



Internal Audit Committee of Brevard County, Florida

Internal Audit Review of Facilities Department

**Prepared By:
Internal Auditors of Brevard County
November 8, 2006**

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November 8, 2006

The Audit Committee of
Brevard County, Florida
Viera, Florida 32940-6699

Pursuant to the provisions of Section 125.01(1)(s), Florida Statutes, and the approved 2005/2006 internal audit plan, we hereby submit our internal audit report covering the Facilities Department, emphasis on the maintenance division. The construction division was audited in 2003. We will be presenting this report to the Audit Committee at the next scheduled meeting on December 1, 2006.

Our report is organized in the following sections:

Background	This provides an overview of the Facilities Department.
Objectives and Approach	The internal audit objectives and focus are expanded upon in this section as well as a review of the various phases of our approach.
Issues and Recommended Actions	This section gives a description of the issues, the impact and recommended action. Management's response has been incorporated into this section as well.

We would like to thank the Facilities Department and all those involved in assisting the Internal Auditors regarding this report on the Department. We found the Facilities staff to be very professional and cooperative during the audit. In addition, the Facilities staff was receptive to the recommendations and, as noted in our report, they have already begun making the recommended improvements.

Respectfully Submitted,

INTERNAL AUDITORS

Background

Background

Facilities Services

The Facilities Department is governed by Florida Statutes, Title XI, Chapter 125.01(1)(c), which requires the governing and legislative body of the County to provide and maintain County buildings. Section 125.74(1)(e) requires the County administrator to supervise the care and custody of County property, as well as (section (m)) negotiate leases, contracts and other agreements for the County, subject to approval by the Board and to make recommendations concerning the nature and location of County improvements.

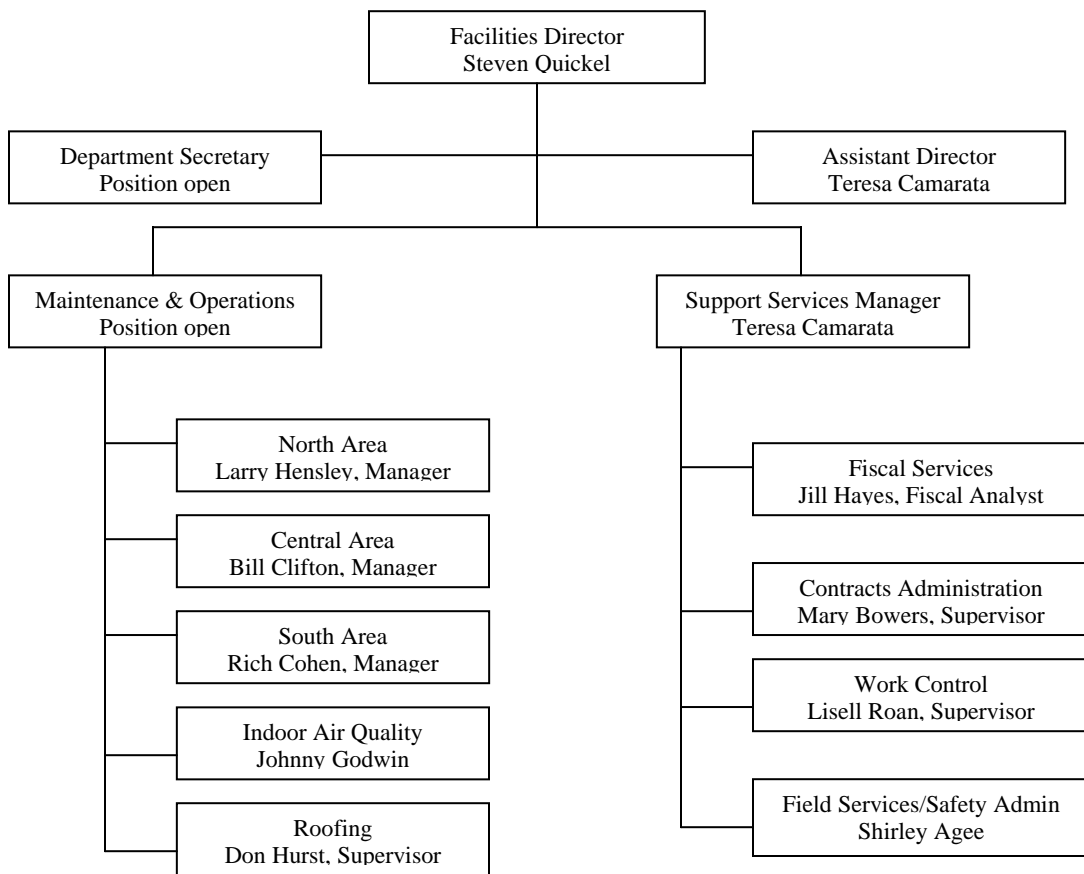
In addition the Facilities Department is governed by Chapter 29, Court System Funding, which states that the County is “required by Article V of the State Constitution to fund the cost of communication services, construction or lease, maintenance, utilities, and security of facilities for the circuit and county courts, public defenders offices, state attorneys’ offices, ...”. The Facilities Department is also responsible for the maintenance and upkeep of County owned buildings. They also are responsible for compliance with numerous Administrative Orders issued by the County.

