Audit Recommendations
Follow-Up Report

**For the Period January 1, 2021
Through March 31, 2021**

Project #21-11

**Prepared by
Office of Inspector General**

**J. Timothy Beirnes, CPA, Inspector General
Ann E. Haga, Executive Assistant**

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SOUTH FLORIDA WATER MANAGEMENT DISTRICT

Memorandum

To: Governing Board Members

From: J. Timothy Beirnes, CPA, Inspector General
Office of Inspector General

Date: June 15, 2021

Subject: Audit Recommendations Follow-Up Report -
For the Period January 1, 2021 through March 31, 2021
Project No. 21-11

This report was performed pursuant to the Inspector General's authority set forth in Section 20.055, F.S. Enclosed is the subject report that was conducted to assess the progress made in implementing audit recommendations.

In our efforts to continue to improve the audit process we utilize an audit recommendations tracking system as an integral part of monitoring the implementation status of audit recommendations. This system contains the basic audit information and recommendations. This system provides us with a vehicle to communicate and gather feedback on the status of the audit recommendations with the Governing Board, District management, and the audited organizational units.

Should you have any questions concerning the enclosed report, please feel free to call me at (561) 682-6398.

C: Drew Bartlett
Jennifer Smith
John Mitnik
Carolyn Ansay
Christine Austen
Stephen Collins
Sean Cooley
Jill Creech
Lawrence Glenn
Candida Heater
Suelynn Kirkland
Jennifer Reynolds
Duane Piper
Rich Virgil

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EXECUTIVE SUMMARY

Audit recommendations target the economy and efficiency of District operations and compliance with our policies and statutory responsibilities. Our recommendations also focus on providing District management with suggestions that facilitate their achievement of program goals and objectives. To be effective, audit recommendations must be implemented. Additionally, *Government Auditing Standards* require following up on audit recommendations in previously issued audit reports. Accordingly, the Office of Inspector General has performed follow-up audit work since the office was established in 1996. Every quarter our office surveys departments to determine the implementation status of recommendations and to encourage their completion. This information is maintained in the Inspector General's audit recommendation tracking system. The system allows each audit staff member to update the recommendation's "status" after reviewing information provided by the departments and offices.

This report on the implementation status of audit recommendations is for the period January 1, 2021 through March 31, 2021 (the "Reporting Period"). As shown in Exhibit 1, as of December 31, 2020, for previously issued audit report 19 recommendations were not yet Fully Implemented, including one (1) recommendation that was Partially Implemented. During the Reporting Period, five (5) recommendations were fully implemented. In total from all reports, 13 recommendations are In-Process of being implemented and one (1) has been Partially Implemented as of March 31, 2021.

Commencing with this quarterly follow-up report, our office is also monitoring the implementation status of the five (5) recommendations made in the Operational Audit performed by the State of Florida Auditor General, issued in January 2021 (Report No. 2021-102). As of March 31, 2021, two (2) of the recommendations have been fully implemented and one (1) has been partially implemented.

Following is a brief description of the attached exhibits:

- **Exhibit 1:** Displays a summary of recommendation statuses for all audit reports with recommendations in process of implementation. Exhibit 1 also shows the changes in the status of recommendations from the beginning of the period to the end of the period.

- **Exhibit 2:** Shows a summary of the changes in the status of recommendations by audit report. Exhibit 2 shows only those audit reports that contained one or more recommendations that had not been fully implemented at the beginning of the reporting period.

- **Exhibit 3:** Displays detail information regarding the status of each audit recommendation. This includes the status of the recommendation for the prior reporting period and the status at the end of the current period. The comment column provides narrative information regarding implementation progress.

- **Exhibit 4:** Displays detail information regarding the status of each audit recommendation contained in the Operational Audit performed by the State of Florida Auditor General. The comment column provides narrative information regarding implementation progress.

