with any documentation to demonstrate that the

procedure was communicated to employees. Therefore, IAD is unable to determine when the procedure was implemented or if it was communicated to employees. This issue continues to be considered partially implemented. On 3/8/07, the Deputy Director - Administration, provided an email indicating that acknowledgement forms with signatures will be obtained from employees to verify communication, distribution, and receipt of policies by 3/31/07.

Third Follow up

On 8/5/08, IAD obtained and reviewed the Customer Acct. Adjustment/Refund policy from the Support Services Administrator. IAD noted that the policy did not contain a policy number or effective date. Per the Deputy Director – Administration, DOES had purchased Policytech software in January 2008 and is currently in the process of implementing the policy distribution/maintenance system. The Deputy Director-Administration informed IAD that DOES has numerous policies developed, however, less than twenty of those have been added to Policytech.

Additionally, on 8/4/08, IAD met with the Support Services Administrator and reviewed the daily U/B Adjustment Journal reports for 7/1/08 through 8/1/08. IAD randomly selected five adjustments made from the U/B Adjustment Journal reports and obtained the corresponding Adjustment Forms to test for proper authorization of adjustments and reconciliation of the two documents. IAD noted that two out of the five adjustments contained reconciliation errors, therefore IAD expanded the sample to include 4/1/08 through 4/30/08 and selected an additional five adjustments and corresponding Adjustment Forms. IAD then tested for proper authorization of adjustments and reconciliation of the two documents. IAD noted no exceptions in the second sample and determined that a procedure is in place for the reconciliation of customer adjustments. On 8/5/08, the Support Services Administrator sent IAD a copy of an additional adjustment that was made to credit the account for a processing charge that was not originally accounted for.

Because there were no formalized procedures for the Customer Accounts Adjustment/Refund process and there were two exceptions noted during testing, IAD deems this management action plan partially implemented.

Updated Management Action Plan:

See separate document

- **Issue 11** - Utility Billing Clerks that set up new customers determine the rate type that applies to the customer from the application. IAD noted during testing of billing data maintained in SSI that there is no master listing of account number prefixes used to indicate the customer's district and billing type (unmetered residential, metered residential, etc). The district and rate type codes have been memorized, therefore no reference lists are utilized by the Utility Billing Clerks that set up new accounts. The two clerks responsible for creating new accounts also use different methods to create the body of the account number.

First Follow up

Per IAD follow-up with the Deputy Director – Administration on 7/14/05, no formal procedures for setting up a new customer and creating account numbers are yet written, however, an initial review has been completed. Per the Deputy Director, DOES now requires that a questionnaire/application be filled out by new customers to determine proper classification (residential, commercial, or industrial). The completed questionnaires/applications are then sent to the Industrial Pre-treatment staff at the Fishcreek plant for review and determination of customer set-up. Customer information is utilized to determine the assessed benefits charged in accordance with applicable codified ordinance. IAD was also provided with a listing of account prefixes, community codes, and

water/sewer codes that is available to the billing department personnel for reference in setting up new customer accounts. Newly stated target date for completion of formal policies and procedures is by the end of the third quarter of 2005.

Second Follow up

On 1/25/07, IAD obtained and reviewed various procedures from the Deputy Director – Administration. Upon review, the “New Account Setup” procedure does not have an effective date or policy number. IAD was not provided with any documentation to demonstrate that the procedure was communicated to employees. Therefore, IAD is unable to determine when the procedure was implemented or if it was communicated to employees. This issue continues to be considered partially implemented. On 3/8/07, the Deputy Director - Administration, provided an email indicating that acknowledgement forms with signatures will be obtained from employees to verify communication, distribution, and receipt of policies by 3/31/07.

Third Follow up

On 8/4/08, IAD met with the Deputy Director – Administration to determine the status of the Customer Account policies and procedures. The Deputy Director – Administration informed IAD that DOES has purchased Policytech, a policy and procedure software application system for the creation, organization and standardization of policies, in January 2008. DOES is currently in the process of implementation, however, less than twenty procedures to date have been incorporated within the system.

Furthermore, IAD noted that the Deputy Director – Administration had provided various procedures addressing customer accounts and billing during the second follow-up audit, however, there was no documentation provided to show that these procedures have been incorporated within Policytech. Therefore, IAD deems this management action plan partially implemented.

