



Internal Audit Department

Clerk of the Circuit Court • County Court • Board of County Commissioners

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June 29, 2011

Mr. Jim Stivender, Director
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Post Office Box 7800
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Mr. Stivender:

As scheduled per the Annual Internal Audit Plan for Fiscal Year 2010-2011, we have performed follow up audits of BCC 2008-04, Environmental Compliance and Enforcement and BCC 2008-10, Mosquito and Aquatic Plant Management dated August 21, 2008 and September 5, 2008, respectively. A total of 33 audit findings were contained in the original reports.

Based on our follow up audit work and discussions with the Water Resource Laboratory staff and the Mosquito and Aquatic Plant Management staff, we are closing all of the original audit findings except one. Our follow up audit indicated that all other original findings have been addressed and adequate corrective changes have been implemented.

We appreciate the cooperation and assistance provided by the Water Resource Laboratory and Mosquito and Aquatic Plant Management sections and also other local county and governmental entities contacted during the course of this internal audit.

Sincerely,

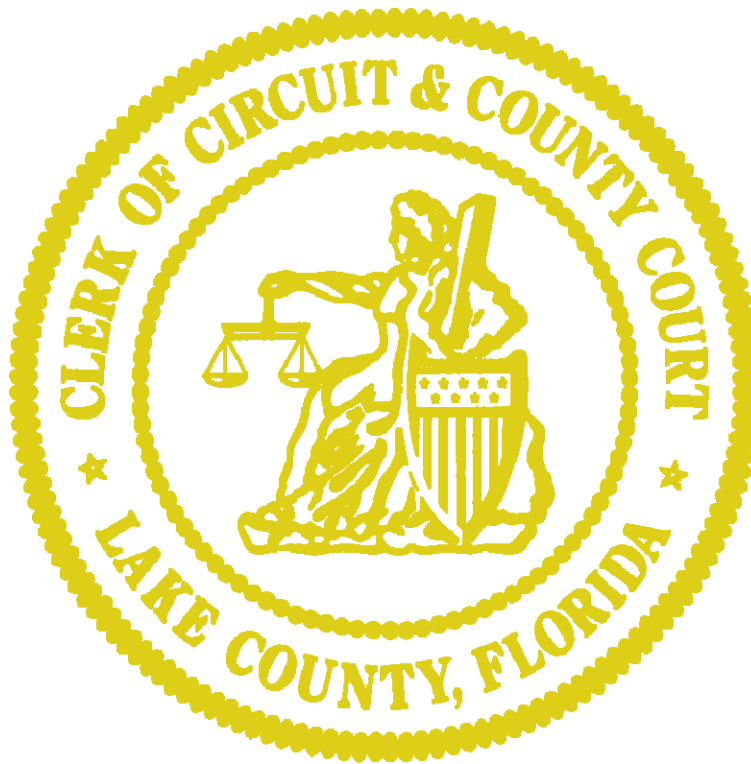
Jeremy Martin, CPA
Internal Audit Director

JM/cm

cc: Honorable Neil Kelly, Clerk of Courts
Board of County Commissioners
Darren Gray, County Manager
Lori Conway, Funding & Production Division Director
Mary Hamilton, Stormwater Project Manager

Neil Kelly

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Internal Audit Department

Final Audit Report

BCC 2011-12

**Follow Up to BCC 2008-04 EC&E (Water Resources Laboratory) and
BCC 2008-10 M&APM (Mosquito & Aquatic Plant Management)**

Lake County Board of County Commissioners

June 29, 2011

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EXECUTIVE SUMMARY

OVERVIEW

As requested by the Interim County Manager and scheduled as part of the Annual Audit Plan Fiscal Year 2010-2011, an internal audit was performed of the Water Resource Laboratory and the Mosquito and Aquatic Plant Management sections of the Public Works department. This was a follow up audit to Audits BCC 2008-04 and BCC 2008-10, respectively.

The Water Resource Laboratory (WRL) samples approximately 45 sites primarily along the Palatklakaha and Ocklawaha chains, provides drinking water testing, conducts landfill compliance monitoring, and provides assistance to other Lake County and municipal departments as the only certified lab in Lake County.

