



## **Audit Recommendations Follow-Up Report**

**For the Period October 1, 2021  
Through December 31, 2021**

**Project #22-08**

**Prepared by  
Office of Inspector General**

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



# SOUTH FLORIDA WATER MANAGEMENT DISTRICT

## Memorandum

**To:** Governing Board Members

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

**Date:** February 24, 2022

**Subject:** Audit Recommendations Follow-Up Report -  
For the Period October 1, 2021 through December 31, 2021  
Project No. 22-08

A handwritten signature in blue ink, likely belonging to J. Timothy Beirnes, the Inspector General.

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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.

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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 October 1, 2021 through December 31, 2021 (the "Reporting Period"). As shown in Exhibit 1, as of September 30, 2021, for previously issued audit reports, five (5) recommendations were not yet Fully Implemented, including two (2) recommendations that were Partially Implemented. During the Reporting Period, one (1) recommendation was Fully Implemented. During the Reporting Period, 19 recommendations were added from three (3) newly issued audit reports. Eleven (11) of these recommendations were implemented during the Reporting period or were implemented at the time of report issuance. In total from all reports, 10 recommendations are In-Process of being implemented and two (2) recommendations have been Partially Implemented as of December 31, 2021.

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 December 31, 2021, three (3) of the recommendations have been Fully Implemented, one (1) has been Partially Implemented, and one recommendation is In Process of implementation.

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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 December 31, 2021

	In	Partially	
<b>Prior Period Reports</b>	<b>Process</b>	<b>Implemented</b>	<b>Total</b>
Status Prior Period (September 30, 2021)	3	2	5
Implemented, Partially Implemented, or Status Changed to No Longer Applicable, During Period	(1)	-	(1)
Remaining Recommendations to be Fully Implemented	2	2	4
<b>Reports Issued During Current Period</b>			
New Recommendations*	19	-	19
Implemented or Partially Implemented	(11)	-	(11)
Remaining Recommendations to be Fully Implemented	8	-	8
<b>Current Status</b>			
<b>Remaining Recommendations to be Fully Implemented</b>	<b>10</b>	<b>2</b>	<b>12</b>

\* Initial Status is set as "In-Process"

**EXHIBIT 2**  
**Audit Reports With Implementation of Recommendations in Progress**  
**As of December 31, 2021**

Audit No.	Audit Title	No. of Recs		In Process	Partially Implemented	No Longer Applicable	Implemented	
	Recommendations - 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	3	0	0	16	Open
			Change in Status	-1	0	0	1	
			Current Period Status	2	0	0	17	
19-13	Audit of District Matching of Save Our Everglades Trust Fund and Land Acquisition Trust Fund Appropriations	5	Initial Status	0	1	0	4	Open
			Change in Status	0	0	0	0	
			Current Period Status	0	1	0	4	
	Recommendations - Reports Issued During Current Period							
20-11	Audit of CERP Cost Share	8	Initial Status	8	0	0	0	Open
			Change in Status	-5	0	0	5	
			Current Period Status	3	0	0	5	
21-07	Audit of Construction Change Orders	1	Initial Status	1	0	0	0	Complete
			Change in Status	-1	0	0	1	
			Current Period Status	0	0	0	1	
21-09	Audit of Fleet Utilization & Replacement	10	Initial Status	10	0	0	0	Open
			Change in Status	-5	0	0	5	
			Current Period Status	5	0	0	5	
	Recommendations - All Reports							
	TOTAL	58	Prior/Initial Status	22	2	0	34	
			Change in Status	-12	0	0	12	
			Status Current Period	10	2	0	46	
	Number of Recommendations Remaining to Be Fully Implemented	12		10	2			

**EXHIBIT 3**  
**Detail of In-Process and Partially Implemented Audit Recommendations**  
**As of December 31, 2021**

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date		Recommendation	Management Response	Current Period Comments Regarding Status
					Original	Current			
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 depreciation 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 construction equally S-322 B & C. <b>10/20/2021 - Pending formal communication that depreciation payments are no longer an arrangement between USACE &amp; SFWMD for S-332 B, C replacements.</b> <b>December 2021 - The status remains the same.</b>
18-08	1	Audit of Kissimmee River Restoration Project Cost Share For Land Acquisition Expenditures	In Process	In Process	12/31/2019	6/30/2022	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.	<b>In Process.</b> Priority 1 item; <b>2 full-time FTEs</b> currently working on claim submittals. Submitted <b>336</b> of the 336 relocations through <b>10/20/2021</b> . Still waiting for input from the Corps on methodology for submitting donations. Working on acquired tracts.
18-08	5	Audit of Kissimmee River Restoration Project Cost Share For Land Acquisition Expenditures	In Process	Implemented	12/31/2019	6/30/2022	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.	<b>Completed</b> Priority 2 3; Found 18 occurrences of denied admin or relocation expenses. Made notes in comment section for follow-up. <b>Back-up or clarification for all denied claims has been submitted.</b>



Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date		Recommendation	Management Response	Current Period Comments Regarding Status
					Original	Current			
18-08	13	Audit of Kissimmee River Restoration Project Cost Share For Land Acquisition Expenditures	In Process	In Process	12/31/2019	3/31/2022	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.	<b>In Progress</b> Priority 2 item; 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. <b>10/21/2021 - Met with Finance to coordinate needed reports for claims. Reports received 9/14/2021.</b>
19-13	5	Audit of District Matching of Save Our Everglades Trust Fund and Land Acquisition Trust Fund Appropriations	In Process	Partially Implemented	4/30/2021	2/28/2022	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 7/30/2021 Status remains the same, extended due date. 10/21/2021 - Staff met with FDEP on August 24, 2021 and provided FDEP with a status update that the District would be filing a completed report. Staff will be meeting with the Administrative Services Division Director to review the final report and will be submitting to FDEP. <b>December 2021 Update - The staff and Division director review occurred. Report is now final and will be submitted by end of February.</b>
20-11	1	Audit of CERP Cost Share	In Process	Implemented	11/10/2021	11/10/2021	Ensure that the Finance Bureau submit WIK credit requests to the USACE for the \$1,585,292 in unclaimed CERP design and construction project related expenses.	Management concurs with this recommendation. The Construction report was submitted to USACE on August 17, 2021 and the Design report was submitted to USACE on September 16, 2021.	Recommendation was implemented at time of report issuance.
20-11	2	Audit of CERP Cost Share	In Process	Implemented	11/10/2021	11/10/2021	Implement procedures to resolve and resubmit WIK expenses disallowed/disputed by the USACE in a timely matter.	Management concurs with this recommendation. Finance meets monthly with the Ecosystem Restoration Planning Bureau to review the outstanding disallowed/disputed CERP related expenses.	Recommendation was implemented at time of report issuance.
20-11	3	Audit of CERP Cost Share	In Process	Implemented	11/10/2021	11/10/2021	Ensure that the Finance Bureau consults with project managers to resolve issues relating to disallowed/disputed expenses and resubmit the expenses, as necessary, to the USACE for WIK credit.	Management concurs with this recommendation. This process is in place and will be ongoing as disallowed/disputed expenses are reported on the USACE's review of the District's quarterly credit submittals. The process of meeting with the appropriate Project Managers and Ecosystem Restoration Planning Bureau is in place and can be marked as completed.	Recommendation was implemented at time of report issuance.

