

COUNTY OF FAIRFAX, VIRGINIA OFFICE OF FINANCIAL AND PROGRAM AUDIT



February 2019

Quarterly Report

**FAIRFAX COUNTY BOARD OF SUPERVISORS
AUDITOR OF THE BOARD**
www.fairfaxcounty.gov/boardauditor

**Fairfax County
Office of Financial and Program Audit**



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Fairfax County
Office of Financial and Program Audit

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ABSTRACT

Working under the guidance and direction of the Audit Committee, the Auditor of the Board provides an independent means for assessing management's compliance with policies, programs and resources authorized by the Board of Supervisors. Further to this process, efforts are made to gain reasonable assurance that management complies with all appropriate statutes, ordinances and directives.

This agency plans, designs, and conducts studies, surveys, evaluations and investigations of County agencies as assigned by the Board of Supervisors or the Audit Committee (AC). For each study conducted, the agency focuses primarily on the County's Corporate Stewardship vision elements. The agency does this by developing, whenever possible, information during the studies performed which are used to maximize County revenues or reduce County expenditures.

To assist the Office of Financial and Program Audit (OFPA) with executing the responsibilities under our charge, members of the Fairfax County Board of Supervisors (BOS) submit study recommendations of which the findings and management responses are included in published studies. This process is utilized to provide the constituents, BOS and management reasonable assurance that fiscal and physical controls exist within the County.

Additionally, this agency conducts follow-up work on prior period studies. As part of the post study work conducted, we review the agreed upon managements' action plans. To facilitate the process, we collaborate with management prior to completion of studies. Through this collaboration, timelines for the implementation of corrective action and status updates are documented for presentation at the upcoming Audit Committee Meetings.

The results of studies may not highlight all the risks/exposures, process gaps, revenue enhancements and/or expense reductions which could exist. Items reported are those which could be assessed within the scheduled timeframe, and overall organization's data-mining results. The execution of the OFPA's studies are facilitated through various processes such as; sample selections whereby documents are selected and support documentation is requested for compliance and other testing attributes. Our audit approach includes interviewing appropriate staff and substantive transaction testing. OFPA staff employs a holistic approach to assess agencies/departments whereby the review is performed utilizing a flow from origination to closeout for the areas under review.

There are several types of studies performed by OFPA, e.g.; operational, financial, compliance, internal controls, etc. To that end, it is important to note; OFPA staff reserves the option to perform a holistic financial and analytical data-mining process on all data for the organization being reviewed where appropriate. This practice is most often employed to perform reviews for highly transactional studies.

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REFUSE COLLECTION & RECYCLING OPERATIONS STUDY

OVERVIEW AND UPDATES

The results of this study may not highlight all of the risks/exposures, process gaps, revenue enhancements and/or expense reductions which could exist. Items reported are those which could be assessed within the scheduled **timeframe, and overall organization's data-mining results**. The execution of the **Office of Financial and Program Audit (OFPA's) studies** are facilitated through various processes such as; sample selections whereby documents are selected and support documentation is requested for compliance and other testing attributes. There are several types of studies performed by OFPA, e.g.; performance, operational, financial, compliance, and etc. To that end, it is important to note; OFPA staff reserves the option to perform a holistic financial and analytical data-mining process on all data for the organization being reviewed where appropriate. This practice is most often employed to perform reviews for highly transactional studies.

The purpose of this study was to execute a performance review on the Refuse Collection & Recycling Operations performed by the Department of Public Works and Environmental Services (DPWES). The Solid Waste Management Program (SWMP) division within DPWES is responsible for the management of these functions. This study included (**but not limited to**) reviews of; routes, availability of services, internal costs, efficiency, asset management, asset recognition and etc. The period of review for this study was FY 2018. OFPA with the assistance of SWMP compiled FY 2018 Refuse Collection & Recycling statistical data in the table below:

FY18 REFUSE COLLECTION & RECYCLING OPERATIONS	
<i>Solid Waste Management Program</i>	
Data Metrics	Stats
<i>Services Provided</i>	Garbage / Recycling / Yard Waste
<i>Frequency of Collections</i>	Monday-Friday
<i>No. of Trash Routes</i>	56
<i>No. of Recycling Routes</i>	39
<i>No. of Yard Waste Routes</i>	27
<i>No. of Customers</i>	42,645
<i>Collection Fee Per Customer</i>	\$345
<i>Fee Revenues Earned</i>	\$17,151,917
<i>Operating Expenses</i>	\$16,670,289
<i>Operating Expense / Customer</i>	\$391
<i>Waste Tonnage Collected</i>	39,652
<i>Pickup/Collection Trips</i>	6,864,000

While the collection vehicles are operated by SWMP staff, the vehicles are maintained by the Department of Vehicle Services (DVS). Refuse, recycling and yard waste collection services are provided to a small number of constituents that live in the designated sanitary districts. For constituents residing outside of the sanitary districts, neighborhood approved private hauling services are available. While the County does not contract with private haulers for collections, the

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County does approve which private haulers can perform services. It is important to note that no financial or contractual relationship exist between the County and the private haulers.

OFPA obtained several sources of data from SWMP, DVS & Department of Finance (DOF) to select samples and perform substantive testing. Testing was performed on several areas to include; revenues for services provided, vehicle maintenance costs, part warranties, asset depreciation and recognition, route assessments, vehicle inventory, and other attributes.

The SWMP Refuse Collection and Recycling Routes are predetermined approved sanitary districts which preclude outside companies from providing service in these areas. County customers residing in sanitary districts that chose to use outside service providers will continue to be billed by the County for refuse and collection services. SWMP provides services to a select group of CAR (County Agency Routes). These customers include; County facilities, FCPS facilities, County recreation facilities, and etc. These routes are a small block of business comparatively and have little effect on SWMP profitability. Based on the operational structure of route assignment, OFPA will pass further study work in this area. Below tables represent the analytics for this section of the review:

FY18 REFUSE COLLECTION & RECYCLING ROUTE ASSESSMENTS								
Sample Attributes			Testing Attributes					
Collection Route No.	Service Provided	No. of Vehicles Scheduled on Route	Extrapolated Collections Per Route (Tonnage) Note 1	Interpolated Into Daily Collections Per Route/Trip (Tonnage) Note 2	Extrapolated Actual Collections Per Route (Tonnage) Note 1	Collection Projections (Tonnage) Note 3	Over/(Under) Actuals	No. of Collection Stops on Route
101-1	Trash	1	666.94	12.83	666.94	635.34	31.60	891
207-1	Trash	1	757.32	14.56	757.32	860.65	(103.33)	1008
309-3	Trash	1	710.36	13.66	710.36	857.64	(147.28)	972
406-3	Trash	1	536.26	10.31	536.26	618.33	(82.07)	822
510-2	Trash	1	615.58	11.84	615.58	689.99	(74.41)	993
435-3	Recycling	1	416.16	8.00	416.16	415.58	0.58	1199
131-1	Recycling	1	402	7.73	402	396.19	5.81	1141
232-3	Recycling	1	409.1	7.87	409.1	441.90	(32.80)	1342
337-3	Recycling	1	409.08	7.87	409.08	431.13	(22.05)	1062
534-2	Recycling	1	378.38	7.28	378.38	438.20	(59.82)	1105
151-1	Yard Waste	1	491.64	9.45	491.64	721.10	(229.46)	2552
256-3	Yard Waste	1	26.66	0.51	26.66	390.68	(364.02)	3026
351-1	Yard Waste	1	408.3	7.85	408.3	507.70	(99.40)	2758
454-3	Yard Waste	1	243.44	4.68	243.44	303.88	(60.44)	3114
551-1	Yard Waste	1	361.8	6.96	361.8	516.72	(154.92)	2848

Note 1: Six Month Data Compile by Route and extrapolated for a full year.

Note 2: Daily Collection data interpolated based on collections performed 1 day a week for 52 weeks in a year.

Note 3: Yard Waste Collections are only performed 46 weeks per year.

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FY18 SOLID WASTE COST COLLECTION REVENUE ANALYSIS FUND 40140					
Legend	Analytics				
	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Budget	FY20 Budgets
Operational Funding	\$17,699,057.00	\$18,731,849.00	\$18,433,568.00	\$19,106,146.00	\$18,993,648.00
Less:					
Grant	\$129,453.00	\$124,726.00	\$129,453.00	\$124,726.00	\$120,000.00
County Agency Route CAR Costs	\$1,616,561.00	\$1,557,727.00	\$1,633,826.00	\$1,640,000.00	\$1,650,000.00
Residential Collection Costs	\$15,953,043.00	\$17,049,396.00	\$16,670,289.00	\$17,341,420.00	\$17,223,648.00
CAR Percentage of Costs	10%	9%	10%	9%	10%

At the time of this study, no data exist to perform a Cost Benefit Analysis re: County versus Outside Provider performing refuse collections. Additionally, no benchmarking data was available from SWMP or through research at the time of this study. Benchmarking and Cost Benefit Analysis re: County versus Outside Providers, may be performed at a later date as standalone studies.

OFPA performed several onsite visits & interviewed SWMP/DVS staff to understand the nature of the operations related to the Refuse Collection & Recycling functions. We have identified observations and recommendations based on this review. The areas identified for potential enhancements are detailed in further in this document.

OBJECTIVES AND RESULTS

Business Objectives	Study Assessments
Expensed Repairs Under Warranty	Unsatisfactory
Refuse & Collection Cost Recovery	Needs Improvement
Part Inventory Maintained by the SWMP	Needs Improvement
Contractor Repair Invoices Not Sent to DVS	Needs Improvement
Approvals for Non-Preventative Repairs	Needs Improvement
SWMP Fleet Inventory Records	Satisfactory

Performance Summary	
Good Controls	Performance Enhancements
<ul style="list-style-type: none"> Based on the tested sample, SWMP fleet inventory records reconcile to DOF Fixed Asset Register. 	<ul style="list-style-type: none"> Based on our sample tested, there are instances whereby parts under warranty are expensed resulting in additional costs to the County. The charge per home rate for collection services has consistently been lower than the operating cost per home. This has resulted in shortfalls in revenue and costs to the County.

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Performance Summary	
Good Controls	Performance Enhancements
	<ul style="list-style-type: none">• No inventory register for parts maintained by SWMP exist.• No process exist that requires agencies to forward copies of invoices received for outside contractor repairs on equipment.• No process exist that requires agencies' approval for high dollar repairs prior to work being performed by DVS.

OBSERVATIONS AND ACTION PLANS

The following table(s) detail observation(s) and recommendation(s) from this study along with management's action plan(s) to address these issue(s).

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EXPENSED REPAIRS UNDER WARRANTY

Risk Ranking

HIGH

A targeted randomized sample of refuse fleet maintenance work orders were reviewed using several test attributes. These attributes are detailed in the testing table on **Appendix A**. The notable results of this testing was, 5 out of 10 (or 50%) of the vehicles repairs were expensed while under warranty. The sample expensed amount, which could have been covered under warranty was **\$20,466.04 (or ~44%)** within FY18. While the observation addresses the initial cash outlay, there are potentially additional losses as the existing part warranty is voided by the above-mentioned process. Per DVS, these repairs were requested by SWMP staff to expedite the repair to get the equipment back into service as soon as possible.