EXHIBIT 1
Summary of Recommendations Status
As of March 31, 2021

	In Process	Partially Implemented	Total
Prior Period Reports			
Status Prior Period (September 30, 2020)	18	1	19
Implemented, Partially Implemented, or Status Changed to No Longer Applicable, During Period	(5)	-	(5)
Remaining Recommendations to be Fully Implemented	13	1	14
Reports Issued During Current Period			
New Recommendations*	-	-	-
Implemented or Partially Implemented	-	-	-
Remaining Recommendations to be Fully Implemented	-	-	-
Current Status			
Remaining Recommendations to be Fully Implemented	**13**	**1**	**14**

* Initial Status is set as "In-Process"

Audit No.	Audit Title	No. of Recs		In Process	Partially Implemented	No Longer Applicable	Implemented	
Recommedations - Prior Period Reports								
18.06	Audit of Operations, Maintenance, Repair, Replacement and Rehabilitation (OMRR&R) Cost Share Expense	15	Initial Status	0	1	0	14	Open
			Change in Status	0	0	0	0	
			Current Period Status	0	1	0	14	
18-08	Audit of Kissimmee River Restoration Project Cost Share for Land Acquisition Expenditures	19	Initial Status	7	0	0	12	Open
			Change in Status	-2	0	0	2	
			Current Period Status	5	0	0	14	
18-17	Audit of the Employee Separation Process	4	Initial Status	2	0	0	2	Open
			Change in Status	0	0	0	0	
			Current Period Status	2	0	0	2	
19-13	Audit of District Matching of Save Our Everglades Trust Fund and Land Acquisition Trust Fund Appropriations	5	Initial Status	4	0	0	1	Open
			Change in Status	0	0	0	0	
			Current Period Status	4	0	0	1	
19-17	Audit of the Education Reimbursement Program	5	Initial Status	2	0	0	3	Open
			Change in Status	0	0	0	0	
			Current Period Status	2	0	0	3	
20-03	Audit of Employee Time Coding Process	4	Initial Status	2	0	0	2	Complete
			Change in Status	-2	0	0	2	
			Current Period Status	0	0	0	4	
20-08	Audit of the Information Technology Solution Center	1	Initial Status	1	0	0	0	Complete
			Change in Status	-1	0	0	1	
			Current Period Status	0	0	0	1	
Recommendations - All Reports								
	TOTAL	53	Prior/Initial Status	18	1	0	34	
			Change in Status	-5	0	0	5	
			Status Current Period	13	1	0	39	
	Number of Recommendations Remaining to Be Fully Implemented	**14**		**13**	**1**			

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date Original	Due Date Current	Recommendation	Management Response	Current Period Comments Regarding Status
18-06	1	Audit of Operations, Maintenance, Repair, Replacement and Rehabilitation (OMRR&R) Cost Share Expense	Partially Implemented	Partially Implemented	9/30/2019	On-Going	Continue working with the USACE and OMB officials to resolve OMRR&R budget and reimbursement issues.	This is an ongoing task until the OMRR&R issue is resolved. On May 7th and 8th, the District received two guests from OMB. They were given tours of project sites and several discussions took place about the problems associated with lack of OMRR&R funding. In addition, on June 11th, the District communicated to the USACE that the District would not accept any additional funding transfers until the issue is resolved. The District response also suggests that project features may be returned to the USACE. Discussions will continue until resolution is reached.	*Ongoing to continue working with the USACE and OMB officials on the budget and reimbursement issues. The District and USACE are having quarterly meetings to discuss funding issues, payments and up. This portion of the audit finding coming projects. Our last meeting was 9/11/19. *04/24/2020 - A quarterly meeting on 4/17/2020 with SFWMD & USACE financial and project staff, all agreed to the records that all back invoices have federal funding to pay and USACE has appropriated funds to continue to pay for FY2019-20 invoices. USACE is supposed to be submitting a letter to SFWMD Executive Director that invoices are caught up and paid and that funds are available for FY2019-20. The only potential outstanding financial matter is the depreciation payments. 7/8/2020 USACE reimbursements for operational and maintenance invoices are paid as well as back invoices. USACE is actively seeking appropriations to cover OMRR&R costs. This portion of the audit finding is completed. The backlog payments pertaining to the depreciation payments remains unpaid, but other actions are being discussed for the replacement of the S-332B, S-322C, S-322D structures that may change the original settlement. 10/14/2020 - Status remains the same 2/16/2021 - The outstanding payments are related to the depreciation payments for S-332B,C,D. All other OMRR&R payments are being reimbursed on a timely manner. **5/26/2021 The outstanding payments related to the depriciation payments for S-332B,C,D. are soon to be resolved. The District should be receiving a formal letter denying the invoices due to the arrangement of the District and USACE each constructiong equally S-322 B & C.**