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date		Recommendation	Management Response	Current Period Comments Regarding Status
					Original	Current			
20-11	4	Audit of CERP Cost Share	In Process	In Process	7/31/2022	7/31/2022	Consult with the USACE to ensure that expenses initially classified as deferred and subsequently approved are reflected as approved on the USACE spreadsheet.	Management concurs with the recommendation. Finance will consult with the USACE and provide documentation to ensure that expenses initially classified as deferred and subsequently approved are reflected as approved on the USACE spreadsheet.	December 2021 Update: No material update at this time. This item will be added to the agenda to discuss with USACE on the next financial meeting.
20-11	5	Audit of CERP Cost Share	In Process	In Process	1/31/2022	1/31/2022	Consult with the USACE to determine whether the District can be credited for any of the \$3,714,203 in disallowed/disputed/deferred due to inadequate documentation.	Management concurs with the recommendation. Finance Bureau will meet with the Ecosystem Restoration Planning Bureau to set our strategy and process for this request and will provide the USACE with the necessary documentation to obtain credit.	December 2021 Update: New due date 7/31/22. This item will be added to the agenda to discuss with USACE on the next financial meeting.
20-11	6	Audit of CERP Cost Share	In Process	Implemented	11/10/2021	11/10/2021	Ensure that the Ecosystem Planning Bureau continues to work with the USACE to streamline the process for resolving disallowed/disputed CERP related expenses.	Management concurs with the recommendation. The Ecosystem Restoration Planning Bureau meets monthly with the Finance Bureau to review the outstanding disallowed/disputed CERP related expenses on how, if applicable, to address the USACE comments questioning the expenses. In addition, the CERP program managers and the finance bureau staff coordinate and meet with the USACE finance	Recommendation was implemented at time of report issuance.
20-11	7	Audit of CERP Cost Share	In Process	In Process	7/31/2021	7/31/2021	Instruct the Budget and Finance Bureaus to research and resolve the understated CERP design and construction related expenses identified by the Budget Bureau as occurring prior to Fiscal Year 2011.	Management concurs with the recommendation. The Budget and Finance Bureaus will work together to research and resolve the understated CERP design and construction expenses that occurred prior to Fiscal Year 2011. Supporting documentation will be provided to the USACE to obtain credit.	December 2021 Update: No Material update at this time.
20-11	8	Audit of CERP Cost Share	In Process	Implemented	11/10/2021	11/10/2021	Ensure that the District spreadsheet ( <i>Summary of SFWMD and Federal Investment for CERP Projects</i> ) reflect all District's CERP design and construction related expenses.	Management concurs with the recommendation. The Budget Bureau has updated the <i>Summary of SFWMD and Federal Investment for CERP Projects</i> spreadsheets to reflect all of the District's design and construction related expenses as noted in the audit.	Recommendation was implemented at time of report issuance.
21-07	1	Audit of Construction Change Orders	In Process	Implemented	11/10/2021	11/10/2021	Recommend that future reports to management and/or the Governing Board include both changes to change order percentages, with and without the outlier items, with explanations of any outlier change orders.	Management concurs with the recommendation. Future reports to management and the Governing Board will include both change order percentage values, with an explanation included to set forth the exceptional/outlying reasons behind the larger of those two values.	Recommendation was implemented at time of report issuance.

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date		Recommendation	Management Response	Current Period Comments Regarding Status
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21-09	1	Audit of Fleet Utilization & Replacement	In Process	Implemented	11/10/2021	11/10/2021	District management should consider increasing funding allocated to fleet replacement.	Fleet Management will continue to request one time funding each budget year to increase the budget. This report will be added as additional justification.	This is an on-going process as fleet funding will be addressed with the each annual budget process.
21-09	2	Audit of Fleet Utilization & Replacement	In Process	Implemented	11/10/2021	11/10/2021	Implement steps to ensure that all fleet purchase amounts are accurately reflected on the Fleet Unit's annual purchasing spreadsheets.	Discrepancies found to be spreadsheet errors. Fleet analyst 3 has corrected all errors and will monitor going forward to ensure accuracy.	Recommendation was implemented at time of report issuance.
21-09	3	Audit of Fleet Utilization & Replacement	In Process	Implemented	11/10/2021	11/10/2021	Ensure repair costs, maintenance costs, and miles/hours usage data used to calculate cost per mile/hour are accurate.	Process & Project Controls Section determined this stemmed from errors in the Business Warehouse (BW) report. All needed corrections in the BW report have been made.	Recommendation was implemented at time of report issuance.
21-09	4	Audit of Fleet Utilization & Replacement	In Process	Implemented	11/10/2021	11/10/2021	Ensure that all vehicle/equipment meeting replacement requirements are included in the Fleet Unit's annual replacement analysis.	During preparation of the FY 2020 fleet replacement determination exercise Fleet Management also found these errors. At that point Fleet Management worked with the Process & Project Control Section to produce fresh reports by category class to ensure all district equipment was included on the list. The equipment lists will then be used as worksheets to first remove items that do not meet replacement criteria or already have replacements on order from the previous year's order. Going forward such items will not be removed but rather clearly marked and left on list.	Recommendation was implemented at time of report issuance.
21-09	5	Audit of Fleet Utilization & Replacement	In Process	In Process	9/30/2022	9/30/2022	Analyze the different types of trailer and marine units and determine whether additional replacement criteria should be developed and implemented. Consider whether this analysis should be conducted for other classes of vehicle/equipment.	Fleet Management agrees. Newly hired Fleet Analyst will review and make necessary changes.	<b>02/24/22 - This item is planned for this year following the conclusion of the annual utilization report.</b>