Recommendation

Given the operational expediency need, we recommend that expedited repairs are logged separately over the next year. Upon completion of the data collection, the data should be reviewed to identify similarities in the repairs to build out the routine maintenance procedure to address these failures. Subsequent to this analysis, these operational expediency needs should be preapproved by operations, fleet and maintenance leadership personnel, asserting the absolute need in order to avoid service disruption. This process should be weighed against the future purchase of extended warranties. These analysis could assist staff in decreasing operational immediate cash outlays and other tangible benefits (warranties).

Action Plan

Point of Contact	Target Implementation Date	Email Address
John Kellas Hans Christensen Tim Dickson Marguerite Guarino Daniel Gonzalez	1 st March 2020	John.Kellas@FairfaxCounty.gov Hans.Christensen@FairfaxCounty.gov Timothy.Dickson@FairfaxCounty.gov Marguerite.Guarino@FairfaxCounty.gov Daniel.Gonzalez@FairfaxCounty.gov

MANAGEMENT RESPONSE:

SWMP proposes the following corrective action: It is proposed that SWMP provide internal communication to DVS senior management that any authorizations to waive or expense warranty work on any SWMP vehicle maintained by DVS be submitted in writing to the designated DVS contact by the SWMP Vehicle Coordinator or Division Director of Operations. No other authorizations will be permitted. Further to this process, a log of these repairs will be maintained to identify similarities to build out routine repairs maintenance procedures. This communication will be provided by March 1, 2019.

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REFUSE & COLLECTION COST RECOVERY

Risk Ranking

MEDIUM

A review of the Refuse & Collection revenue versus the operating cost revealed Actual & Budgeted Shortfalls between FY16 thru FY18 actuals, FY19 & FY20 budgets. SWMP is an Enterprise/Special Revenue Fund which is designed to be financially self-sustaining. The most recent fiscal year actuals (**FY18**) reflect a **\$1,957,764** shortfall between costs and revenues. The table below provides further details regarding the shortfalls:

FY18 SOLID WASTE COST COLLECTION REVENUE ANALYSIS FUND 40140					
Legend	Analytics				
	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Budget	FY20 Budgets
Operational Funding	\$17,699,057.00	\$18,731,849.00	\$18,433,568.00	\$19,106,146.00	\$18,993,648.00
Less:					
Grant	\$129,453.00	\$124,726.00	\$129,453.00	\$124,726.00	\$120,000.00
County Agency Route Costs	\$1,616,561.00	\$1,557,727.00	\$1,633,826.00	\$1,640,000.00	\$1,650,000.00
Residential Collection Costs	\$15,953,043.00	\$17,049,396.00	\$16,670,289.00	\$17,341,420.00	\$17,223,648.00
Homes Count	42247	42210	42645	42637	42744
Cost Per Home	\$377.61	\$403.92	\$390.91	\$406.72	\$402.95
Charge Per Home	\$345.00	\$345.00	\$345.00	\$350.00	\$360.00
Shortfall Per Home	\$32.61	\$58.92	\$45.91	\$56.72	\$42.95
Fund Balance Addition/(Reduction)	(\$1,377,828.00)	(\$2,486,946.00)	(\$1,957,764.00)	(\$2,418,470.00)	(\$1,835,808.00)

While the SWMP has projected increases in the charge per home rate in FY19 & FY20, there are still estimated shortfalls of revenues received. Management did advise us of initiatives over the past years to gradually increase rates to reduce shortfalls between costs and revenues. Making an annual increase per home of \$20 the first year of change would generate ~\$981K in additional revenue and reduce the shortfall by approximately half.

Recommendation

We recommend analytics are performed on shortfalls between operational costs and the related operational revenues as a tool for proposing rate increases. This exercise should be employed annually with the goal of reducing revenue shortfalls to a level decided by the SWMP management. We recommended a proposal (**based on these analytics**) re: increase in charge per home rate are created and presented to the proper governing body, e.g. Board of Supervisors, for approval, adoption, or declination.

Action Plan

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Point of Contact	Target Implementation Date	Email Address
John Kellas Scott Patchan	30 th June 2019	John.Kellas@FairfaxCounty.gov Scott.Patchan@FairfaxCounty.gov

MANAGEMENT RESPONSE:

SWMP included a rate increase as part of its requested budget that was submitted to DMB in October 2018. SWMP will continue to work with DMB as needed on this objective throughout the FY 2020 budgetary adoption process.

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PART INVENTORY MAINTAINED BY THE SWMP

Risk Ranking

MEDIUM

The SWMP maintains a limited part inventory. Similar part inventory is maintained by DVS. Both inventories are used for repairs to SWMP equipment. At the time of this study, no inventory register or method of tracking was available for the part inventory maintained by SWMP. During an onsite visit at the SWMP Newington Facility, we were informed that an inventory register has been suggested by SWMP management. No quantification could be made on the count and/or dollar value in the absence of an inventory register. Adequate inventory tracking and recording assurance cannot be made as to the security and proper accounting of the inventory.

Recommendation

We recommend upon completion of the inventory register, a reconciliation is performed between the invoices, inventory relief and existence. Consideration should be given to housing all SWMP parts inventory in a central location or developing a list of inventory items needed to expedite minor repairs. This process would assist in returning equipment to operations in the most expedient manner. The creation and implementation of an inventory tracking process for the items maintained, at the Newington Maintenance Facility, would enhance the security and tracking of these parts inventory, and potentially reduce redundancies in purchasing.

Action Plan

Point of Contact	Target Implementation Date	Email Address
John Kellas Hans Christensen Tim Dickson	31 st December 2019	John.Kellas@FairfaxCounty.gov Hans.Christensen@FairfaxCounty.gov Timothy.Dickson@FairfaxCounty.gov

MANAGEMENT RESPONSE:

SWMP concurs with the audit finding and will take action to implement the inventory system and internal controls as noted. Inventoried parts will be tracked and recorded as used. A manual inventory count will be completed on a recurring basis with a copy with periodic counts performed by the SWMP Financial Accounting Team. Additionally, the parts area will be locked, with controlled access to managers and technicians only. SWMP will assess inventory IT systems and purchase one that best fits our needs. These steps will be completed by December 31, 2019 and the process will be replicated at our other facilities.

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CONTRACTOR REPAIR INVOICES NOT SENT TO DVS

Risk Ranking

MEDIUM

When repairs are performed by outside contractors for SWMP equipment, invoices are sent to SWMP. Not all invoice copies are forwarded to DVS for contractor work. A sample of SWMP work orders were selected to review maintenance records for completeness. Of the records reviewed, **16 out of 20 (or 80%)** of the work orders support were not complete to include contractor invoices. Additionally, when performing the sample testing we noted several instances where the repairs were not recorded in **M5 (the Fleet Management System)**. Maintaining complete maintenance records assist staff in properly maintaining SWMP equipment. OFPA discussed the viability of implementing a process whereby SWMP would provide copies of invoices received to DVS for work performed by outside contractors. DVS & SWMP were amenable to the process enhancement. The full testing sheet can be found on **Appendix B**.

Recommendation

We recommend that SWMP & DVS liaise to implement a process for forwarding all contractor repair invoices to DVS. Secondly, repair notes should be captured in M5 System. Lastly, incomplete work order packages (**for existing equipment only**), e.g. missing contractor invoices should be updated through a reconciliation process.

Action Plan

Point of Contact	Target Implementation Date	Email Address
John Kellas Hans Christensen Tim Dickson Marguerite Guarino Daniel Gonzalez	31 st July 2019	John.Kellas@FairfaxCounty.gov Hans.Christensen@FairfaxCounty.gov Timothy.Dickson@FairfaxCounty.gov Marguerite.Guarino@FairfaxCounty.gov Daniel.Gonzalez@FairfaxCounty.gov

MANAGEMENT RESPONSE:

SWMP proposes the following corrective action: SWMP will supply copies of all invoices for vehicles and equipment maintained by DVS to a designated contact. Further to this process all related invoice repairs will be copied by DVS in the M5 system. See Scott.

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APPROVALS FOR NON-PREVENTATIVE REPAIRS

Risk Ranking

LOW

Not all SWMP high dollar equipment repairs performed by DVS are pre-approved by SWMP. Approving the repairs in advance will assist operations management in making decisions, e.g.; repair versus replace, manage agency spend, and reduce challenges to charges incurred. While our limited sample did not reveal any unapproved work orders, during our site visit SWMP & DVS staff informed us that not all these types of repairs were pre-approved. Also during our onsite meeting and target search, we were provided with data that allowed us to extrapolate the potential work load associated with SWMP pre-approving high dollar equipment repairs; **8** high dollar repairs for one month, **~96** per year. DVS & SWMP were amenable to the process enhancement.

Recommendation

We recommend that SWMP & DVS liaise to implement a process for pre-approval by SWMP of high dollar equipment repairs. This enhancement could assist operations management in making decisions, e.g.; repair versus replace, manage agency spend, and reduce challenges to charges incurred.

Action Plan

Point of Contact	Target Implementation Date	Email Address
John Kellas Hans Christensen Tim Dickson Marguerite Guarino Daniel Gonzalez	31 st January 2019	John.Kellas@FairfaxCounty.gov Hans.Christensen@FairfaxCounty.gov Timothy.Dickson@FairfaxCounty.gov Marguerite.Guarino@FairfaxCounty.gov Daniel.Gonzalez@FairfaxCounty.gov

MANAGEMENT RESPONSE:

SWMP proposes the following corrective action: All repairs of SWMP equipment and vehicles maintained by DVS by an outside third party vendor or DVS that exceed \$5,000 must be pre-approved in writing (e-mail accepted) by the SWMP Vehicle Coordinator or Division Director of Operations. No work exceeding \$5,000 shall be authorized without this approval. This process will begin immediately.

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CONNECTOR BUS ROUTE EVALUATION STUDY

OVERVIEW AND UPDATES

The results of this study may not highlight all of the risks/exposures, process gaps, revenue enhancements and/or expense reductions which could exist. Items reported are those which could be assessed within the scheduled **timeframe, and overall organization's data-mining results**. The execution of the **Office of Financial and Program Audit (OFPA's) studies** are facilitated through various processes such as; sample selections whereby documents are selected and support documentation is requested for compliance and other testing attributes. There are several types of studies performed by OFPA, e.g.; performance, operational, financial, compliance, and etc. To that end, it is important to note; OFPA staff reserves the option to perform a holistic financial and analytical data-mining process on all data for the organization being reviewed where appropriate. This practice is most often employed to perform reviews for highly transactional studies.