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date Original	Due Date Current	Recommendation	Management Response	Current Period Comments Regarding Status
18-08	1	Audit of Kissimmee River Restoration Project Cost Share For Land Acquisition Expenditures	In Process	In Process	12/31/2019	**6/30/2021**	Expedite KRRP claim submittals to the USACE for acquired tracts not yet submitted, donations, and relocation costs.	Agreed. Workload has been shifted to delete 1 FTE full-time and 1 FTE part-time to submit the backing of claims (37 acquired tracts, 350 relocations and 50 donated tracts) within the next calendar year.	**In Process.** Priority 1 item; 1 full-time FTE and 2 part-time FTEs currently working on claim submittals. Submitted 269 of the 336 relocations through 3/31/2021. Still waiting for input from the Corps on methodology for submitting donations. Working on acquired tracts.
18-08	2	Audit of Kissimmee River Restoration Project Cost Share For Land Acquisition Expenditures	In Process	Implemented	12/31/2019	3/31/2020	Determine reasons why certified / approved tracts on the summary crediting spreadsheets are indicated as historical in IRIS and revise all relevant records; for example, summary crediting spreadsheets and IRIS, to reflect correct acreage, costs, and explanations.	Agreed. Real Estate will analyze certified / approved tracts shown in IRIS as historical and revise records accordingly	**Complete.** Found 40 occurances of historical tracts within approved category or submitted category on the Master Crediting Spreadsheet. Researched each tract and either: 1.) replaced historical tract with current tract(s), referenced historical tract in the comments and added an explanation, or 2.) noted why tract was marked historical (i.e. temporary construction easement that expired, typo in tract number, duplicate tract number, etc.); if a temporary easement, kept historical tract to track costs and made a note in comments
18-08	3	Audit of Kissimmee River Restoration Project Cost Share For Land Acquisition Expenditures	In Process	Implemented	12/31/2019	3/31/2021	Determine whether revised claim requests should be submitted to the USACE in instances where approved tracts and tracts that have been submitted but not yet approved by the USACE are indicated as historical in IRIS.	Agreed. Real Estate will analyze whether revised claim requests should be submitted for IRIS historical tracts and will submit revised claims, as needed.	**Complete.** Found 26 occurances of a new tract number being issued for a historical tract not related to a temporary easement. Researched the tracts and found either: 1.) costs had been moved to the new tract and no further action needed or, 2.) a revised claim had already been submitted under the new tract number. In all cases, replaced historical tract number with new number(s) and made notes in comments section of spreadsheet.
18-08	4	Audit of Kissimmee River Restoration Project Cost Share For Land Acquisition Expenditures	In Process	In Process	12/31/2019	6/30/2021	Request credit for unclaimed expenses charged to tracts already certified by the USACE; for example, reservation credits and salary expenses.	Agreed. Real Estate will work with the Office of the Inspector General to identify a list of tracts and then analyze and compile any unclaimed expenses and submit revised claims to the USACE.	**In Process.** Priority 2; Found 13 occurances of grazing reservations that need to be claimed. Made notes in comment section for follow-up.
18-08	5	Audit of Kissimmee River Restoration Project Cost Share For Land Acquisition Expenditures	In Process	In Process	12/31/2019	6/30/2021	Consider compiling the documentation supporting the $29,450 in relocation expenses that were denied and resubmit to the USACE for credit.	Agreed. Real Estate will analyze, compile and submit additional information for any denied portions of claims, and submit revised claims to the USACE as appropriate.	**In Process.** Priority 2; Found 18 occurances of denied admin or relocation expenses. Made notes in comment section for follow-up.
18-08	6	Audit of Kissimmee River Restoration Project Cost Share For Land Acquisition Expenditures	In Process	In Process	12/31/2019	6/30/2021	Submit revised claims for unclaimed expenses charged to the tracts that have been submitted for credit but not yet approved by the USACE.	Agreed. Real Estate will work with the Office of the Inspector General to identify a list of tracts and then analyze and compile any unclaimed expenses and submit revised claims to the USACE as appropriate.	**In Process.** Priority 2; Found 1 occurance of grazing reservation that needs to be claimed. Made notes in comment section for follow-up.
18-08	13	Audit of Kissimmee River Restoration Project Cost Share For Land Acquisition Expenditures	In Process	In Process	12/31/2019	9/30/2021	Request credit for all unclaimed creditable salary related expenses incurred during October 1, 2006 to present and any subsequent salary related expenses.	Agreed. Priority 3 - Real Estate will request an update of salary expenses from the Finance Bureau to bring salary costs current and submit the salary expenses for credit.	**Delayed. Priority 3 item; Minor item to be completed after Priority 2. Costs have been updated through 12/4/2019 and reflected on the Master Cost Share spreadsheet update on 12/20/2019, but a claim has not yet been sent.**