During 2005 there were numerous changes in Facilities Department management. In addition, there have been changes to personnel, billing policy, and implementation of a new SAP system, which includes a work order module. The SAP system was upgraded county wide beginning October 1, 2005. The Facilities Department upgrade included the addition of a work order module. The previous work order module was not able to be integrated with SAP, so all work order tracking was on a separate system. The billing policy was also changed on October 1, 2005. Facilities now bills \$20 per hour for services to other departments. This rate was calculated by the previous financial employee. Overtime is no longer billed, although facilities employees work overtime hours.

Background - continued

Organization Chart

The Facilities Department has developed a strong working relationship with numerous other departments of the County. A current organizational chart for the areas tested during this audit is below. It is noted that the Construction services area of the Facilities Department was not included in this audit. A report on the Facilities Construction was issued June 23, 2003.



Staffing

Key personnel from the Facilities Department that are involved in the operations and assisted in the audit are as follows:

Name	Title
Steve Quickel	Department Director
Teresa Camarata	Assistant Director/ Support Services Manager
Jill Hayes	Fiscal Analyst
David Doust	Detention Center Shop Supervisor
Scott Barrett	Central Shop Supervisor
J. Richard Cohen	South Area Manager

Background - continued

Recently, Teresa Camarata, Support Services Manager was promoted to Assistant Department Director.

Selected Statistics

	FY 05/06 Current Budget	FY 05/06 YTD Actual	FY 04/05 Budget	FY04/05 Actual
<i>Revenues</i>				
General Fund transfer	\$ 11,180,482	\$ 9,250,402	\$ 9,304,432	\$ 9,304,432
Rent	1,488,619	1,062,476	996,822	922,107
Services	679,027	226,451	1,247,368	1,444,696
Miscellaneous	15,158	15,691	15,158	20,805
FEMA reimbursement	50,000	15,894	717,271	545,840
Insurance reimbursement	-	492	-	336,681
Less 5%	(109,140)	-	(138,530)	-
Total revenues	13,304,146	10,571,406	12,142,521	12,574,562
<i>Expenditures</i>				
Maintenance	8,548,274	5,690,233	6,086,888	5,769,536
Improvements	1,794,646	298,973	2,695,977	1,807,720
Utilities	2,250,447	1,709,686	1,946,457	2,058,669
Administration	15,721	12,971	109,319	(4,533)
Billable Projects	695,058	313,892	1,303,880	1,227,098
Article V	2,282,221	1,598,412	1,885,563	1,876,476
Total expenditures	15,586,367	9,624,167	14,028,084	12,734,966
Excess (deficiency) of revenues over (under) expenditures	\$ (2,282,221)	\$ 947,239	\$ (1,885,563)	\$ (160,404)

Objectives and Approach

Objectives and Approach

Objectives

During the audit, emphasis was placed on the maintenance area of the Facilities Department. The internal audit objectives in the Facilities Department include the following:

<input type="checkbox"/> Determine that policies and procedures are in place to ensure compliance with Florida Statutes and County policies and regulations.
<input type="checkbox"/> Review work order completion data to ensure necessary work is being timely completed.
<input type="checkbox"/> Ensure compliance with contract requirements.
<input type="checkbox"/> Ensure compliance with internal policies and procedures.
<input type="checkbox"/> Ensure accurate timekeeping and payroll functions.
<input type="checkbox"/> Verify accuracy and proper tracking of capitalized inventory.
<input type="checkbox"/> Verify accuracy and proper tracking of revenue receipts.