The purpose of this study was to execute a performance review of the Connector Bus operations managed by the Fairfax County Department of Transportation (FCDOT). This study included, **(but not limited to)** reviews of; ridership, availability of services, internal costs, efficiency, quality, asset management and etc. The period of review for this study was FY 2018. OFPA with the assistance of FCDOT compiled FY18 Connector Bus statistics in the table below:

FY18 CONNECTOR BUS OPERATIONS	
<i>Fairfax County Department of Transportation</i>	
Data Metrics	Stats (Note 1)
<i>Services Provided</i>	Transit Bus Services
<i>Availability of Services</i>	Varies by Route
<i>No. Buses in Fleet</i>	308
<i>Average Age of Fleet</i>	7.47 Years
<i>Fare Revenues Earned w/ Free Student Pass</i>	\$10,758,486
<i>Operating Expenses</i>	\$86,059,573
<i>System Ridership</i>	8,311,012
<i>Passenger Miles Traveled</i>	41,496,184
<i>System Revenue Miles</i>	9,928,659
<i>Vehicle Revenue Hours</i>	758,555
<i>Gallons of Fuel Used</i>	2,450,569
<i>Miles Per Gallon</i>	5.06
<i>Operating Expense Per Vehicle Revenue Mile</i>	\$8.67
<i>No. of Bus Stops</i>	~2,600
<i>Passengers Per Vehicle Revenue Mile</i>	0.84
<i>Passengers Per Vehicle Revenue Hour</i>	11.09
<i>Total Operating Cost Per Passenger</i>	\$10.35
Source: Data provided by FCDOT	

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Connector Bus on-time-performance (OTP) was reviewed in this study. The FCDOT target OTP is **85%**. Below we have highlighted the routes that fell below **75%** OTP in our sample. The full testing sheet can be found in **Appendix C**. FCDOT staff did inform OFPA, this was an in-house standard and it is aggressive. Further to that process, OTP is being addressed in the Transit Development Plan (TDP). Given this information, OFPA will pass further study work in this area.

FY18 Avg. Daily On-Time Performance vs. Target (Title VI Program)					
Route No.	Operating Division	District/Area Served	Avg. Daily On-Time Performance	On-Time Performance Target (Per Title VI Program)	Avg. Daily V. Title VI Program
321	Huntington	Springfield Loop CCW	72.20%	85%	-16.58%
402	Huntington	Backlick-Gallows (Southbound)	68.80%	85%	-16.20%
306	West Ox	GMU-Pentagon	48.90%	85%	-36.10%
574	Herndon	Reston-Tysons	70.30%	85%	-14.70%
650	Herndon	Chantilly	73.20%	85%	-11.80%

OFPA benchmarked the Connector Bus system to similar jurisdictions' transit bus systems. The jurisdictions selected for benchmarking included; Montgomery County, MD (Ride-On), Hampton Roads, VA (Hampton Roads Transit) and San Diego, CA (North County Transit). OFPA selected these jurisdictions as they were utilized in the most recent FCDOT 2016 TDP for similar comparisons. This analysis was performed utilizing FY 2017 Federal Transit Administration (FTA) data which was the most recent file released at the time of our review. The FTA collects data from all transit systems operating in the country. OFPA developed several tables which detail comparative data such as; farebox recovery ratio, transit cost per hour, passengers per hour, operating cost per passenger, cost per passenger mile and etc. The tables are listed below:

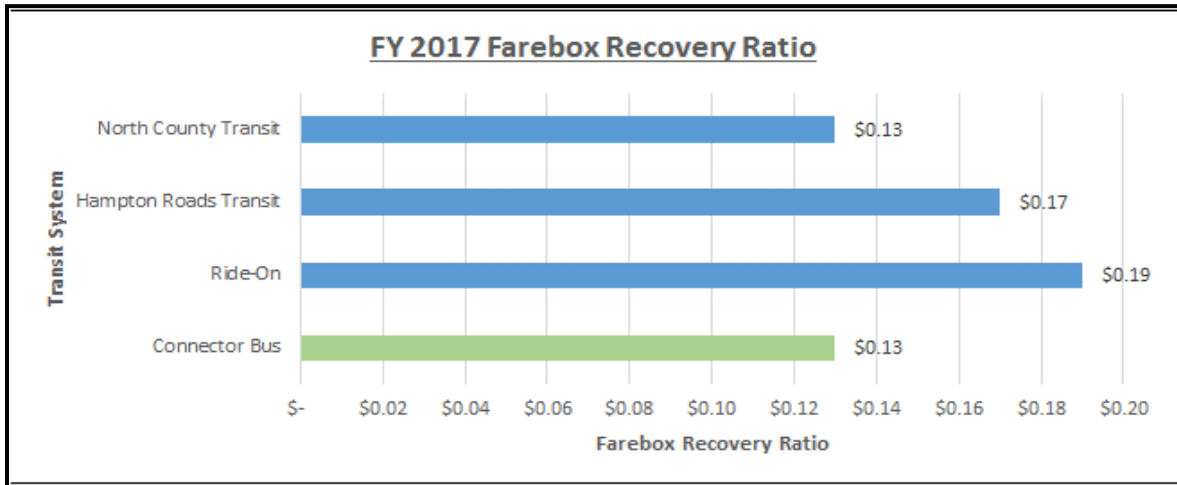
FY 2017 Aggregate Transit System Metrics

FY 2017 Aggregate Transit System Metrics For Benchmarking (Note 1)				
Data Metrics	Transit Systems			
	Connector Bus (Fairfax County, VA)	Ride-On (Montgomery County, MD)	Hampton Roads Transit (Hampton Roads, VA)	North County Transit (San Diego, CA)
<i>Population of Urbanized Area Served</i>	4,586,770	4,586,770	1,439,666	2,956,746
<i>Operating Expenses</i>	\$80,616,848.00	\$112,932,119.00	\$76,045,680.00	\$49,505,107.00
<i>Fare Revenues Earned</i>	\$10,452,297.00	\$21,168,493.00	\$12,896,637.00	\$6,420,477.00
<i>Max Buses Required at Peak Service Times</i>	235	287	227	137
<i>Vehicle Revenue Miles</i>	9,574,848	12,780,608	10,624,169	5,640,387
<i>Vehicle Revenue Hours</i>	735,918	1,017,012	827,021	480,236
<i>Unlinked Passenger Trips</i>	8,631,906	22,984,194	12,586,719	6,740,871
<i>Passenger Miles Traveled</i>	42,566,906	86,244,255	69,866,663	29,113,751

Note (1): FY 2017 Federal Transit Administration Data

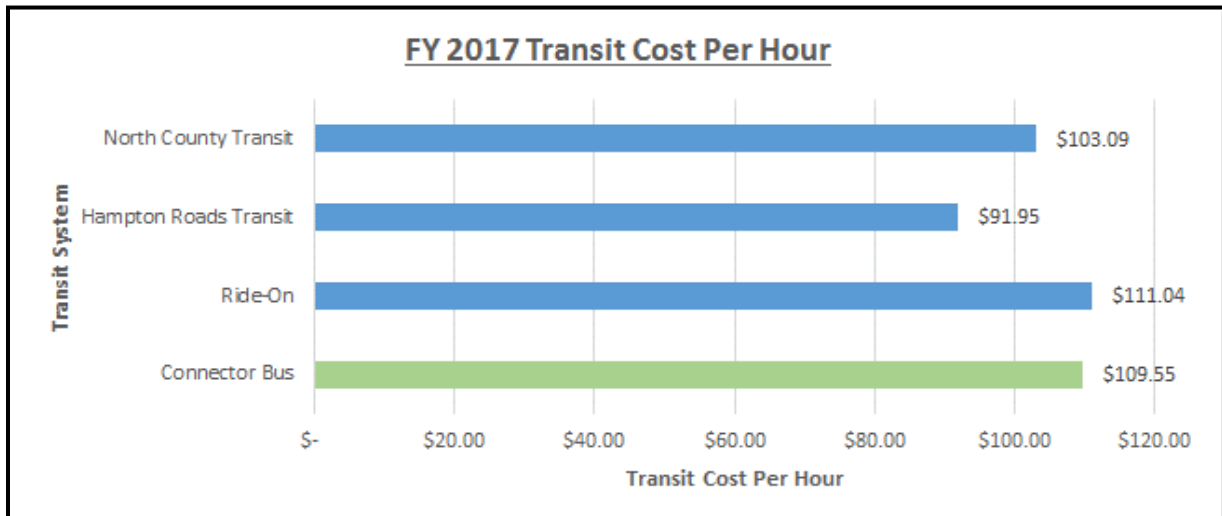
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FY 2017 Farebox Recovery Ratio