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date Original	Due Date Current	Recommendation	Management Response	Current Period Comments Regarding Status
18-17	3	Audit of the Employee Separation Process	In Process	In Process	9/30/2020	9/30/2021	The IT Bureau should review the feasibility of programming a direct communication link between HRIS and network accounts to avoid issues that occur with the current interface.	IOM currently provides integration with HRIS and Active Directory, Exchange and other target systems. Programming a direct link from HRIS to target systems would simplify the system and increase reliability. The IT Division will consider replacing IOM with a direct link from HRIS to the target systems. This effort will be considered during budget planning for future fiscal years and will need to be prioritized against other IT initiatives.	**3/31/2021 - Information Technology is replacing the legacy account provisioning system. This new system will improve reliability in synchronizing accounts between SAP and other information technology systems. A contract has been issued and project kicked off. This new system is on track for completion by 9/30/2021.**
18-17	4	Audit of the Employee Separation Process	In Process	In Process	9/30/2020	6/30/2021	The District Security and IT Bureau should ensure that the new badge access system captures and maintains all pertinent information on badge access such as activated and disabled dates.	IT and Field Operations and Land Management Divisions will ensure that the new badge access system captures and maintains badge access information including activation and deactivation dates.	**3/31/2021 - District Security and the Information Technology Division are replacing the access control system. The new system will link directly to the network account and deactivate the access control badge when the network account is disabled. The target date for completion of this feature of the new control system is 6/30/2021.**
19-13	2	Audit of District Matching of Save Our Everglades Trust Fund and Land Acquisition Trust Fund Appropriations	In Process	In Process	11/30/2020	6/30/2021	Initiate the expenditures reanalysis to determine whether the criteria used to determine expense match eligibility are still valid and /or needs updating.	Management concurs and will review the current presentation that entails the previously approved matching criteria and those expenses that were deemed as not eligible for matching with Executive Management and DEP to determine if there are additional expense criteria that may qualify.	10/28/2020 Budget Bureau staff will set up time with Executive Management and then DEP to review the presentation of eligible criteria for matching and update presentation and expenditure analysis. 2/16/2021 Status remains the same. **5/28/2021 Status remains the same**
19-13	3	Audit of District Matching of Save Our Everglades Trust Fund and Land Acquisition Trust Fund Appropriations	In Process	In Process	11/30/2020	6/30/2021	Determine the correct SOETF and /or LATF appropriation amounts that require matching contributions by the District for Fiscal Years 2011, 2012, 2013, 2017, and 2019.	Management concurs to reevaluate those sources included within the GAA line items to correct amounts requiring matching contributions. Staff has already started updating the matching spreadsheet against the GAA lines for the respective fiscal years	10/28/2020 Budget Bureau staff have updated the spreadsheet but it is still in DRAFT format and will finalize the entire spreadsheet analysis once No. 19-13 No. 2 has been completed for a comprehensive update. 2/16/2021 Status remains the same. **5/28/2021 Status remains the same**
19-13	4	Audit of District Matching of Save Our Everglades Trust Fund and Land Acquisition Trust Fund Appropriations	In Process	In Process	11/30/2020	6/30/2021	Ensure that the Budget Bureau's tracking spreadsheet correctly reflects the following: SEOTF / LATF appropriations that require expenditure matching by the District, eligible matching expenditures, and indirect expenses.	Management concurs to update the tracking spreadsheet based upon the reevaluation of those sources included within the GAA line items requiring matching contributions. Staff already started updating the matching spreadsheet against the GAA lines for the respective fiscal years	10/28/2020 Budget Bureau staff have updated the spreadsheet but it is still in DRAFT format but does have to update prior year with Finance Bureau's updated indirect cost that they have caught up per the OMRR&R audit and will finalize the entire spreadsheet analysis once No. 19-13 No. 2 has been completed for a comprehensive update. 2/16/2021 Status remains the same. **5/28/2021 Status remains the same**