Approach

Our audit approach consisted of three phases:

Understanding and Documenting the Process

During this phase we held an entrance conference with the Director of Facilities Department and other personnel to discuss our methodology, the scope and objectives of the audit work, obtain preliminary data, and establish working arrangements. We then conducted interviews with responsible Facilities managers and personnel and documented their role in the process.

The methodology includes:

- Research and review applicable Florida Statutes, Brevard County Code of Ordinances, Administrative Orders and Department policies, as applicable
- Document the processes with the process owners and relevant County personnel
- Identify the risks inherent to the process
- Review the effectiveness of the existing controls
- Walk through the process with appropriate employees
- Validate process risks and control assessment with subject matter experts

Detailed Testing

The purpose of this phase was performance of testing procedures based on our understanding of the facilities operations, applicable County ordinances, and federal and state statutes. Our procedures included observation and inquiry, walk throughs, and testing of individual transactions. The time period covered by the testing was October 1, 2005 through May 31, 2006.

Our procedures included, but were not limited to, testing:

- Tracking and management of County owned assets
- Input and accuracy of payroll reporting
- Compliance with contract provisions with vendors
- Employee use and monitoring of purchasing cards
- Department revenues, billing procedures and review of facility charge for services
- Efficiency of new work order system
- Review efficiency of work order process, including timely addressing of issues and closing of work orders
- Review general compliance with statutes, policies, procedures and administrative orders
- Review of the preventative maintenance program for effectiveness and completeness

Objectives and Approach - continued

Approach - continued

Reporting

At the conclusion of fieldwork, we summarized our findings, based on our detailed testing, into a report format and conducted an exit conference with management. During the exit conference, we discussed the issues identified and validated our overall understanding of the process. Management's response has been included in this report.

Issues Matrix

Rating	Issues	Recommendation	Management Response	Status
Red	1. Preventative Maintenance			
	<p>a. In October 2005, when the Facilities Department implemented the new SAP work order module, a formal preventative maintenance plan was developed as well. Facilities management and personnel developed work orders for preventative maintenance items (e.g. quarterly A/C inspection and filter changes). The adequacy of this program was reviewed.</p> <p>During the building tours, we identified two instances of preventative maintenance needs that were not being addressed. At the TJ Mills building in the Criminal Justice Services department, it was noted that the ceilings were black with dust around the air conditioning vents. We questioned employees who stated they did not know when the last time the vents were cleaned. Further questioning of the Central shop supervisor indicated there is a contract with Trane to maintain the AC system in that building, but it was not clear who was responsible for cleaning the AC vents (Facilities or Trane).</p> <p>b. In the same building, for both the Criminal Justice Services department and the Fire Rescue department, the carpets were stained and in need of cleaning. Shop personnel indicated carpets are cleaned once a year as part of the preventative maintenance program. We did not find an open work order for carpet cleaning for any buildings, and employees that work in the building could not remember when the carpets were last cleaned.</p>	<p>a. Maintenance personnel and management should review the number and type of preventative maintenance work orders and determine if they are appropriate and adequate, including issues identified relating to carpet cleaning and AC systems.</p> <p>b.1. Checklists should be utilized for preventative maintenance items, to ensure all appropriate work is being performed.</p>	<p>a. The Work Control Supervisor will coordinate with the shop supervisors and update the Preventative Maintenance system, including creating checklists for maintenance of each piece of equipment, as needed. The Department Director and Support Services Manager will review and make changes to the preventative maintenance plan as deemed necessary. Expected completion date: May 1, 2007</p> <p>b.1. Checklists for equipment maintenance will be updated and created as needed in conjunction with issue 1a. The Work Control Supervisor will work with the shop supervisors to create the checklists, which will be reviewed by the department Director and Support Services Manager. Expected completion date: May 1, 2007</p>	<p>Open</p> <p>Open</p>