Source: FY 2017 Federal Transit Administration Data

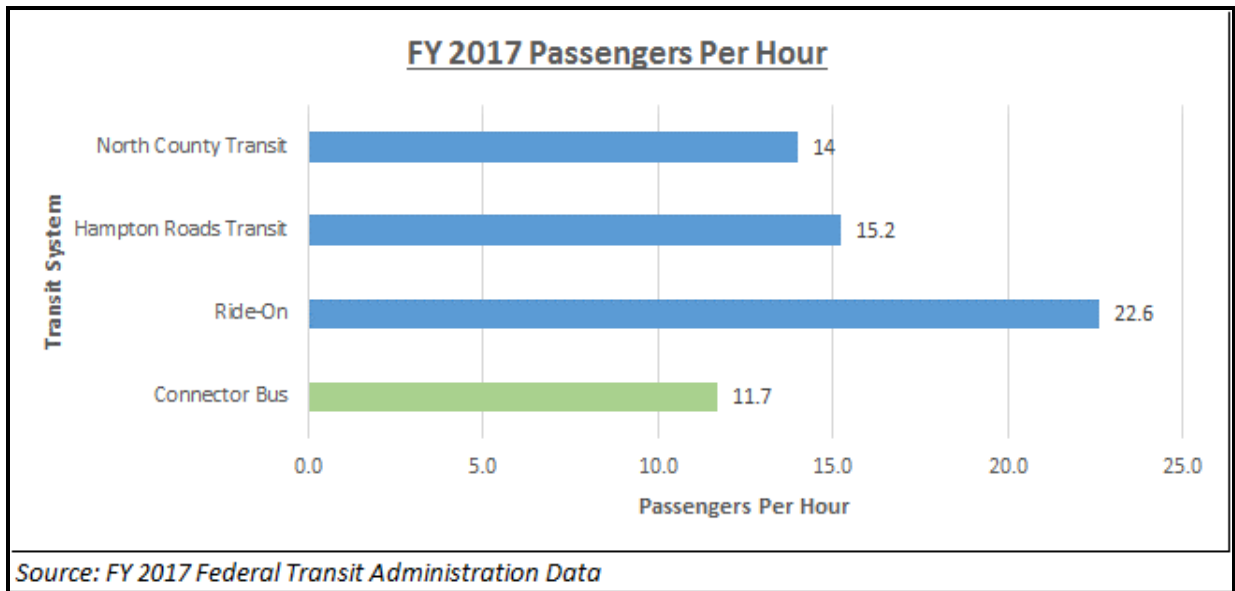
FY 2017 Transit Cost Per Hour



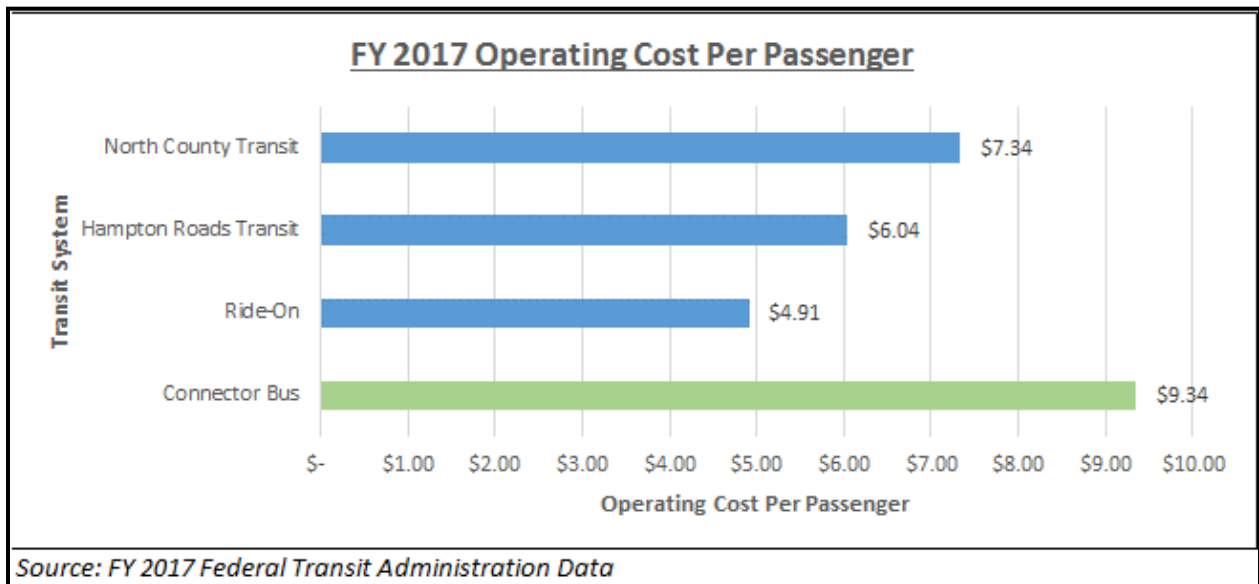
Source: FY 2017 Federal Transit Administration Data

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FY 2017 Passengers Per Hour

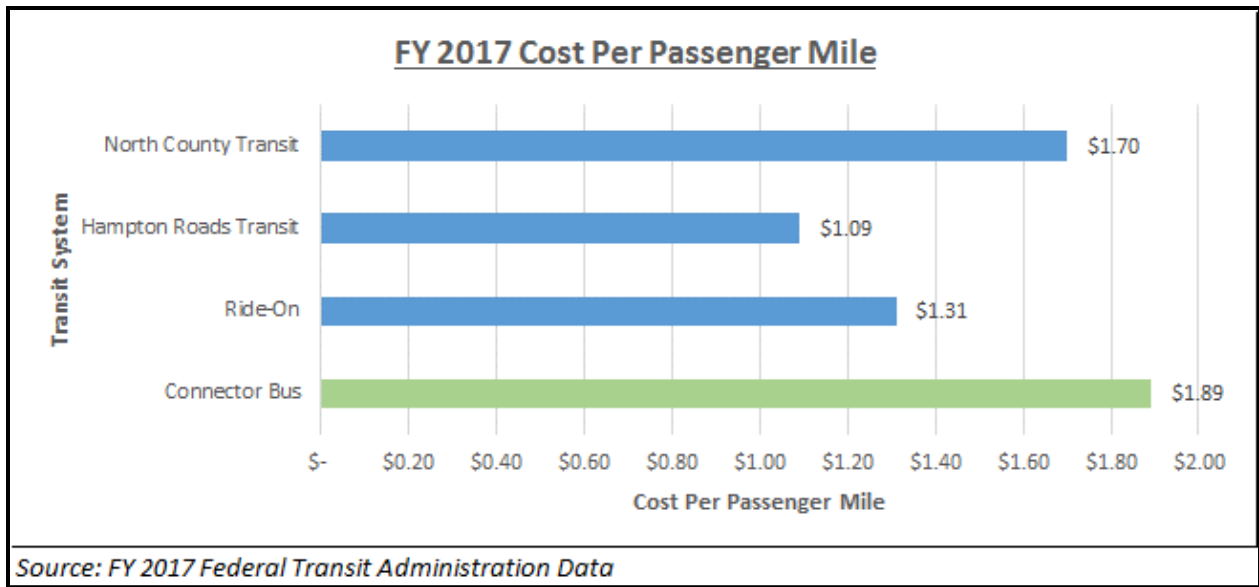


FY 2017 Operating Cost Per Passenger



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FY 2017 Cost Per Passenger Mile



FCDOT partnered with Fairfax County Public Schools (FCPS) in FY16 and developed a Student Bus Pass Program. This program offers free Connector Bus ridership to Fairfax County middle & high school students throughout the County. The schools distribute these free passes to students through an approval process. The passes can be utilized between 5am-10pm, seven days per week. The below table provides FY18 student ridership data along with the opportunity cost of providing this free service:

FY18 CONNECTOR BUS SCHOOL PASS PROGRAM					
Data Analysis					
Student Groups	No. of Student Passes Issued (As of 4/27/18)	Calculated Value to Create Student Passes	Number of Trips Taken by Student	Calculated Minimum Value of Constituent Cost (Note 1)	Opportunity Cost of Providing Student Passes
High School Students	7,125	\$4,500	524,354	\$1,048,708.00	\$1,053,208.00
Middle School Students	636				
Other	186				

Source: Data provided by FCDOT.
Note 1: Figure is based on the Base Fare of \$2.00 per trip.

Comparative transit (bus) data shows the County’s farebox recovery ratio at **13** cents and passengers per hour at **11**. The last increase to the county Connector bus fares was **25th June 2017**. Therefore, we are not recommending a fare increase in this report. There is a direct correlation between; cost of operations and farebox collections. FCDOT has several active campaigns designed to increase ridership. The benchmarked farebox recovery ratio and passengers per hour are listed in the table below. Complete benchmarking data is provided in the narrative. Given this information, OFPA will pass further study work in this area.

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FY 2017 Transit System Metrics For Benchmarking (Note 1)				
Data Metrics	Transit Systems			
	Connector Bus (Fairfax County, VA)	Ride-On (Montgomery County, MD)	Hampton Roads Transit (Hampton Roads, VA)	North County Transit (San Diego, CA)
<i>Farebox Recovery Ratio</i>	\$0.13	\$0.19	\$0.17	\$0.13
<i>Passengers Per Hour</i>	11.70	22.60	15.20	14.00
<i>Note (1): FY 2017 Federal Transit Administration Data</i>				

While most County vehicles are maintained by the Department of Vehicle Services, the Connector buses are managed by FCDOT. FCDOT contracts with a vendor (MV Transportation, Inc.) to perform the driving, maintenance and other functions associated with the Connector Buses as required by the contract. MV Transportation, Inc. has been contracted with the County since 2009. MV Transportation owns all part inventory related to the maintenance of the Connector Buses, therefore no testing was performed on parts. Currently FCDOT has three operating divisions in the County; Huntington, West Ox and Herndon. These operating divisions are assigned routes whereby Connector Bus services are provided. While the Connector Buses run daily throughout the County, not all routes provide services each day.

OFPA obtained several sources of data from FCDOT & DOF to select samples and perform substantive testing. Testing performed on the Connector Bus system included; asset depreciation and recognition, route assessments, on-time performance, ridership capacity versus actual ridership, farebox collections and bank deposits, invoices from MV Transportation, farebox revenue reconciliations, benchmarking to comparable jurisdictions and other attributes.

OFPA interviewed FCDOT staff to understand the nature of the operations related to the Connector Bus system. We have identified observations and recommendations based on this review. The areas identified for potential enhancements are detailed in further in this document.

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OBJECTIVES AND RESULTS

Business Objectives	Study Assessments
Farebox Collections & Bank Deposits	Needs Improvement
Farebox Revenue Audit Frequency	Needs Improvement
Farebox Revenue Collection Reconciliations	Needs Improvement
Transit Development Methodology Enhancement	Needs Improvement
FCDOT Fleet Inventory Records	Satisfactory

Performance Summary	
Good Controls	Performance Enhancements
<ul style="list-style-type: none"> Based on the tested sample, FCDOT fleet inventory records reconcile to DOF Fixed Asset Register. 	<ul style="list-style-type: none"> Variances exist between monies recorded in the Farebox Collection System and bank deposits at Wells Fargo. FCDOT farebox collection audits were last performed over three years past. Unreconciled balances exist for each farebox revenue collection monthly reconciliation. Connector bus actual ridership is below capacity on all routes reviewed in our sample.

OBSERVATIONS AND ACTION PLANS

The following table(s) detail observation(s) and recommendation(s) from this study along with management's action plan(s) to address these issue(s).

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FAREBOX COLLECTIONS AND BANK DEPOSITS

Risk Ranking

MEDIUM

Farebox Collection data and Wells Fargo deposits for these monies vary in every month reviewed. The deposits are both higher and lower than collections. Revenues garnered for Connector Bus services in FY18 were ~\$10.9M (44% cash & 56% *SmartTrip* revenue). The Connector Bus farebox collections are netted against the charges for MV Transportation for contracted services. The monies netted against the MV Transportation charges, which reduces the invoice, are the farebox Collections. MV Transportation service charges to FCDOT are paid in advance offsetting revenue from two months prior. Every invoice reviewed reflected differences between the farebox collections and the related deposits in Wells Fargo Bank. While MV Transportation performs the service and maintenance for FCDOT, the courier contract is between MV Transportation and Dunbar. Also, the Connector Bus farebox revenue is collected using an outside system. The full testing sheet can be found in **Appendix D**. The below table provides aggregate figures for the variances between farebox collections and deposits by overage and underage:

FY18 Farebox Collections vs. Bank Deposits			
West Ox Division			
Bank Deposit > Farebox Collections		Bank Deposit < Farebox Collections	
Months	6	Months	4
Total Overages	\$67,193.09	Total Underages	\$88,315.10
Net Under:		-\$21,122.01	
Huntington Division			
Bank Deposit Overages		Bank Deposit Underages	
Months	0	Months	9
Total Overages	\$0.00	Total Underages	\$232,432.45
Net Under:		-\$232,432.45	
Herndon Division			
Bank Deposit Overages		Bank Deposit Underages	
Months	9	Months	1
Total Overages	\$75,689.70	Total Underages	\$2,094.17
Net Over:		\$73,595.53	

Recommendation

We recommend FCDOT coordinate with the appropriate parties to identify and document the variances between the collections and deposits. This process should be performed at a frequency as deemed appropriate by the agency head on the current FCDOT staffing level. Additionally, this process could provide FCDOT reasonable assurance of the accuracy of the Farebox Revenue versus amounts deposited by Wells Fargo. These deposits could serve as an additional verification (**while not absolute**) of the collection of County funds.

