

MEMORANDUM

To: Karen Collins-Fleming, Director of the Environmental Management Department

From: R.B. "Chips" Shore, Clerk of the Circuit Court and Comptroller

Date: November 17, 1998

Subject: Environmental Management Department Follow-up Audit #2

The Internal Audit Department has completed a follow-up audit based on the Clerk of the Circuit Court's Audit Report of the Environmental Management Department issued on October 5, 1994 and the Follow-up Audit Report issued December 19, 1997. This follow-up consisted of reviewing corrective actions implemented by the Environmental Management Department for the areas where we provided constructive criticism and recommendations. Internal Audit did not perform tests of compliance with these newly implemented controls. We will review compliance during the next regularly scheduled audit of the Environmental Management Department to determine whether the controls are functioning effectively and efficiently in accordance with management's designs and objectives.

Internal Audit reviewed the corrective actions implemented on the findings and recommendations included in the follow-up report and found most of the areas properly addressed by management. Internal Audit believes the controls implemented will significantly improve the accountability over the Department's operations. The following areas, however, still require management's attention:

1. The Environmental Management Department has discontinued its internal time accounting system, used to determine program costs, due to its inefficiencies. Management will be scheduling a meeting with the Finance Department to discuss alternatives available on the new finance computer system that could provide program costs in an efficient and effective manner.

Internal Audit recommends management continue to pursue the utilization of the new finance system for providing costs associated with the different programs managed by Environmental Management Department.

2. The Environmental Management Department has not increased fees for well construction/abandonment permits and open burning permits. Management agrees that the permit fees have not been increased since the programs inception and is in the process of proposing fee increases to the Board of County Commissioners in the first quarter of 1999.

Internal Audit recommends management continue to pursue increases in permit fees for the wells and the open burning programs so that more of the costs of administrating these programs can be recovered by user fees.

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3. The Natural Resources Division has not implemented a system to adequately monitor and follow-up on wetlands mitigation requirements stipulated in the development review comments or track the timely receipt of the associated monitoring reports. The Division is considering implementing an automated process to ensure that all projects with wetland mitigation comments are in compliance with the stipulations and the necessary reporting requirements.

Internal Audit recommends management pursue the automation of all projects requiring wetland mitigation to facilitate the monitoring of mitigation and ensure compliance with the necessary reporting requirements.

Internal Audit has discussed these finding with you and your staff and it is our understanding that you agree with and are currently in the process of implementing the recommendations. Based on management's implementation of these audit recommendations, an additional follow-up audit will be scheduled in approximately six months. We would like to thank you and your staff for the attention given to the audit findings and the cooperation given to the Internal Audit staff.

RBS/RJO/MDB

CC: Board of County Commissioners

Ernie Padgett, County Administrator