Rating	Issues	Recommendation	Management Response	Status
Red	1. Preventative Maintenance			
	<p>c. In addition, during building tours of both billable and non-billable facilities, there were issues relating to leaking roofs and hurricane damage that had not been repaired or patched. We were unable to verify that Facilities had performed preventative maintenance or periodic roof inspections in order to identify and/or prevent damage and leaks.</p>	<p>b.2. Work performed for preventative maintenance should only be charged to the preventative maintenance work orders.</p> <p>c.1. Management should implement a preventative maintenance work order for roof inspections to be performed at least annually.</p> <p>c.2. Work performed for preventative maintenance should only be charged to the preventative maintenance work orders.</p>	<p>b.2. The work control supervisor will remove “umbrella” PM work orders. PM work will be more clearly defined in conjunction with action items 1a and 1c. A more clearly defined scope of work associated with the PM work orders will prevent errors in posting charges for repairs to PM work orders. Expected completion date: May 1, 2007</p> <p>c.1. The Facilities department has awarded continuing roofing services contracts to three bidders who, as part of their agreements, will perform annual inspections and preventative maintenance. Facilities has provided copies of the contracts to the auditors. Expected completion date: September 30, 2006</p> <p>c.2. The work control supervisor will remove “umbrella” PM work orders. PM work will be more clearly defined in conjunction with action items 1a and 1c. A more clearly defined scope of work associated with the PM work orders will prevent errors in posting charges for repairs to PM work orders. Expected completion date: May 1, 2007</p>	<p>Open</p> <p>Open</p>

Rating	Issues	Recommendation	Management Response	Status																
Red	1. Preventative Maintenance - continued																			
	<p>d. Finally, during the initial review of the work order system, a list of user codes which identify preventative maintenance vs. regular repair work, billable vs. non-billable was obtained. The codes are as follows:</p> <table border="0" data-bbox="283 430 745 722"> <tr> <td><u>Order Type</u></td> <td><u>Description</u></td> </tr> <tr> <td>PM01</td> <td>Regular work order</td> </tr> <tr> <td>PM02</td> <td>Non-billable preventative maintenance</td> </tr> <tr> <td>PM03</td> <td>Billable preventative maintenance</td> </tr> <tr> <td> </td> <td></td> </tr> <tr> <td><u>Activity Type</u></td> <td><u>Description</u></td> </tr> <tr> <td>01</td> <td>Non-billable work order</td> </tr> <tr> <td>02</td> <td>Billable work order</td> </tr> </table> <p>e. A review of open work orders revealed numerous preventative maintenance work orders incorrectly input as type PM01. This incorrect typing would skew attempts by management to query work order information for reporting.</p> <p>It was also noted there were numerous preventative maintenance work orders, both open and closed, with no labor or material charges.</p>	<u>Order Type</u>	<u>Description</u>	PM01	Regular work order	PM02	Non-billable preventative maintenance	PM03	Billable preventative maintenance	 		<u>Activity Type</u>	<u>Description</u>	01	Non-billable work order	02	Billable work order	<p>d. Work control personnel should review all work orders to ensure proper coding, specifically addressing the incorrectly coded preventative maintenance work orders.</p> <p>e. Management should develop a system of monthly or quarterly reporting and inspection to ensure preventative maintenance is being properly and adequately performed.</p>	<p>d. A programming error resulted in repair work orders being incorrectly coded as preventative maintenance. The programming has been corrected by the work control supervisor who has provided the auditors with a list of all open WOs through 09/08/06 to reflect the issue has, in fact, been corrected. Expected completion date: November 1, 2006</p> <p>e. The work control supervisor and facilities department management will create weekly reporting requirements using SAP information and reports. Reports will be provided quarterly to the department Director as well as weekly for discussion at weekly meetings. Expected completion date: May 1, 2007</p>	<p>Closed</p> <p>Open</p>
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Red	2. Work Orders			
	<p>a. In October 2005, the Facilities Department implemented an SAP upgrade which included a new work order module. All work orders are initiated through the SAP work order module either by the requesting department or work control (if the requesting department is not using SAP). Several issues were reviewed, including work order coding and days outstanding. The issue with work order coding was addressed in Issue 1 above.</p>	<p>a. The Facilities Department should:</p> <p>Implement a written procedure that all water and roof leaks (billable and non-billable) be investigated and temporarily repaired within 24 hours to prevent further damage to County property.</p>	<p>a. Facilities has awarded continuing roofing services contracts to three bidders. As a requirement of the contract the contractor shall be required to respond within twenty-four (24) hours of the initial request/call from the county to provide 24/7 emergency services, which may include temporary securing of roofs, and the estimating and scheduling of permanent repairs. In conjunction with issue 1b, the Fiscal Analyst has provided auditors with copies of the contracts. The Special Projects Coordinator is responsible for contract monitoring; the shop supervisors are responsible for contacting the contractors when they are needed and for going to the jobs to check on the progress of the work being completed.</p> <p>Expected completion date: May 1, 2007</p>	Open