Action Plan

Point of Contact	Target Implementation Date	Email Address

**Fairfax County
Office of Financial and Program Audit**

Tom Biesiadny
Dwayne Pelfrey

Prior to 31st December 2019

Tom.Biesiadny@FairfaxCounty.gov
Dwayne.Pelfrey@FairfaxCounty.gov

MANAGEMENT RESPONSE:

Farebox counts and bank deposits generally do not match exactly, due to equipment issues and timing of farebox probes and bank deposits. Industry-wide this variance is around 1%. The Fairfax Connector's variance is about 1.5% averaged over a six year period. The Connector has a "hands off" cash collection system in which farebox vaults are removed from the farebox and emptied directly into a vault that is transported to the bank by an armored car service. Contractor staff have no access to cash during this process. It is also worth noting that cash is a declining revenue source for the Fairfax Connector, since most fares are paid with electronic SmarTrip cards. Currently, 44% of the \$10.9 million in annual Fairfax Connector fare revenue is collected in cash.

The County contract with MV Transportation ensures that cash revenue credits due the county per the GFI farebox reporting system are applied at 100% to invoices. Any cash discrepancies between the farebox counts and the bank deposits are the responsibility of MV Transportation. Negative variances in cash collections do not impact the county budget, due to the structure of the contract. Therefore, they present a low risk to the County. Additionally, positive variances in cash collections are returned to the County. FCDOT will work with MV Transportation to review their contract with armored car services, including a review of process controls.

FCDOT expects to award a new contract for the operation of the Fairfax Connector by June 2019. As part of the implementation of the new contract, FCDOT will review all cash collection procedures with the new contractor and estimate a timeframe for more detailed audits of cash collections and reconciliations.

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FAREBOX REVENUE AUDIT FREQUENCY

Risk Ranking

MEDIUM

Given that variances occur every billing cycle between farebox collections and bank deposits, the FCDOT staff audit frequency should be increased. We are aware that audits are performed by FCDOT, as per FCDOT the last audit was performed 21st October 2015, over three-years past. The collection count audit performed by FCDOT revealed a de minimis difference of ~.1%. This collection count audit was performed between the monies recorded in Farebox Collection System to the collection made by Dunbar. There does not appear to be an audit trail for farebox collections to the related Wells Fargo deposits.

Recommendation

Given that the farebox revenues in FY18 were ~\$10.9M, (44% cash & 56% SmarTrip revenue) and the process of the contractor (MV Transportation) performing the collections, deposits, netting process (collections netted to charges), and the variances between current data provided by FCDOT, we recommend that FCDOT increase collection count audits by staff at a frequency as deemed appropriate by the agency head on the current FCDOT staffing level. Additionally, the audit received by FCDOT was a collection count sheet. A more formalized audit approach, including farebox collections to farebox deposits, would assist staff in not only identifying count discrepancies, it would also assist staff in identifying control breakdowns. These process enhancements could serve in assisting staff in gaining reasonable assurance of the accuracy of the collections and timely identification of process gaps.

Action Plan

Point of Contact	Target Implementation Date	Email Address
Tom Biesiadny Dwayne Pelfrey	31 st December 2019	Tom.Biesiadny@FairfaxCounty.gov Dwayne.Pelfrey@FairfaxCounty.gov

MANAGEMENT RESPONSE:

FCDOT agrees with the recommendation to increase audit frequency and to improve the audit approach, and welcomes OFPA's suggestions for improving the approach. The Coordination and Funding Division and the Transit Services Division will work together with MV Transportation (who has primary responsibility for cash discrepancies) to review cash collection procedures and estimate a frequency for more detailed audits of cash collections and reconciliations.

FCDOT expects to award a new contract for the operation of the Fairfax Connector by June 2019. As part of the implementation of the new contract, FCDOT will review all cash collection procedures with the new contractor and estimate a timeframe for most detailed audits of cash collections and reconciliations.

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FAREBOX REVENUE COLLECTION RECONCILIATIONS

Risk Ranking

LOW

Farebox collection reconciliations are performed monthly by FCDOT. Reconciling items remain unresolved and carried forward. This process limits the efforts to verify the accuracy of farebox collections. Our review of the sample of monthly reconciliations revealed variances for each month. Efforts should be made by FCDOT staff to reconcile all items prior to the completion of each monthly reconciliation process. The below tables provide further details of the monthly reconciliations reviewed:

Reston - Farebox Revenue Collections Reconciliation Review		Hunington - Farebox Revenue Collections Reconciliation Review		West Ox - Farebox Revenue Collections Reconciliation Review	
Farebox Collection System to Collections by Dunbar		Farebox Collection System to Collections by Dunbar		Farebox Collection System to Collections by Dunbar	
Month: Year	Unreconciled Balance	Month: Year	Unreconciled Balance	Month: Year	Unreconciled Balance
Mar-17	\$4,509.76	Mar-17	-\$17,978.06	Mar-17	\$3,321.90
Jan-18	\$22,492.76	Jan-18	-\$22,357.59	Jan-18	-\$10,787.10
Jul-18	\$11,767.73	Jul-18	-\$12,714.59	Jul-18	-\$133.95
Sep-18	\$22,110.45	Sep-18	-\$20,566.87	Sep-18	-\$4,489.56
Nov-18	\$18,528.02	Nov-18	-\$50,031.42	Nov-18	-\$11,120.92

Recommendation

Given the frequency of the variances by operating divisions, efforts should be made to reconcile the unreconciled balances by operating divisions. This process should be performed at a frequency as deemed appropriate by the agency head on the current FCDOT staffing level. This information should also be used to address discrepancies and process gaps for one time fixes.

Action Plan

Point of Contact	Target Implementation Date	Email Address
Tom Biesiadny Dwayne Pelfrey	31 st December 2019	Tom.Biesiadny@FairfaxCounty.gov Dwayne.Pelfrey@FairfaxCounty.gov

MANAGEMENT RESPONSE:

Reasonable variances are typical in the industry. Factors impacting accuracy include fare box maintenance and age, use of foreign currency, slugs, accuracy of bill mechanisms, vault system handling processes that may allocate cash to the wrong division, and most recently the reassignment of bus routes to various divisions during major construction projects. FCDOT agrees the current reconciliation method should be enhanced and include additional documentation to the process. FCDOT will make improvements to the current reconciliation process. With input received

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from the OFPA, FCDOT should be able to implement the improved process in the next month and continue this process with the new contractor.

FCDOT expects to award a new contract for the operation of the Fairfax Connector by June 2019. As part of the implementation of the new contract, FCDOT will review all cash collection procedures with the new contractor and estimate a timeframe for most detailed audits of cash collections and reconciliations.

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TRANSIT DEVELOPMENT METHODOLOGY ENHANCEMENT

Risk Ranking

LOW

A Route Assessment Methodology has been implemented, transit statistics are presented to the Joint Planning and Operations Committee through the TDP. While the TDP does address maximum bus capacity, we did not identify areas addressing under capacity in this plan. The table below provides detailed information re: capacity versus actual ridership for the routes reviewed:

FY18 Ridership Capacity vs. Actual Ridership					
Route No.	Operating Division	District/Area Served	Ridership Capacity Per Route	Actual Ridership Per Route	Over/(Under) Capacity
101	Huntington	Fort Hunt	764,556	126,474	(638,082)
159	Huntington	Engleside Limited Stop	283,920	89,843	(194,077)
231	Huntington	Kingstowne Loop CCW	223,080	33,559	(189,521)
321	Huntington	Springfield Loop CCW	551,616	173,401	(378,215)
402	Huntington	Backlick-Gallows (Southbound)	829,452	471,243	(358,209)
306	West Ox	GMU-Pentagon	121,680	27,740	(93,940)
494	West Ox	Lorton-Springfield-Tysons	385,320	41,425	(343,895)
605	West Ox	Fair Oaks-Reston	543,504	100,915	(442,589)
632	West Ox	Westfield Blvd-Walney Rd	283,920	62,410	(221,510)
507	West Ox	Sunset Hills-Sunrise Valley	425,880	20,656	(405,224)
422	Herndon	Boone Blvd-Towers Crescent	425,880	10,432	(415,448)
551	Herndon	South Lakes	1,210,716	230,028	(980,688)
574	Herndon	Reston-Tysons	859,872	80,590	(779,282)
650	Herndon	Chantilly	342,732	53,224	(289,508)
721	Herndon	Chain Bride Rd - McLean	1,018,056	48,707	(969,349)

Recommendation

We recommend that the TDP is updated to include assessing Connector Bus routes where ridership is below bus capacity. This assessment process should be performed periodically, by system and/or routes, in time intervals as deemed appropriate by the agency on the current FCDOT staffing level. This information should be used in the overall route evaluation process.

Action Plan

Point of Contact	Target Implementation Date	Email Address
Tom Biesiadny Dwayne Pelfrey	On-going	Tom.Biesiadny@FairfaxCounty.gov Dwayne.Pelfrey@FairfaxCounty.gov

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MANAGEMENT RESPONSE:

The methodology used in this capacity analysis is not one that is typically used in the transit industry. Capacity analysis are normally examined by reviewing peak load factors and other measures of utilization such as passenger per mile or per hour and overall ridership. Typically, transit systems would not want capacity to exactly equal or exceed demand. If it did, the transit system would likely be turning riders away. In addition, although mid-day and evening services might not be as well used, the existence mid-day and late night service is often important to ensuring/encouraging peak period ridership. In addition, even routes performing on the lower spectrum of ridership may provide critical services to special populations, including seniors, low income and transit dependent populations, and persons with disabilities. Services to these communities are given further analysis as required under the provisions of Title VI. These routes may also serve a significant facility, such as a hospital, regional mall or recreation center.

For fixed route transit to be a viable alternative to single occupant vehicles, bus service designs must have a desired level of frequency and span to provide customers with flexibility in travel options while meeting demand. Low service levels typically have further negative impacts on ridership and, as a result, increase traffic congestion. FCDOT agrees that routes with lower utilization must be reviewed routinely and currently has processes in place to do so. (This process is described in more detail below).

FCDOT has adopted a route optimization methodology for regular evaluation of performance at the route and system level. The process includes review of several key performance metrics, including passenger utilization and capacity. New technologies implemented with the Intelligent Transportation System have increased the data available for analysis and improved FCDOT's focus on key performance measures. With expanded data capability, FCDOT has developed an improved strategic approach to planning which will result in improved recommendations to the Board. The route optimization planning process and improved data analytics have been fully integrated into the larger Transit Development Planning (TDP) process.

The TDP must be updated once every five years. To address this requirement, FCDOT has divided the Connector service area into five regions. During each five year period, the FCDOT team will review the routes in each of these regions. As part of this review, FCDOT seeks to optimize routes to make them more efficient and to increase ridership. Poor performing routes are either modified or recommended for elimination. Currently, FCDOT is evaluating all routes in the Reston-Herndon area as part of the Silver Line Phase II bus service plan development. FCDOT expects to bring these recommends to the Board for consideration in Spring 2020.