Updated Management Action Plan:

See separate document

- **Issue 19** - The following were noted:
 - a) Upon review of the C10 Assessments, it was noted that there is no log/listing of C10’s completed and maintained by the DOES. Because there was no log/listing, IAD was unable to ensure a complete population of C10 Assessments.
 - b) It was noted during testing that there is no reconciliation process performed by the DOES to ensure that the Fiscal Office entered all C10’s onto the property tax bills.

First Follow up

Per IAD follow-up with the Deputy Director – Administration on 7/14/05, DOES has begun a process of logging the C10’s that are sent down to the Fiscal Office for tax bill updating into the “C10 Maintenance Certification Report” and a DOES Accountant 2 is currently checking the Real Estate system to ensure Fiscal Office is entering assessment updates into the system. Per the Deputy Director, this process began in the fall of 2004. However, no written policies and procedures have been completed for the reconciliation process. Target date for completion of policies and procedures is slated for the end of the third quarter 2005.

Second Follow up

IAD was not provided with the procedures that were to have been completed by the end of the third quarter of 2005. The Deputy Director – Administration did not provide IAD with any dates of completion. Therefore, this issue continues to be partially implemented. On 3/8/07, the Deputy Director - Administration, provided an email indicating that this will be completed by 4/30/07.

Third Follow up

On 8/6/08, IAD met with the Accountant 2 and obtained and reviewed a partial C10 Maintenance Certification Report to verify that a listing of C10s that were sent to the Fiscal Office was maintained electronically. The Accountant 2 indicated that she does not check the Real Estate system to ensure that the C10 assessments are placed on the property owner's tax bill nor is there a C10 reconciliation policy and procedure currently implemented, however, the Fiscal Office notifies her of C10s that are not processed, which she then investigates. Per the Deputy Director – Administration, DOES had purchased Policytech software in January 2008 and is currently in the process of implementing the policy distribution/maintenance system. The Deputy Director – Administration informed IAD that DOES has numerous policies developed, however less than twenty of those have been entered into Policytech.

Updated Management Action Plan:

See separate document

- **Issue 22** - All work schedules are not set by management/supervision for all pump station employees. Pump Station Operators and Pump Station Electricians/ Instrument Technician set their own work schedule or a portion of their own work schedule on a regular basis.

First Follow up

Per IAD follow-up with the Deputy Director – Administration on 7/14/05, Plant 6 has been abandoned and all personnel have been moved to the Fishcreek Plant location and Sewer maintenance personnel are now under the direction of Operations. Per the Deputy Director, an electronic work order system for pump station work was implemented at the end of 2004. Per additional follow-up on 8/4/05, the Deputy Director stated that an additional electronic work order system is available for testing with the sewer maintenance personnel. Target date for testing with sewer maintenance is slated for the end of August 2005.

Second Follow up

On 2/5/07, IAD obtained and reviewed a status sheet from the Deputy Director – Administration. Per the status sheet the “Product selected, “VUEWorks”, and all purchase orders / requisitions necessary for implementation are complete. VUEWorks contains a work order system and is integrated with ESRI GIS. Project was delayed due to waiting on ESRI (GIS provider) to complete their new data model for plants/pumps/ sewer systems. Version 9.2 of ESRI's software which contains this new data model was released last week. Per Jeff Mallison of the Fiscal Office, DOES should receive version 9.2 by 2/9/07.” IAD was not provided with documentation to support the purchase of the system that was to have been completed by the end of August 2005. On 2/13/07, the Deputy Director - Administration provided IAD with a purchase order for five licenses for VUEworks. This issue is considered partially implemented. On 3/8/07, the Deputy Director - Administration, provided an email indicating that this will the pilot project for 2 to 3 departments will be completed by 6/30/07 and will be fully implemented by 12/31/07 assuming a successful pilot project

Third Follow up

On 8/4/08, IAD met with the Deputy Director – Administration and observed VUEWorks, an asset management system that contains a work order system, which was purchased around January 2008. IAD noted that the work order system displays information about cost, labor, equipment, and inventory and displays open and closed work orders which are linked to specific locations/assets. The software has been deployed in sewer maintenance and pump stations and allows work orders to

be entered into the system anywhere a service call is received. Per the Deputy Director – Administration, training for the new system has occurred from the bottom up, however, due to the short time that the system has been in place, additional training is necessary. Currently, managers have only received basic training (e.g., functional use, how to query, etc.). Comprehensive training should be completed by late 2008.