The Mosquito and Aquatic Plant Management (M&APM) section manages mosquitoes and other biting arthropods of public health importance in order to reduce the risk of arboviral disease transmission and to ensure a reasonable quality of life for all residents and visitors of Lake County. The section also manages invasive and problematic aquatic plants in order to minimize flooding situations, restore navigation, and help maintain the natural integrity of Lake County's aquatic systems.

Subsequent to the original audit reports issued in 2008, both the WRL and M&APM have undergone downsizing and organizational changes. The two were previously located in the Department of Environmental Utilities during the 2008 audits. The Department of Environmental Utilities was transferred to the Public Works Department in October, 2010.

The objective of the original audit was to determine whether internal controls were adequately designed and operating effectively. An internal control system consists of many policies and procedures designed to provide management with reasonable assurance that organizational goals and objectives will be achieved. Please note that management is responsible for establishing and maintaining an effective system of internal control. Internal Audit is one of many monitoring tools available to assess the effectiveness of internal controls.

The courtesies and cooperation extended by the employees of departments contacted during the audit were sincerely appreciated.

SCOPE

Management desired to know if the management action plans agreed to in the original audits were implemented. Management also requested a review of the vehicle usage and the availability of M&APM fleet maintenance to service other county fleet vehicles. The time frame of this audit was July 1, 2010 through December 31, 2010.

OBJECTIVES

The audit objectives were to:

1. Determine whether the management action plans agreed to in the original audit were implemented.
2. Determine whether other effective plans are in place or were implemented for those management action plans not agreed to in the original audit.
3. Determine whether vehicle usage is consistent with county policy and procedures.
4. Determine whether M&APM fleet maintenance could provide services to other county fleet vehicles.

OVERALL EVALUATION

During the course of the audit, we found the employees to be focused on their duties and actively working toward improving the quality of life for residents and visitors of Lake County. Management has addressed all significant areas but one where improvements were recommended in the original audits and we commend them for doing so. The controls implemented are essential to improved accountability over the sections' operations.

In conjunction with this follow up audit, management desired to know if the M&APM fleet maintenance could provide services to other county fleet vehicles. In the course of the audit, a concern was raised as to whether this could be accomplished at a facility that had received state funding for the specific purpose of mosquito management. While we found that availability does exist, we recommend that a discussion be held with the Department of Agriculture and Consumer Services to determine if any restrictions exist on using the M&APM fleet maintenance facilities for a general fleet maintenance purpose.

OPINION

Based on the results of our audit testing, we conclude that all recommended changes have been effectively implemented by the management of the WRL section, and should be closed. We conclude that all but one recommended change has been effectively implemented for the M&APM section, and should be closed. The results are summarized in the chart below. We also conclude that the vehicle usage of both sections was consistent with county policy and procedures.

AUDIT BY:

Jeremy Martin, CPA, Internal Audit Director
Cindy McLaughlin, CPA, CIA

SUMMARY OF ORIGINAL AUDIT FINDINGS

The following chart summarizes the status of the original Audit Findings and the results as of the completion of the follow up audit.

Open Status - Control weaknesses that need additional corrective action.

Audit BCC 2008-10, Mosquito and Aquatic Plant Management

Finding	Finding Description	Status	Comments
10	Pre-approval of Technology Purchase Absent from P-card Documentation	Open	Pre-approval documentation was absent from P-card purchases we tested. The original recommendations for this finding should be implemented.

Closed Status - Control weaknesses for which corrective actions have been completed to the auditor's satisfaction.