In addition, FCDOT is also evaluating routes in the Franconia-Springfield area. Data collection and initial public outreach are complete. The FCDOT team is developing route alternative to present to the public for feedback. FCDOT expects to bring recommendations to the Board for consideration in Spring 2020.

All Fairfax Connector routes are evaluated at least once every five years.

Finally, the transit industry is changing significantly. Transportation Network Companies (Uber, Lyft, etc.), transportation demand management strategies (telework, alternative work schedules, etc.) and technology advances, in general, are affecting transit ridership and transit service development. On October 2, 2018, FCDOT presented information to the Board Transportation Committee regarding the regional Bus Transformation Project and the Fairfax Connector's efforts to evaluate alternative service approaches.

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Recommendation from both of these efforts will be presented to the Board as these study efforts are completed later in 2019.

FCDOT spent more than 220 hours preparing information for OFPA for this effort, explaining current practices and responding to the auditor's recommendations.

OFPA: Management's response does not appear to address the spirit of the recommendation as this recommendation speaks more to under capacity, equipment use and reducing operating costs. Of the 14 out of 15 (or ~93%) routes reviewed, routes ridership under capacity ranged between ~100,000 to ~1,000,000 annually. I am personally aware of complex transit entities use of capacity analysis to address the areas described in the preceding sentence. Further to this issue, the staff hour compilation has not been verified by OFPA and no documented records appears to exist to support this comment.

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**PRIOR PERIOD RECOMMENDATIONS
Selected for Discussion**

IMPLEMENTED			
Study Month/ Year	Recommendation Outline Target Implementation Date	Prior Management Response	Updated Management Response
<p>Garage Service Costs Recognized as Miscellaneous Expenditures (FMD/DMB/DOF)</p> <p>October 2018</p>	<p>OFPA recommends that FMD and the OFPA Study Support Team code these parking service expenditures to a more appropriate account on a going-forward basis, if an account exist. If no appropriate account exist, staff should obtain expenditure recognition guidance from the OFPA Study Support Team.</p>	<p>FMD concurs with the finding and has worked with DOF and the FBSG to review the chart of accounts to determine if there are existing General Ledger accounts that provide a better fit and more appropriately account for the garage expenses. As a result of that review, FMD is proposing that starting in FY 2019 we will post these transactions to General Ledger account 521080, Other Professional Consultant & Contractual Services. Furthermore, FMD will consult with DMB/FBSG to determine if there are other master data elements in the accounting string (e.g. an internal order) that might provide additional clarity around the nature of the expense and provide a mechanism to further segregate the activity for better monitoring.</p>	<p>Completed. FMD has reclassified the entries from the Miscellaneous account to Other Professional & Contractual services account. The PO has Miscellaneous account assigned. FMD plans to make reclass journal entry until the issue is fixed.</p>
<p>Operating Expense Reimbursements Coded to Misc. G/L Account (DMB/DOF)</p> <p>October 2018</p>	<p>OFPA recommends that the OFPA Study Support Team review the existing Chart of Accounts to ascertain if opportunities exist for enhancements to the Miscellaneous Expense Reimbursements account as the current naming convention does not fully reflect the activity recorded. Any pan-organizational enhancements to the G/L accounts should be disseminated County-wide.</p>	<p>DMB and DOF concur with the finding. We will review the General Ledger account to determine the appropriate naming convention for this category of expense.</p>	<p>Completed. The General Ledger description has been updated in FOCUS.</p>

IN PROGRESS			
Study Month/ Year	Recommendation Outline Target Implementation Date	Prior Management Response	Updated Management Response
<p>Payment agreement between the County & Town of Vienna (DPWES)</p> <p>June 2018</p>	<p>We recommend that consideration is given to WW staff liaising with the DOF and Office of the County Attorney (OCA) to explore the opportunity of formalizing the deferred payment arrangement between the County and Town for the Town's allocated share of capital costs at the County's wastewater treatment facility.</p>	<p>DPWES will work with the Office of the County Attorney and develop a proposed agreement with the Town of Vienna to formalize this payment arrangement. The intention is to have this agreement in place by July 1, 2019.</p>	<p>Wastewater Management along with OCA drafted a Letter of Agreement (LOA) and sent it to the Vienna, Director of Finance for review. Vienna agreed with the LOA except for a few minor edits. The LOA is expected to be signed by Fairfax County and the Town of Vienna before July 1, 2019.</p>
<p>Oversight of Billing & Collection Functions Provided by FCWA (DPWES)</p> <p>June 2018</p>	<p>We recommend that WW staff develop and implement a documented (and consistently executed) process whereby periodic reviews (based on a timeframe as deemed appropriate by DPWES management, e.g. on a sample basis and/or annually) for billing compilation and remittance of funds from FCWA to the County. Staff should review source documentation for billings and remittances re: the fiscal interest of the County. This would assist staff in gaining reasonable assurance that financial activity for WW has been adequately processed.</p>	<p>A documented annual review will be implemented and performed by Wastewater staff. Using sampling as the method, specific types of transactions relating to FCWA billing compilations and remittance of funds will be analyzed with FCWA's cooperation. Existing oversight has examined monthly data and invoices, where trends have been analyzed and significant variances have been explored with FCWA staff.</p>	<p>Wastewater Management met with FCWA financial staff and we agreed the most convenient time of year to conduct this review/audit would be during the month of May. The review/audit will be performed on an annual basis beginning in May 2019.</p>

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PRIOR PERIOD RECOMMENDATIONS

Implemented

IMPLEMENTED				
Study Topic & Month / Year	Recommendation Outline	Completed	Prior Management Response	Updated Management Response
<p>Large Number of Safe Keys Issued to FCPA Staff (FCPA)</p> <p>October 2018</p>	<p>CPA recommends that consideration be given to reducing the number of safe keys issued to FCPA staff, similar to the process utilized at the South Run Recreation Center, if feasible. This process could enhance the facilities' key controls. Consideration should be given to incorporating any viable key control opportunities throughout all related FCPA facilities.</p>	<p>December 31, 2018</p>	<p>Due to staffing changes to control costs, more part-time staff have keys as they may open or close the RECenter as part of their responsibilities. To control the key distribution, 7 staff will have keys. Other staff will be issued a key when their schedule requires that they open or close the RECenter. Additionally, the safe is counted, at a minimum, morning and evening, weekly if it's audited by headquarters staff, and periodic surprise checks are in place to monitor controls. These other activities serve to mitigate any exposure.</p>	<p>No change from 12/31/18 response. Recommendation implemented.</p>
<p>Safe Doors Left Unlocked (FCPA)</p> <p>October 2018</p>	<p>CPA recommends that the South Run Recreation Center cash change fund safe door remain locked at all times.</p>	<p>December 31, 2018</p>	<p>When the safe drawer that typically holds cash is open during the day, there is no cash in it as it's in the drawers being used by the site's cashiers. Going forward, even though it may be empty, the safe drawer used for cash will be locked at all times. Additionally, the safe is counted, at a minimum, morning and evening, weekly if it's audited by headquarters staff, and periodic surprise checks are in place. These other activities serve to further mitigate any exposure.</p>	<p>Recommendation fully implemented.</p>
<p>Safe External Closet Door (FCPA)</p> <p>October 2018</p>	<p>CPA recommends that FCPA repair the opening in the closet (external safe) door. This improvement to the door enhances the security of the closet that houses the safe.</p>	<p>September 30, 2018</p>	<p>A repair ticket was submitted and the door will be repaired by 9/30/18.</p>	<p>The door was repaired in September of 2018.</p>
<p>Harmony System G/L Account Doubted to Miscellaneous Expenditures (PFS) (OMB)</p> <p>October 2018</p>	<p>CPA recommends that PFS base with DMB to review the miscellaneous G/L accounts populated in the Harmony System to identify alternative G/L accounts in FOCUS, if any. This process should assist in reducing the amount and count of expenditures/reimbursements recorded in the miscellaneous G/L accounts and more appropriately recognize the County's expenditures.</p>	<p>September 30, 2018</p>	<p>DFS concurs with the finding and has resolved charges to the Miscellaneous General Ledger account resulting from the Harmony payments system interface into FOCUS as of September 30, 2018. DFS has adapted the Harmony crosswalk to do an auto select of a more appropriate General Ledger account to capture Foster Care Child Care payments. This change will affect all new Harmony POS. Please note that the segregation of child care payments is required for reporting purposes of the M-F program.</p>	<p>Completed</p>

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IMPLEMENTED				
Study Topic & Month / Year	Recommendation Outline	Completed	Prior Management Response	Updated Management Response
<p>Garage Service Costs Recognized as Miscellaneous Expenditures (FMD/DMB/DOF)</p> <p>October 2018</p>	<p>OPFA recommends that FMD and the OPFA Study Support Team code these parking service expenditures to a more appropriate account on a going-forward basis, if an account exist. If no appropriate account exist, staff should obtain expenditure recognition guidance from the OPFA Study Support Team.</p>	<p>July 1, 2019</p>	<p>FMD concurs with the finding and has worked with DOF and the PBSS to review the chart of accounts to determine if there are existing General Ledger accounts that provide a better fit and more appropriate account for the garage expenses. As a result of that review, FMD is proposing that starting in FY 2019 we will post these transactions to General Ledger account 521000. Other Professional Consultant & Contractual Services. Furthermore, FMD will consult with DMB/PBSS to determine if there are other master data elements in the accounting string (e.g. an internal order) that might provide additional clarity around the nature of the expense and provide a mechanism to further segregate the activity for better monitoring.</p>	<p>Completed. FMD has reassigned the entries from the Miscellaneous account to Other Professional & Contractual services account. The PO has Miscellaneous account assigned. FMD plans to make reclass journal entry until the issue is fixed.</p>
<p>Condo Fees Recognized as Miscellaneous Expenditures (FMD/DMB/DOF)</p> <p>October 2018</p>	<p>OPFA recommends that, with the assistance of the OPFA Study Support Team, FMD recognize the expenditures in a more appropriate GL account going forward.</p>	<p>July 1, 2019</p>	<p>FMD concurs with the finding and has worked with DOF and the PBSS to review the chart of accounts to determine if there are existing General Ledger accounts that provide a better fit and more appropriate account for the condo fee expenses. As a result of that review, FMD is proposing that starting in FY 2019 we will post these transactions to General Ledger account 521000. Other Professional Consultant & Contractual Services. Furthermore, FMD will consult with DMB/PBSS to determine if there are other master data elements in the accounting string (e.g. an internal order) that might provide additional clarity around the nature of the expense and provide a mechanism to further segregate the activity for better monitoring.</p>	<p>Completed. FMD changed their procedures to code the expenses to a more descriptive General Ledger account beginning in FY 2019.</p>
<p>FERRO Equipment/Supplies Recognized as Miscellaneous Expenditures (DMB/DOF)</p> <p>October 2018</p>	<p>OPFA recommends that the Study Support Team review the existing Chart of Accounts to ascertain if opportunities exist for enhancements to the Public Safety Equipment & Supply account as the current naming convention does not fully reflect the activity recorded in the account. Any applicable par-organizational enhancements to the GL accounts should be disseminated County-wide.</p>	<p>October 31, 2018</p>	<p>DOF concurs with the finding and will work with DMB to review the General Ledger account to determine the appropriate naming convention for this category of expense.</p>	<p>Completed. The General Ledger description has been updated in FFOIS.</p>