Audit No.	Rec No.	Audit Title	Status Prior Report	Status Current Report	Due Date		Recommendation	Management Response	Current Period Comments Regarding Status
					Original	Current			
21-09	6	Audit of Fleet Utilization & Replacement	In Process	Implemented	11/10/2021	11/10/2021	Implement steps to ensure that accurate utilization miles/hours and utilization status are reflected in the annual utilization report sent to cost centers.	Process & Projects Controls Section determined this stemmed from errors in the Business Warehouse (BW) report. All needed corrections in the BW report have been made.	Recommendation was implemented at time of report issuance.
21-09	7	Audit of Fleet Utilization & Replacement	In Process	In Process	6/30/2022	6/30/2022	Require responsible cost centers to provide detailed reasons for all vehicle/equipment that were not adequately utilized per the annual utilization report.	Fleet Operations will prepare annual fleet utilization report for each responsible cost center in which underutilized vehicles will be identified. Report will be forwarded to managers for each responsible cost center requesting detailed reasons for all vehicle/equipment that were not adequately utilized.	2/24/22 - Fleet staff is currently in the process of compiling the FY22 utilization report. Detailed reasons for underutilization is being required by responsible cost areas.
21-09	8	Audit of Fleet Utilization & Replacement	In Process	In Process	6/30/2022	6/30/2022	Analyze each cost center's utilization levels and reasons for low utilization and determine whether vehicle/equipment swaps are warranted.	Fleet Management agrees and will utilize the upcoming additional Fleet Analyst position to analyze responsible cost centers detailed reasons for all vehicle/equipment that were not adequately utilized and make necessary changes.	02/04/22-Discussion on on the need to move equipment and vehicle has been discussed with the Assistant Executive Officer who has put the division directors on notice that this will be forthcoming. Recommendations will be made by fleet staff at the conclusion of the annual utilization report to the assistant executive officer at which time swaps/moves will be initiated.
21-09	9	Audit of Fleet Utilization & Replacement	In Process	In Process	6/30/2022	6/30/2022	Analyze whether all fleet bulldozers and other low usage equipment are cost effective for the District to retain, and surplus those that are not needed.	Recently underutilized bulldozers were placed into heavy equipment motor pool so that any group needing a bulldozer can check out and use as needed. Fleet Management will monitor and analyze after this next dry season to see if this increases utilization or not and take appropriate actions.	02/04/22-Currently one bulldozer has been moved to work on the District's capital dredging program in St. Lucie County. This move is reducing rental expenses, increasing utilization while retaining the equipment for when emergency needs arise. This item is planned for this year following the conclusion of the annual utilization report. Further analysis is planned.
21-09	10	Audit of Fleet Utilization & Replacement	In Process	In Process	9/30/2022	9/30/2022	Develop updated written replacement and utilization criteria for all vehicle/equipment after the Fleet Unit's analysis is completed.	Fleet Management will research and implement revised utilization criteria as appropriate.	02/4/22-This item is planned for this year following the conclusion of the annual utilization report

## 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	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. June 2021 Update- Review and Approval of reconciliations is in progress for May Bank recons and reconciliation items are being researched. Statements are now routinely stamped with the date received. Sept 2021 Update - as of October 20, 2021 review and approval of bank reconciliations continues. August bank reconciliations have been reviewed and approved. September are being completed currently. Reconciling items are being addressed and resolved as part of the year-end process and preparation for the FY21 Financial Audit. Additionally, District policies and procedures are being reviewed for November 2021 Governing Board approval. <b>December 2021 Update - Policies were updated and approved at the December Governing Board meeting and no change was made related to reconciliations as the policy has a 30 day time limit. Statementms are being dated when recieved. Timely reconciliations are still in progress. Procedures are being reveiwed for best inclusion of this recommendation for submittal to the Executive Director.</b>
AG2021-102	3	Auditor General Operational Audit	In-Process	Partially Implemented	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 the 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. June 2021 Update - All checks received in the Cashier's office are being stamped with the date received. Each location has a form that is used to send checks to the Cashier's office which shows received and transferred dates. The Cashier stamps these forms with the date and then return a copy to the department. Staff has revised District Policy to require delivery of money within 2 working days or 4 working days for onsite and offsite respectively. Staff proposed policy changes needs to be reviewed and presented the District Board for approval. Sept 2021 Update - As of October 20, 2021 Finance Bureau continue to stamp upon receipt, all checks for deposit and processes the deposit by the cashier or a cross trained Finance Bureau/AGT Section staff member. Proposed revisions to the Policy have been submitted for Executive Team review for the upcoming Agency-wide Agenda Item presenting recommended revisions to the existing policy to the Governing Board approval in November. <b>December 2021 Update: Policy Section 110-125 was updated and approved at the December Board meeting. Procedures are being reviewed for update and submittal to the Executive Director.</b>

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	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. <b>The Internal Audit Charter was revised to incorporate the Auditor General's recommendations, and such revisions were approved by the Governing Board at the December 9, 2021 business meeting.</b>