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date Original	Due Date Current	Recommendation	Management Response	Current Period Comments Regarding Status
19-13	5	Audit of District Matching of Save Our Everglades Trust Fund and Land Acquisition Trust Fund Appropriations	In Process	In Process	4/30/2021	7/31/2021	Inform FDEP of the District's compliance status with Chapter 373, Section 373.470, Subsection 373.470(6), Paragraph 373.470 (6)(a), F.S., which requires that SOETF and/or LATF appropriations be matched by District contributions.	Management concurs and has provided DEP with several updates upon request and will provide a final spreadsheet illustrating the Districts matching of sources through Fiscal Year 2019-2020 in compliance with mentioned statutes.	10/28/2020 Findings of this audit was discussed with DEP staff and Budget staff will provide a final record once findings No. 19-13 No. 2-4 have been completed 2/16/2021 We have discussed with DEP the status of the District's matching status but have not sent a formal record. **5/28/2021 Status remains the same**
19-17	1	Audit of the Education Reimbursement Program	In Process	In Process	10/31/2020	6/30/2021	Consider developing a method of tracking the effectiveness (promotion rates) and outcomes (program completion rates) of employees in the Education Reimbursement Program.	The effectiveness of the District's Educational Reimbursement Program can be measured by a variety of factors; the promotion rate being one of them. We will work with Leadership to identify key metrics for the program effectiveness.	2/1/2021 All education reimbursement records have been moved to electronic format, so going forward, the records will be more readily retrieved. Additionally, education reimbursement procedures have been drafted with changes, based upon the audit recommendations, which are being routed for internal review, then followed by legal review, and ultimately, Executive Director's approval. **4/29/2021 The Educational Reimbursement procedure has been updated and approved by the Executive Director. Municode still needs to update the procedure changes, which will be the last step.**
19-17	2	Audit of the Education Reimbursement Program	In Process	In Process	10/31/2020	6/30/2021	Develop a more comprehensive Educational Reimbursement Policy and procedural guidelines to address program requirements such as: a. Documentation requirements b. Fees and other costs eligible for reimbursement. c. Financial assistance calculations in reimbursement, and d. Repayment to the District in the event of overpayment or findings of false documentation.	The Education Reimbursement Procedure will be modified to include all four points outlined in the bullets above, as it would provide more clarity for all using the program. The District houses the program requirements in a procedure, versus a policy for all our programs. This has been the guidance HR has received from our legal office and ensures a consistent approach to HR policies and procedures.	2/1/2021 All education reimbursement records have been moved to electronic format, so going forward, the records will be more readily retrieved. Additionally, education reimbursement procedures have been drafted with changes, based upon the audit recommendations, which are being routed for internal review, then followed by legal review, and ultimately, Executive Director's approval. **4/29/2021 The Educational Reimbursement procedure has been updated and approved by the Executive Director. Municode still needs to update the procedure changes, which will be the last step.**
20-03	2	Audit of Employee Time Coding Process	In Process	Implemented	10/31/2020	3/31/2021	Ensure that employees working on project/work order related activities are proactive in obtaining and using project activity codes and/or work order numbers.	Each Bureau Chief will direct their employees to ensure they receive the appropriate time code associated with the project prior to submitting their timesheet. Then, all hours worked on the project shall be entered on their timesheets using that code.	**During the March 19th Bureau Chief meeting with the Executive Team, COS reminded Bureau Chiefs and Section Administrators of the importance of proper time coding and shared and discussed the information provided above in 20-03 (1) &(4), as well as the process maps.**
20-03	3	Audit of Employee Time Coding Process	In Process	Implemented	10/31/2020	3/31/2021	Instruct supervisors responsible for approving employees' timesheets to ensure that time worked on cost center, work order, and project related activities are properly reflected on the employees' bi-weekly timesheets.	Each Bureau Chief will direct their Section Administrators and Section Leaders to be sure staff are appropriately charging their time to a project timecode rather than their default code, prior to approving their timesheets.	**During the March 19th Bureau Chief meeting with the Executive Team, COS reminded Bureau Chiefs and Section Administrators of the importance of proper time coding and shared and discussed the information provided above in 20-03 (1) &(4), as well as the process maps.**

