

MEMORANDUM

To: Larry Mau, Director of the Transportation Department

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

Date: December 17, 1998

Subject: Transportation Department Follow-Up #2

The Internal Audit Department has completed a second follow-up audit based on the Clerk of the Circuit Court's Audit Report of the Transportation Department issued on May 23, 1996 and the Follow-Up Audit Report issued on February 9, 1998. This follow-up consisted of reviewing corrective actions implemented by the Transportation 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 Transportation 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 items were properly addressed by management. Internal Audit believes the controls implemented will significantly improve the accountability over the Department's operations. However, the following areas still require management's attention:

1. The Highway Operations Division is currently using a manual work order system for highway maintenance. A highway maintenance management system is in the process of being purchased, which will increase control over the work order system, including the ability to track outstanding work orders and allow for follow-up. A contract is being drafted by the Purchasing Division with Hanson Technologies for a highway maintenance management system. The Purchasing Division estimates the contract shall be completed and signed within the next three months.

Internal Audit supports the purchase of a highway maintenance management system that will increase the control of the work order process. In addition, we recommend the procedures for the Highway Operations Manual be updated after the new system is implemented.

2. The documentation for the right-of-way permit inspections have improved, however inspections appear to be approximately six months behind. An additional infrastructure

inspector has been hired to assist in the completion and documentation of right-of-way inspections. This should improve the timeliness of when inspections are performed.

Internal Audit supports the addition of an infrastructure inspector to complete right-of-way inspections.

Internal Audit believes that the Transportation Department is in the process of implementing these recommendations. As a result, an additional follow-up audit will not be necessary. 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/BJW

cc: Board of County Commissioners

Ernie Padgett, County Administrator