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Red	2. Work Orders - continued																																																									
	<p>b. A review of the open billable work order aging report, manually adjusted to remove preventative maintenance work orders, indicates 62% of the roofing shop open work orders have been outstanding more than 200 days and 92% have been outstanding more than 100 days. The majority of work orders are reported roof leaks into buildings. Failure to timely address these issues results in additional damage to buildings, including mold damage and greater repair costs.</p> <table border="1"> <thead> <tr> <th>Shop</th> <th>Total work orders</th> <th>Open > 200 days</th> <th>% of total</th> <th>Open > 100 days</th> <th>% of total</th> </tr> </thead> <tbody> <tr> <td>Roof</td> <td>87</td> <td>54</td> <td>62%</td> <td>80</td> <td>92%</td> </tr> <tr> <td>HVAC</td> <td>25</td> <td>13</td> <td>52%</td> <td>19</td> <td>76%</td> </tr> <tr> <td>South Work Control</td> <td>84</td> <td>26</td> <td>31%</td> <td>48</td> <td>57%</td> </tr> <tr> <td>Keys Government Center</td> <td>34</td> <td>10</td> <td>29%</td> <td>24</td> <td>71%</td> </tr> <tr> <td>Central</td> <td>84</td> <td>11</td> <td>13%</td> <td>37</td> <td>44%</td> </tr> <tr> <td>North</td> <td>29</td> <td>3</td> <td>10%</td> <td>11</td> <td>38%</td> </tr> <tr> <td></td> <td>46</td> <td>2</td> <td>4%</td> <td>9</td> <td>20%</td> </tr> <tr> <td></td> <td>43</td> <td>1</td> <td>2%</td> <td>10</td> <td>23%</td> </tr> </tbody> </table>	Shop	Total work orders	Open > 200 days	% of total	Open > 100 days	% of total	Roof	87	54	62%	80	92%	HVAC	25	13	52%	19	76%	South Work Control	84	26	31%	48	57%	Keys Government Center	34	10	29%	24	71%	Central	84	11	13%	37	44%	North	29	3	10%	11	38%		46	2	4%	9	20%		43	1	2%	10	23%	<p>b. Implement a written procedure requiring monthly reporting of work order statistics to management to ensure work orders are being timely addressed and closed.</p>	<p>b. The work control supervisor will prepare a procedure using SAP capabilities for employees to follow to generate an aging report for Work Orders including amounts in open and closed Work Orders during the previous month. These reports will be generated monthly by shop supervisors and submitted to management. The procedure will be reviewed and approved by the department Director. Expected completion date: July 1, 2007</p>	Open
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	<p>c. A review of open non-billable work order aging indicates a high percentage of work orders staying open greater than 100 and 200 days.</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>Shop</th> <th>Total work orders</th> <th>Open > 200 days</th> <th>% of total</th> <th>Open > 100 days</th> <th>% of total</th> </tr> </thead> <tbody> <tr> <td>Roof</td> <td>20</td> <td>9</td> <td>45%</td> <td>12</td> <td>60%</td> </tr> <tr> <td>HVAC</td> <td>28</td> <td>12</td> <td>43%</td> <td>21</td> <td>75%</td> </tr> <tr> <td>South Work Control</td> <td>24</td> <td>9</td> <td>38%</td> <td>15</td> <td>63%</td> </tr> <tr> <td>Keys</td> <td>2</td> <td>-</td> <td>0%</td> <td>-</td> <td>0%</td> </tr> <tr> <td>Government Center</td> <td>9</td> <td>2</td> <td>22%</td> <td>5</td> <td>56%</td> </tr> <tr> <td></td> <td>34</td> <td>9</td> <td>26%</td> <td>14</td> <td>41%</td> </tr> <tr> <td>Central</td> <td>15</td> <td>1</td> <td>7%</td> <td>9</td> <td>60%</td> </tr> <tr> <td>North</td> <td>16</td> <td>3</td> <td>19%</td> <td>6</td> <td>38%</td> </tr> <tr> <td>Jail</td> <td>34</td> <td>8</td> <td>24%</td> <td>18</td> <td>53%</td> </tr> </tbody> </table>	Shop	Total work orders	Open > 200 days	% of total	Open > 100 days	% of total	Roof	20	9	45%	12	60%	HVAC	28	12	43%	21	75%	South Work Control	24	9	38%	15	63%	Keys	2	-	0%	-	0%	Government Center	9	2	22%	5	56%		34	9	26%	14	41%	Central	15	1	7%	9	60%	North	16	3	19%	6	38%	Jail	34	8	24%	18	53%	<p>c. Request funding for additional resources during the next budget cycle in order to adequately meet the needs of the Department's customers.</p>	<p>c. Planning for annual maintenance and staffing, and budgeting appropriately is the key to cost-effective facility management. Understaffing has led to a decreased preventive maintenance program. Increasing staff will allow Facilities to prolong the life of the buildings and their major components. Considering age, size, and steadily increasing materials costs, the industry standard needed to adequately repair and maintain buildings is \$4.70 per square foot, \$1.3 million less than provided in the annual maintenance budget of \$3.64 per square foot. Deferring maintenance due to economic pressures increases costs of both manpower and materials by repeated service calls to partially repair deteriorated or failed systems.</p> <p>Failure to perform annual inspections and maintenance to a building's exterior and roof lead to other costly maintenance problems such as poor indoor air quality and water intrusion. The results are damage to interior walls, carpet, furnishings, and equipment. A recent roofing consultant's study confirmed the need to replace roofs at multiple County buildings. Funding available this year is only \$987,000, \$4.2 million less than the estimated \$5.2 million required to complete those identified as the highest priorities.</p> <p>Expected completion date: August 1, 2007</p>	Open
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Red	2. Work Orders - continued			
	<p>d. It appears that the Facilities Department does not have enough maintenance employees to adequately address the workload. Further investigation into Whitestone, an industry guide, indicates the Facilities Department should have approximately 77 employees in order to adequately address the non-billable building needs of the Department and approximately 132 employees to address both the billable and non-billable building needs. Currently, the Department has 63 employees to address both the billable and non-billable buildings.</p> <p>e. Finally, we reviewed the billable rate of \$20 currently being used by Facilities to charge for its services. The Facilities Department fiscal analyst performed an analysis of its current employee costs, not including overtime, to determine an appropriate per hour charge for facilities work. We reviewed the analysis, and it appears reasonable and accurate. The analysis indicates that Facilities should charge \$27 per hour for its work rather than the current \$20 per hour. In addition, the charging of a higher rate would help offset the cost of additional employees.</p>	<p>d. Consider an increase in the billable rate to actual cost as calculated by Facilities accounting personnel.</p> <p>e. Implement a written procedure to review and recalculate the billing rate annually.</p>	<p>d. The billable rate charged for labor on Facilities work orders will be reevaluated by the fiscal analyst, reviewed by the department Director and a request for an increase will be submitted for the fiscal year 2007-2008 budget. Expected completion date: July 1, 2007</p> <p>e. In conjunction with issue 2d, the fiscal analyst will create a step-by-step procedure manual for the budget process as she prepares the 2007-2008 budget. The department Director will review and approve the procedure. Expected completion date: July 1, 2007</p>	<p>Open</p> <p>Open</p>