Audit BCC 2008-04, Environmental Compliance and Enforcement (*now Water Resource Laboratory*)

Finding	Finding Description	Status	Comments
1	Recurring Insufficient Notice of Water Outage at Laboratory	Closed	A notification plan has been communicated among Facilities Maintenance staff.
2	Water Resource Laboratory Safety Shower (does not meet the minimum recommended water flow requirements)	Closed	Water flow rate is a voluntary standard; the water pressure was not able to be improved during expansion.
3	Water Resource Laboratory Fume Hoods (have a buildup of encrustations)	Closed	Ductwork has been modified to work more effectively against corrosion.
4	Water Resource Laboratory Space Inadequate (to safely accommodate residents picking up water test kits)	Closed	This area of the lab was made safer for residents as a result of the expansion.
5	Misalignment with Environmental Utilities	Closed	The WRL has been transferred to Public Works along with other similar sections.
6	Water Monitoring Reporting Procedures Absent	Closed	A procedure is in place for the reporting and follow-up of water quality monitoring.
7	Misuse of Ordinance/Regulation (for Agricultural Use Classification)	Closed	Land Development Ordinance 2009-62 was adopted to address the prior audit concerns.
8	Tree Removal Permitting Information Not Current	Closed	The tree removal permit was updated to reflect current information.
9	Water Resource Laboratory Safety Training (was requested by lab employees)	Closed	The safety training was found to be adequate.
10	Laboratory Facilities Poorly Located (location at the landfill is not ideal)	Closed	Facilities have been modified to improve the conditions of the current location.

Finding	Finding Description	Status	Comments
11	Water Resource Laboratory Building Repairs Needed	Closed	The noted repairs were made.
12	Employees Listed Under Incorrect Supervisor (in system)	Closed	The system was updated for the correct supervisor.
13	P-card Documentation Contains Personal Information (on medical invoice)	Closed	The prior incident appears to be isolated; no other personal information noted during review.
14	P-card: >2 nights Travel Missing County Manager Approval	Closed	Items reviewed during the scope period followed procedures.
15	County Car Maintenance not Performed by Fleet	Closed	Items reviewed during the scope period followed procedures.
16	P-card Used for Another Employee's Travel	Closed	Items reviewed during the scope period followed procedures.
17	P-card: Computer Equipment/Software Approval by IT Absent	Closed	Items reviewed during the scope period followed procedures.
18	Missing Patches and/or Updates (of standard software)	Closed	No critical patches or updates were missing.
19	Inadequate Network Connectivity/Performance	Closed	All previous connectivity and performance issues have been resolved.
20	Lack of Screen Savers and/or Password-protected Screen Savers	Closed	All workstations/users now have password-protected screen savers.
21	No battery backup and UPSs not tested (on workstations)	Closed	All workstations now have functioning UPSs.
22	Streaming Audio During Work Hours (on workstations)	Closed	Use of streaming audio is allowed under current policy.

Audit BCC 2008-10, Mosquito and Aquatic Plant Management

Finding	Finding Description	Status	Comments
1	Repair/Build Facilities (existing facilities in need of repair or replacement)	Closed	Facilities have been modified to improve the conditions of the current location.
2	Personnel Files (contained too much private/historical information)	Closed	The personnel files have been purged of private/historical information.
3	Spark-proof Lighting Fixtures Needed (in mosquito chemical storage room)	Closed	Spark-proof lighting fixtures have been installed.
4	MSDS Binders (need better organization) and Safety Shower needed	Closed	The recommended improvements to the MSDS binders have been implemented. Safety showers have been installed.
5	Time Sheet Procedures (necessary signatures obtained; proper authorization for changes existed)	Closed	This finding was closed as a result of the prior audit.
6	Recurrent Hearing Monitoring Program (should conduct testing when an employee separates from service)	Closed	M&APM was not designated a Hearing Conservation Area, therefore testing is not required under county procedure.
7	Additional Funding Sources Needed (to offset state budget cuts)	Closed	Funding availability is monitored; alternative funding would be sought when needed.

Finding	Finding Description	Status	Comments
8	Procedure Manuals-Mosquito, Aquatic, Admin, and Maintenance (not approved through the department director level; performance measures contained in the manuals were not used in individual personnel evaluations)	Closed	The procedures have been approved at the director level. Performance measures have been used in supervisor level evaluations.
9	Training Plan Procedures (sign-in sheets should be retained for tracking purposes)	Closed	The training sign-in sheets/ documentation are being retained.
11	Inspection of Individual Workstations (for various connectivity/security issues)	Closed	The various workstation issues have been resolved.