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IMPLEMENTED				
Study Topic & Month / Year	Recommendation Outline	Completed	Prior Management Response	Updated Management Response
<p>Operating Expense Reimbursements Coded to Misc. G/L Account (DMG/DGF) October 2018</p>	<p>CPFA recommends that the CPFA Study Support Team review the existing Chart of Accounts to ascertain if opportunities exist for enhancements to the Miscellaneous Expense Reimbursements account as the current naming convention does not fully reflect the activity recorded. Any per-organizational enhancements to the G/L accounts should be disseminated County-wide.</p>	<p>October 31, 2018</p>	<p>DMG and DGF concur with the finding. We will review the General Ledger account to determine the appropriate naming convention for this category of expense.</p>	<p>Completed. The General Ledger description has been updated in FOCUS.</p>
<p>Technical Standard for Interfacing External Systems to FOCUS (DIT) June 2018</p>	<p>While no exceptions were noted, consideration should be given to developing and implementing a technical standard for interfacing existing and newly acquired external systems to FOCUS, where applicable. This standard could assist DIT staff in standardizing system interfaces for agencies/departments.</p>	<p>June 30, 2019 & Ongoing</p>	<p>DIT agrees and is in the on-going process of implementing and refining technical interface standard that will be applied at the time a new system is implemented, or, accept a technical interface of a vendor if one exists that is part of the vendor's solution and compliant with technical, security, and business data requirements. Interfaces are not implemented for any application until the required data/information to be carried by the interface to a receiving system is agreed to by all parties concerned.</p>	<p>DIT Completed. The technical standard for interface to FOCUS is SAP Process Integrator (PI).</p>
<p>Expenditure Accruals Not Formatted for all Activity (FERD/USBR) June 2018</p>	<p>Consideration should be given to accruing for ALL expenditures incurred but not expensed to be properly recognized in the period which it was incurred. Additionally, consideration should be given to formalizing and documenting an expenditure accrual process.</p>	<p>June 30, 2018</p>	<p>While we feel the need for expenditure accruals is greatly reduced by these actions, USBR will formalize our process by establishing a checklist for the review of all potentially necessary expenditure accruals in response to this recommendation. We will initiate this review effective with the year-end activities for FY 2018.</p>	<p>Recommendation Complete-Attached you will find the USBR checklist developed to ensure minimizing and properly recording year-end accruals.</p>

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IMPLEMENTED				
Study Topic & Month / Year	Recommendation Outline	Completed	Prior Management Response	Updated Management Response
<p>A/R Reporting Differences: FOCUS & Data Warehouse (DMG & ODF)</p> <p style="text-align: center;">June 2018</p>	<p>Staff should review the aggregate differences between the A/R reporting in FOCUS and the A/R reporting in the data warehouse. Consideration should be given to enhancing the data warehouse A/R reporting to include subtotals for outstanding receivables. We recommend that current financial practices are employed to reconcile A/R reporting in both systems which would support the initiative set out for the acquisition and implementation of this software.</p>	<p>December 31, 2018</p>	<p>Management concurs with the finding and will take the following actions:</p> <p>1) FBSG/DOF staff will strengthen and highlight the documentation provided to end users on how to review the aggregate differences between the A/R Data Warehouse reports and the FOCUS A/R standard reports to ensure that partial payments are adequately researched and followed up.</p> <p>2) FBSG/DOF staff will provide additional training to A/R end users to help facilitate their understanding of the A/R reconciliation process between the two reporting platforms (Data Warehouse and FOCUS). – FBSG reached out to the A/R user agencies and held follow-up meetings to show new report functionality and discuss any other report recommendations. Again, showed the A/R agencies that A/R DW data is reconciled on a daily basis to FOCUS as part of their normal (morning) reconciliation process.</p> <p>3) FBSG/DOF staff will review the Data Warehouse reports (for enhancements including additional subtotals, groupings, filtering for displayed fields and/or sections, report definition, etc. – FBSG completed new A/R-DW report that groups the report consistent to FBSLN (standard FOCUS report) and made other suggested updates as per the BOS Auditor (or user agencies).</p>	<p>Completed. Details provided below.</p> <p>1) FBSG/DOF staff will strengthen and highlight the documentation provided to end users on how to review the aggregate differences between the A/R Data Warehouse (DW) reports and the FOCUS A/R standard reports to ensure that partial payments are adequately researched and followed up – FBSG updated on-line documentation for new report's subtotalling, grouping etc. and confirmed report handling of partial payments. The A/R DW data is reconciled on a daily basis to FOCUS as part of FBSG's normal (morning) reconciliation process.</p> <p>2) FBSG/DOF staff will provide additional training to A/R end users to help facilitate their understanding of the A/R reconciliation process between the two reporting platforms (Data Warehouse and FOCUS). – FBSG reached out to the A/R user agencies and held follow-up meetings to show new report functionality and discuss any other report recommendations. Again, showed the A/R agencies that A/R DW data is reconciled on a daily basis to FOCUS as part of their normal (morning) reconciliation process.</p> <p>3) FBSG/DOF staff will review the Data Warehouse reports (for enhancements including additional subtotals, groupings, filtering for displayed fields and/or sections, report definition, etc. – FBSG completed new A/R-DW report that groups the report consistent to FBSLN (standard FOCUS report) and made other suggested updates as per the BOS Auditor (or user agencies).</p>
<p>Receivables Excessively Aged (DPWES)</p> <p style="text-align: center;">June 2018</p>	<p>We recommend that consideration should be given to documenting and performing periodic reviews over aged receivables to facilitate the completeness of MCC Reports for follow-up. While the items identified totals ~\$3.5K which is de minimis to the receivables balance, this is a control centric recommendation designed for process enhancement.</p>	<p>October 31, 2018</p>	<p>SWMP will develop a formal written procedure whereby a system of reminders and communications with customers will be implemented to ensure more timely collection of these types of accounts. SWMP has an excellent model to follow with its commercial accounts receivable and will apply that reminder system to its miscellaneous and governmental accounts receivable.</p>	<p>Staff has amended the agency Billing and Collection plan, operating procedures (work/task performance actions) and monthly reconciliation procedures to ensure the timeliness and completeness of review of the specific types of AR identified (see attached copy of revised procedure). The 3.5K of aged AR referenced is comprised of DC Treasurer - \$4,588.25, Covanta Alex - \$544.88 and Superior Land Design - 357.46. DC Treasurer has been turned over to the County Attorney to review a document from DC sent to facilitate payment of past due amounts. Superior Land Design is written off as uncollectible bad debt and Covanta Alex though currently outstanding, immediate vendor payment is pending. See all attached pertinent documentation.</p>
<p>Cash Balances Reported as Unapplied (DPWES)</p> <p style="text-align: center;">June 2018</p>	<p>We recommend that SW staff review the 20 identified items to apply and/or clear from the reporting. Determinations should be made if these remaining balances are related to system, data entry, and/or process gaps. Additionally, consideration should be given to monitoring unapplied cash receipts for periodic cleanup during the monthly reconciliation process. SW staff has informed OPA that efforts are currently being made to review and clear these unapplied cash receipts.</p>	<p>June 30, 2018</p>	<p>All of the errors identified above have been corrected. In reviewing existing policy, it was determined that the policy to prevent this situation from occurring is already in place and needs to be reemphasized. To prevent future recurrence of similar errors, SWMP has reviewed its monthly reconciliation practices and will reemphasize processes identified in DPWES's Monthly Reconciliation Plan that if diligently carried out each month will identify and correct similar errors on a timely basis. The DPWES Monthly Reconciliation Plan details pertinent sections that will be implemented for the reconciliation month of June 2018 and going forward.</p>	<p>Completed</p>

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IMPLEMENTED				
Study Topic & Month / Year	Recommendation Outline	Completed	Prior Management Response	Updated Management Response
<p>Security Cameras & Coverage (FCPD & DIT)</p> <p style="text-align: center;">September 2017</p>	<p>OPFA supports the recommendation whereby FCPD staff collaborate with DIT and FMO staff to network (main and district stations) security cameras. This could enhance the effectiveness of monitoring the activity at the property rooms should any issues arise.</p>	<p>September 1, 2018</p>	<p>Progress continues on this project, even with numerous personnel changes in the Property and Evidence Section, including a new workforce planning approved commander (a first lieutenant). Additional infrastructure scope has been completed and network tasks were identified and addressed. Final phasing is underway and a project go-live date (including training) of September 1, 2018 is planned.</p>	<p>This item has been completed. In 2018, the main property room and all District Stations had cameras installed and were successfully networked. We are now able to monitor all locations remotely.</p>
<p>LOS Unused Aged Cash Profiler Balances (LOS)</p> <p style="text-align: center;">June 2017</p>	<p>OPFA staff recommends that LOS staff review and validate the aged cash profiler balances presented by OPFA during this study. LOS should analyze these items to determine whether they may be used to support projects or programs. Upon completion, efforts should be made to work with the DOF or other appropriate agencies to reverse the entries and/or release unsupported funds as appropriate. As this process may address management accounting issues only, additional consideration must be given to whether these funds may be used on other projects or whether they must be returned and/or escheated.</p> <p>The County Attorney will advise LOS related to the use of funds, and other issues which impact profilers as County staff execute a review and clean-up process. OPFA recommends that LOS staff engage DOF staff to facilitate the review and clean-up process in accordance with the County Attorney's advice, if needed.</p>	<p>January 31, 2019 (Updated)</p>	<p>8/1/18 - LOS now has a process in place to complete reviews twice per year to identify unspent balances that could be subject to Board-authorized reallocation (as prescribed by state law).</p> <p>LOS is now down to 9 cash profilers to research and determine final disposition. This will be completed by January 31, 2019.</p>	<p>January 2019 - LOS has completed the review of the remaining 9 cash profilers. Of those, six are in the process to escheat unclaimed funds back to the state (we have sent the required notifications and, if there is no response, these funds will be sent to the state in October 2020); two are still active projects and cannot be released until they are completed, and one is being held for a project that may be in violation (as to be determined by Code Compliance).</p>
<p>Tracking/Reporting/Recording of Bad Debt & Accruals (Office of the Sheriff)</p> <p style="text-align: center;">June 2016</p>	<p>OPFA recommended the Office of the Sheriff's finance staff consider coordinating with DOF to develop procedures to account for bad debts in their AR process.</p>	<p>10/31/2018 (Updated)</p>	<p>The updated AR procedures are in the process of being reviewed and approved.</p>	<p>In regards to tracking/reporting/recording bad debt, I have attached a procedure that was agreed upon by the Sheriff's Office Financial Services Branch and approved through the Sheriff. We are in the process of obtaining a new financial management system that will hopefully be in place in the spring time. Once the new program is in place, we expect to be able to readily identify bad debt and utilize the system as outlined in the attached.</p>
<p>Bus Route Evaluation Methodologies (DOT)</p> <p style="text-align: center;">June 2014</p>	<p>The Fairfax County Department of Transportation should formalize and implement a methodology for the routine evaluation of Fairfax Connector bus routes. The methodology should include operational and financial performance measures, balanced with the needs of the community.</p>	<p>Not Provided Recommended by Previous Office</p>	<p>Not Provided Recommended by Previous Office.</p>	<p>DOT gave consideration to the recommendations from the 2014 study. In fact most of the needed technology to improve analytics and operational analysis were already budgeted and on the drawing board well in advance of the study. These technology improvement projects are largely completed but as I had noted in our prior meeting, some of the systems are still being updated and reviewed to ensure the highest level of accuracy. With that said we have adopted the route optimization planning process which uses new data points that were previously unavailable or not as comprehensive. The attachment above was included in our original response and reattached here as (b) for your review and describes the process.</p>