Rating	Issues	Recommendation	Management Response	Status
Yellow	3. Payroll			
	<p>a. During testing, 25 bi-weekly time sheets were selected for review. Of the twenty-five time sheets selected, two had input errors that were not identified during the administration review, as noted:</p> <ul style="list-style-type: none"> • One employee had 3 hours of sick leave in December 2005 which was recorded on the employee’s time sheet and was input into SAP; however, the time did not show on the SAP report used to verify input time. The error was not identified during the Facilities ‘audit’ of payroll time. The employee was, however, paid correctly. • During April 2006 one employee recorded 12 hours of sick leave on his time sheet however, the supervisor input the time into SAP as “AT” or attendance time. Therefore, the employee was paid for the 12 hours, but his sick leave bank was not reduced. • Shop supervisors are responsible to input employee time into SAP no later than Monday prior to the Thursday pay date. On Tuesday, the Facilities Administrative Assistant prints out a time sheet report for all employees from SAP and compares the hours input in the system to the paper time sheets received from the shops and administrative employees. 	<p>a.1. Correct items identified during audit.</p> <p>a.2. Facilities Director should ensure that the review of time sheet input is being performed timely and adequately.</p>	<p>a.1. The two (2) time sheet errors (correction to leave balances) found in the audit were corrected by the former Administrative Secretary, who has provided the auditors with remuneration statements showing the corrections. Expected completion date: November 1, 2006</p> <p>a.2. The department Director will review and sign off on the payroll audit reports. Expected completion date: November 1, 2006 Expected date for internal auditors to test compliance: May 2007</p>	<p>Closed</p> <p>Open</p>