Additionally, IAD notes that, per the Deputy Director – Administration, pump stations have only been utilizing VUEWorks for about two weeks and that the software remains in the infancy stages of implementation (e.g. preventative maintenance work orders have not been incorporated). Therefore, IAD deems this management action plan partially implemented.

Updated Management Action Plan:

See separate document

- **Issue 23 & 24** - Pump Station Operators are to utilize pump station logs to enter the time in/out and to note what tasks were performed/completed. However, Operations Electricians/Technicians and Mechanics do not consistently utilize the logs at the pump stations to indicate time in/out, and work performed during the visits. Also, there are no management reconciliations/comparisons currently completed to ensure the times and activities entered into the pump station logs are in agreement to the timesheets that are also completed by the employees detailing their daily activities for cost accounting purposes.

First Follow up

Per IAD follow-up with the Deputy Director – Administration on 7/14/05, three supervisors are periodically checking logs effective the fall of 2004. Two disciplinary actions have occurred as a result of the review of the pump station logs. Per the Deputy Director on 8/11/05, the pump station logs have not yet been revised or improved. However, management will add a departure time on the pump station logs or require personnel to indicate a departure time under “special remarks” on the existing log sheets. The target date for completion of change to logs is slated for the end of August 2005. The Deputy Director stated that he has been performing occasional comparisons/reviews between timesheets and logs to payroll records.

Second Follow up

On 2/5/07, IAD obtained and reviewed a status sheet from the Deputy Director – Administration. Per the status sheet this was completed September 2005. On 1/25/07, IAD obtained and reviewed various procedures from the Deputy Director – Administration. Upon review IAD was unable to locate any documentation supporting the modification of the change logs that was to have been completed by the end of August 2005. Therefore, this issue continues to be considered partially implemented. On 3/8/07, the Deputy Director - Administration, provided an email indicating that this will be completed by 6/30/07.

Third Follow up

On 8/6/08, IAD met with the Deputy Director – Administration and was informed that pump station logs are no longer maintained in log book format. This is due to the fact that, around January 2008, an asset management software application, VUEWorks, was purchased which included a work order system. The documentation that was contained within the logs is now incorporated within the individual work orders. The work order system allows management to run reports, including auditing open work orders for preventative (preventative maintenance work orders have not been incorporated into VUEworks at this time) and scheduled maintenance and the respective time to complete the project. IAD notes that, per the Deputy Director – Administration, pump stations have only been utilizing VUEWorks for about two weeks and that the software remains in the infancy

stages of implementation. Therefore, because IAD has no documentation of audits being performed or reports generated, IAD deems this management action plan partially implemented.

Updated Management Action Plan:

See separate document

Management Action Plans Not Implemented:

- **Issue 18** - The following exceptions were noted:
 - a) There was not a packing slip for two of 18 expenditures tested giving indication from the receiver that the items ordered were correctly received as ordered.
 - b) For one of the 18 expenditures tested, a receiving slip was located, however there was no signature by the person who received the order indicating that the order was complete and correct.

First Follow up

Per IAD follow-up with the Deputy Director – Administration on 7/14/05, a process was implemented in the fall of 2004 in which invoices are sent back to the receiver if the packing slip is not attached. However, no written procedures have yet been completed. Target date for completion of written procedures is by the end of the third quarter 2005.

Second Follow up

This issue was previously considered partially implemented. IAD was not provided with any documentation to support the implementation of this procedure (i.e., email or memo informing staff). Furthermore, the procedure that was to have been completed by the end of the third quarter was not provided. The Deputy Director – Administration did not provide IAD with any dates of completion. Therefore, IAD is unable to confirm and this issue has been deemed not implemented. On 3/8/07, the Deputy Director - Administration, provided an email indicating that this will be completed by 4/30/07.

Third Follow up

On 8/6/08, IAD met with the Office Manager and was informed that there are no written policies or procedures addressing receiving slips nor was there any documentation to support the implementation of this procedure.

On 8/4/08, the Deputy Director – Administration informed IAD that DOES had purchased Policytech, a policy and procedure software application system for the creation, organization and standardization of policies, in January 2008, and were in the process of implementation, however, less than twenty procedures to date have been incorporated within the system.

Updated Management Action Plan:

See separate document