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date Original	Due Date Current	Recommendation	Management Response	Current Period Comments Regarding Status
20-06	1	Audit of the Information Technology Solution Center	In Process	Implemented	12/31/2020	3/31/2021	Consider implementing a set of benchmarks to use as productivity goals to gauge the efficiency and effectiveness of the Information Technology Solution Center.	Information Technology will establish appropriate standards to ensure the IT Help Desk maintains its efficiency and effectiveness based on District support needs and IT staffing levels.	**2/2/2021 Information Technology is in progress establishing metric(s) to measure efficiency and effectiveness as they progress through recent and upcoming staff changes.** **3/31/2021 Metrics have been established to monitor the effectiveness of Information Technology in responding to support requests. A report has been established to measure the percentage of support requests closed by the IT Solution Center. An additional report has been created to track open support requests by IT unit. These two reports are sent to IT management monthly.**

EXHIBIT 4
Auditor General Operational Audit Recommendations

Issued January 2021

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Recommendation	Management Response	Current Period Comments Regarding Status
AG2021-102	1	Auditor General Operational Audit	In-Process	Implemented	The District should enhance procedures to ensure that the performance standards and evaluation process by which bonuses will be awarded are timely communicated to employees and that documentation is maintained to support the determination of overall scores and authorized bonus awards.	As noted during the audit, the entire management team that made the decisions regarding the bonus distribution process is no longer with the district. As such, we were only able to provide the records that were furnished by them without the opportunity to discuss or interview those individuals to better understand their decisions. Further, as the current administration does not support the bonus compensation model, there is currently no need to establish the Auditor General's recommended procedures. In the event that the current administration decides to use the compensation model in the future, management will ensure that procedures are established to ensure that the performance standards and evaluation process by which bonuses will be awarded are timely communicated to employees and that documentation is maintained to support the determination of overall scores and authorized bonus awards.	The current administration continues to not support the bonus compensation model and is not considering any changes to this position; thus, it is considered unnecessary to establish procedures for a process that current District management has no intention on needing. No further action is considered necessary regarding this recommendation.
AG2021-102	2	Auditor General Operational Audit	In-Process	In-Process	District policies and procedures should require that records be maintained to demonstrate that bank account reconciliations are timely prepared and reviewed and approved by a supervisor and that accounting entries are promptly made to resolve reconciling items.	District staff agrees with the Auditor General finding stated above. Cash and investment statements are received through the normal mail delivery process and in fewer cases, uploaded from their respective websites. Going forward, all statements will be dated by Finance personnel when received and then saved in the file repository. Bank account reconciliations will also be dated when prepared, reviewed and approved by a supervisor. There are no established timeframes for the review of bank and investment account reconciliations or the resolution of reconciling items. Further, there are many factors that may affect the review of reconciliations and/or the resolution of reconciling items. For this reason, establishing a strict timeframe for these items is not practical; however, a timelier review and resolution of reconciling items is recognized as needing improvement.	May 2021 Update - District staff is working towards the maintaining of records and when the bank account reconciliations are received, they are digitized (if applicable), put on the shared server, and text is added to indicate date received. The reconciliations process for timely preparation is still in process.
AG2021-102	3	Auditor General Operational Audit	In-Process	In-Process	The District should establish policies and procedures to require a time frame for depositing total daily collections totaling less than $125,000 as well as documentation evidencing, at the initial point of collection, the dates and amounts of collections and the identity of the employee receiving the collections. In addition, transfer documents should be used to evidence the transfer of collections between employees.	The District agrees with the Auditor General finding stated above. The District recognizes the importance of depositing its cash receipts timely and believes that it has been prudent with its custodianship as well as the timely depositing of its cash collections regardless of the amounts received. Since the prior Auditor General's report (No. 2018-208), the District implemented a process whereby monies coming into the Cashier office are date stamped and initialed when received. However, considering the Auditor General's recommendation, revisions of current policies and procedures will be considered related to the timing of internal transfers and bank deposits for collections totaling less than $125,000.	May 2021 Update - Implementing a District-wide form that will be required when monies are collected and transferred to Finance. The form will contain the name of the person receiving the collection, the date and the amount. The form, along with the collection will be remitted to the Cashier's office within the timeframe imposed by District Policy/Procedure. The Cashier will acknowledge receipt of monies by signing and dating the form. Cash will be recorded in General Ledger and deposited per Policy. Also, due to several new staff within the District a communication will be sent out to all Administrative, Bureau Chiefs, Section Administrators of the form and policy. Additionally, the District policy is being reviewed.