Rating	Issues	Recommendation	Management Response	Status
Yellow	4. Purchasing Card Use			
	<p>Field employees are issued purchasing cards to make material purchases when a purchase order is not viable (e.g. in an emergency). All receipts are stamped and the work order number recorded on them.</p> <p>At the end of each month, employees fill out a Purchasing Card Monthly Reconciliation Report and attach all receipts. The reports are reviewed by the shop supervisors, then by the Director of Facilities prior to being sent to Work Control. The Work Control person responsible for the shop reviews the report, records general ledger numbers for all line items and ensures all work order numbers are properly documented for line items. The reports are then sent to County Finance for input into SAP and payment.</p> <p>During testing, twenty-five monthly reconciliation reports were selected for review. Of the twenty-five selected, one report had a materials purchase of \$15.23 that was charged to a general ledger account but was not properly charged to a work order for client billing. At the date of the audit, the work order had been closed.</p> <p>Because of this error, we selected twenty additional purchasing card reports that had line item charges with no work order assigned. The charges were researched to ensure they were properly charged to a general ledger account and did not require a work order number.</p>	<p>Facilities management should emphasize to shop supervisors the department policy that purchasing cards not be used to purchase stock. Stock purchases require a material requisition and a purchase order.</p>	<p>The fiscal analyst re-emphasized the policy forbidding the use of purchasing cards for stock items via e-mail to shop supervisors and personnel in the Facilities office. A copy of the e-mail was provided to the auditors.</p> <p>Expected completion date: May 1, 2007</p>	<p>Open</p>

Rating	Issues	Recommendation	Management Response	Status
Yellow	4. Purchasing Card Use - continued			
	<p>Of the twenty additional reports tested, two errors were noted:</p> <ul style="list-style-type: none"> • Stock purchased in the amount of \$486.58 was charged to GL account for repairs and maintenance with no work order assigned. • Stock purchased in the amount of \$69.34 was charged to GL account for repairs and maintenance with no work order assigned. <p>These two purchases were made to replenish stock, and when the items are used they are charged to work orders. By charging them to repairs and maintenance, Facilities could potentially later expense them again when the items are used for a work order.</p>			

	Issues	Recommendation	Management Response	Status
Green	5. Contract Compliance			
	<p>a. The Facilities Department maintains numerous contracts with vendors for the performance of various services. The three largest dollar value contracts were selected and testing for compliance with contract provisions was performed. These contracts included services for security, janitorial and mail delivery.</p>	<p>a. Management should discuss with the County Attorney’s office the need to have a Public Crimes Affidavit requirement as a part of vendor contracts. If the County Attorney agrees, it should be removed from contracts upon renewal or re-bid of these contracts.</p>	<p>a. The affidavit requirement will be removed from all contracts going forward and the public entity crimes statement will take its place. The department’s Special Projects Coordinator and Support Services Manager will be responsible for rewording contract language and informing the proper personnel regarding the changes. Expected completion date: May 1, 2007</p>	Open
	<p>b. Of the three contracts, two contained provisions requiring a Public Entity Crimes Affidavit, which were not obtained by the County. Discussion with Facilities personnel indicates that the County only requires Public Entity Crimes Affidavits for construction contracts. The County performs background checks of all contracted employees; therefore, this provision in the contract is unnecessary and should have been deleted. Further discussion with the Procurement department indicated that a Public Entity Crimes statement is included in all Invitations to Bid so that including it in the contracts is unnecessary.</p>	<p>b. Management should ensure there is proper review and approval of all contracts by risk assessment and the County Attorney’s office, as needed, prior to presentation to the vendor for signature.</p>	<p>b. The Public Entity Crime Affidavit is not required for service agreements and will no longer be included as part of the standard boiler plate for Facilities requests for proposals, bids or quotes. Management will continue to ensure proper review and approval by the County Attorney and Risk Management prior to presentation of contracts to the vendor for signature. Special Projects Coordinator and Support Services Manager will remain responsible as this issue is closed in conjunction with issue 5a. Expected completion date: May 1, 2007</p>	Open