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Recommendation	Management Response	Current Period Comments Regarding Status
AG2021-102	4	Auditor General Operational Audit	In-Process	Partially Implemented	The Board should revise District policies governing IG duties to align with State law. Such revisions should require that long-term and annual audit plans identify the resources to be devoted to the respective audits and that both plans be submitted to the Board for approval.	The District's Governing Board delegates the authority to approve the Inspector General's audit plans to the Audit and Finance Committee in the Audit and Finance Committee Charter. The Internal Audit Charter will be modified to require the Inspector General submit both the annual and long-term plans to the Audit and Finance Committee for approval, and such proposed changes will be presented to the Governing Board for their consideration and approval. The recommended changes were applied to the Audit Plan for Fiscal Year 2020-2021 and Long-Term Audit Plan for Fiscal Years 2022-2026, approved by the Audit and Finance Committee on November 12, 2020, which included both the annual and long-term plans as well as the projected associated resources for each audit.	The recommended changes were applied to the Audit Plan for Fiscal Year 2020-2021 and Long-Term Audit Plan for Fiscal Years 2022-2026, approved by the Audit and Finance Committee on November 12, 2020, which included both the annual and long-term plans as well as the projected associated resources for each audit. The Internal Audit Charter is in the process of being revised to ensure consistency with State statutes.
AG2021-102	5	Auditor General Operational Audit	In-Process	Implemented	The District should enhance procedures to ensure that cardholder agreements are completed, signed, and maintained to demonstrate that, upon issuance, cardholders are properly authorized and aware of the terms of P-card use. Additionally, the District should ensure that the P-card is promptly canceled upon the cardholder's separation from District employment.	To enhance the process of ensuring completed cardholder agreements, the District will implement an electronic, on-line approval process that will require cardholder to complete, sign and acknowledge the terms of P-Card use before the procurement card is issued. The system will maintain a record of the completed cardholder agreement for future reference. To assist with timely cancellation of the procurement card, after the employee separation date, additional authorized staff are now receiving email notifications of the separation notices. Authorized staff will act as a back-up to the procurement card administrator and have access to the banks Works software for procurement card cancellations. Both the procurement card manual and procurement procedures will be updated to reflect these changes.	May 2021 Update - The District modified its on-line Procurement Card Requisition form to include additional features that ensure the cardholder is properly authorized and aware of the terms and conditions of P-Card use. Specifically, the Procurement Card Requisition form must be completed by the actual cardholder to ensure compliance with the Acknowledgement section called out on the form. Cardholder must click on the links to the P-Card Cardholder Agreement and P-Card User Manual before checking an Acknowledgement box created on the form stating they have read and agree to abide by the terms of the Procurement Cardholder Agreement. The cardholder can not submit the requisition form for approval until such time as the form is completed and acknowledged.