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In Progress

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<p>E-Commerce Payments in EZLINKS System (FCPA) October 2018</p>	<p>CFPA recommends that efforts are made by FCPA staff to continue reviewing the opportunity to incorporate e-commerce payments in the EZLINKS. This enhancement could assist FCPA staff in expediting the check-in process and reduce cashiering staff time. Upon review, we recommend the assessment is documented for implementation or reason for incompatibility.</p>	<p>September 30, 2019</p>	<p>Staff will assess the feasibility, efficiencies, any negative impacts and the opportunity to use the Golf Tee time booking system to capture payment at the time that the tee times is arranged.</p>	<p>FCPA has reached out to the vendor and is working through feasibility and cost/benefit. This is not the industry standard so would be a custom and cost associated request by the vendor.</p>
<p>Safe Keys for FCPA Facilities (FCPA) October 2018</p>	<p>CFPA recommends that FCPA obtain and distribute new keys for door locks when replaced that reflect "Do Not Duplicate". This process should enhance the physical key controls.</p>	<p>Ongoing as safes are replaced.</p>	<p>County policy does not require Do Not Duplicate on the key. However, to adhere to best practices, as new safes are installed, the key protocol to include Do Not Duplicate will be instituted. Additionally, staff will, when issued a key, sign an agreement that they will not make copies, loan it out or let it out of their possession. The safes is couriered, at a minimum, morning and evening, weekly it's audited by headquarters staff, and periodic surprise checks are in place to monitor controls. These other activities serve to mitigate any exposure.</p>	<p>Recommendation will be implemented in an ongoing manner as keys and safes are replaced.</p>
<p>Lack of Source Documentation for Overtime Pay (Office of the Sheriff) October 2018</p>	<p>We recommend that the Office of the Sheriff staff liaise with the appropriate agency(s) to procure an electronic medium to be utilized for scheduling purposes. This system should assist management amount of time needed for scheduling tasks. Additionally, this system should assist in tracking and maintaining source documentation (i.e. above in the observation) for prior pay periods.</p>	<p>July 31, 2020</p>	<p>The Fairfax County Sheriff's Office is committed to providing the highest quality of professional services to the residents of Fairfax County in an innovative and fiscally responsible manner. We always welcome independent audits and recommendations for ways we can improve our operations and the administration of our agency. It is important to note that our FY 2019 compensation budget was reduced by \$750,000; therefore, we do not anticipate having as large of a balance at the end of the fiscal year. The Sheriff's Office will explore electronic scheduling systems as recommended in this audit report.</p>	<p>Our IT Manager has been tasked with reviewing options related to Telestaff as it relates to source documentation for overtime pay. She has met internally with our HR Manager to discuss its use. She has also scheduled a meeting next week with the Police Department to get an overview of how they use the program. In addition, she has reached out to the vendor for more information on the program and its cost.</p>

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<p>Time Adjustments in FOCUS not Telesuff (FCFD)</p> <p style="text-align: center;">October 2018</p>	<p>We recommend that adjustments are recorded in both Telesuff and FOCUS. Additionally, any related process and procedures should be updated to reflect these changes. These enhancements should assist FCFD staff when performing reconciliations and/or lookbacks of payroll data should the FFD-Q43 forms no longer exist.</p>	<p>July 1, 2019 (Updated)</p>	<p>While FCFD makes every attempt to reconcile Telesuff with actual hours worked on a daily basis, the nature of a Shift Officers' workload, may push this activity to a lower priority. It should be noted that after a shift ends adjustments can no longer be made, so even when a discrepancy is identified later, it cannot be corrected in Telesuff. Shift Officers will be instructed on the criticality of daily reconciliation before the end of shift. This instruction will occur in September 2018.</p>	<p>Work location supervisors have been directed to reconcile telesuff with actual hours worked and workcode. Once the shift concludes, it cannot be updated by work location supervisors; therefore roster updates and finalization will occur before the conclusion of each shift. The formal policy will be added into the Fire and Rescue Department Time and Attendance Manual at the next scheduled manual update.</p>
<p>Manual Calls for Overtime not Integrated into Telesuff (FCFD)</p> <p style="text-align: center;">October 2018</p>	<p>We recommend that efforts are made by FCFD to either incorporate a tracking process in Telesuff or develop and implement a tracking process for manual calls made to staff for available overtime shifts. This enhancement to the process should provide FCFD management the support needed if any equity concerns arise.</p>	<p>January 1, 2019 (Updated)</p>	<p>Effective immediately manual calls will be entered in the Telesuff system.</p>	<p>Implementation in Progress: Staffing & Incident Command Post Officers (SICPO), who are responsible for daily staffing, will begin entering manual calls into the Telesuff system on January 1, 2019 to coincide with the upgrade to Workforce Telesuff.</p>
<p>Grant Funding Recognized as Miscellaneous Expenditures (DPS/DIG/DOP)</p> <p style="text-align: center;">October 2018</p>	<p>OPFA recommends that DPS staff liaise with the OPA Study Support Team to update the related grant processes for submission to the Federal & State granting agencies for approval. DPS receives grant funds from Federal and State agencies. These funds are currently being recorded in the County's Miscellaneous G/L Account. In order to change how funds are being recognized, the County must go through an approval process with the granting agencies. If a change in the fund recognition is approved, a significant reduction to the Miscellaneous G/L Account balance will be realized.</p> <p>If approved, we recommend that DPS staff code these grant expenditures utilizing the new process on a going-forward basis.</p>	<p>July 1, 2019</p>	<p>DPS concurs with the finding. DPS will work with DOP to create new General Ledger accounts to better reflect the nature of the expenses and to continue to achieve the segregation of payments required by grant sponsors. Based on the need to get these changes approved and certified by the grantors, the estimated completion date is July 1, 2019.</p>	<p>DPS will submit the request to the Grantor to request approval of the change in coding. DPS is working with DOP and FBSG on creation of new General Ledger accounts pending approval by the Grantor. No change in the Target Implementation Date.</p>

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<p>Travel Related Costs Recognized as Miscellaneous Expenditures (DMG)(DOF) October 2018</p>	<p>OPFA recommends that the OPFA Study Support Team review the existing Chart of Accounts to ascertain if opportunities exist for enhancements to the Travel and Related Costs accounts. Any applicable non-organizational enhancements to the G/L accounts for travel related costs should be disseminated County-wide.</p>	<p>July 1, 2020 (Updated)</p>	<p>DOF concurs with the finding and will work with DMG to review cost coding related to the US&R program and set up applicable alternative General Ledger accounts for travel and related costs. In addition, we will review General Ledger accounts organization-wide relating to travel for best practice application of costs.</p>	<p>Work in progress. No change in the Target Implementation Date for alternative General Ledger accounts for travel and related costs for US&R program. We request a change in the target implementation date for the review of General Ledger accounts organization-wide relating to travel. The follow-up on this portion of the recommendation will include a review of best practices and application of costs that will be done once the new system for travels is finalized. Estimated target implementation date of July 1, 2020.</p>
<p>No or Vague Expenditure Descriptions in FOCUS (DMG)(DOF) October 2018</p>	<p>As this data was aggregated by the OPFA Study Support Team, we recommend continued coordination to identify feasible remedies to reduce the recognition of expenditures in this account based on any amendments to the County's Chart of Accounts. Further to this issue, any previously County disseminated memorandums/communications related to this issue should be reviewed for amendments.</p>	<p>July 1, 2019</p>	<p>DOF concurs with the finding. We anticipate that based on the recommendations that will be implemented to address the other findings in this report, (e.g. NIGP to General Ledger account crosswalk update, new General Ledger account for Grant Expenditures, changes to Harmony Interface) the number of postings that remain in the Miscellaneous Expenditures accounts will be significantly reduced and subsequently the number of entries with "no or vague" descriptions will also be reduced. In addition, DOF will continue to look for opportunities to further educate agencies and provide guidance on the proper accounting treatment for items classified in the Miscellaneous Expenditure General Ledger account.</p>	<p>Work in progress. No change in the Target Implementation Date.</p>
<p>NIGP Codes on Contracts Posting to G/L (DMG)(DOF)(DPMW) October 2018</p>	<p>We recommend that the OPFA Study Support Team and DPMW collaborate on a change management process for routing expenditures currently tied to NIGP codes. This process should be performed to gain reasonable assurance that all expenditures are recorded in the most appropriate G/L Accounts. As part of this review, the OPFA Support Team should keep in view efforts to reduce the County's Miscellaneous Account balances to a de minimis or minimized balance.</p>	<p>July 1, 2019</p>	<p>DPMW concurs that a review of the NIGP (product category) crosswalk posting to the General Ledger (expense) account is appropriate. DPMW will work with DOF and the PBSG to review the chart of accounts to determine if there are existing General Ledger accounts that provide a better fit and more appropriately account for the expenses that post via the NIGP crosswalk. As part of that review, we will also determine if new general ledgers should be created to classify the expense postings. DPMW notes that approximately 99 percent or more of PO expenses were posted appropriately pursuant to the crosswalk that codes NIGP codes to General Ledger expense accounts.</p>	<p>OPFA Study Support Team and DPMW on track to complete this task by July 1, 2019.</p>

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<p>Agency Reconciliation Support for External Systems Data to FOCUS (CSB)/HO/LS</p> <p align="center">June 2018</p>	<p>CSB - We recommend that adjustments are made by CSB staff to Credible to reflect the adjustments made in FOCUS. These entries/updates should reconcile the balances in both systems.</p> <p>HO - We recommend HO staff complete aggregate balances on a lead sheet for reconciliations as performed by other agencies/departments within the County.</p> <p>LS - We recommend that LS staff develop and implement a documented (and consistently executed) monthly reconciliation process for both the EIS and FID external systems.</p>	<p>CSB - March 31, 2019 June 30, 2020</p> <p>HO - March 31, 2021</p> <p>LS - July 21, 2018</p>	<p>CSB - Efforts will be made to synchronize the monthly closing of Credible with FOCUS. Reports from Credible will be designed to allow for reconciliation with FOCUS reports and allow identification of any discrepancies between the two systems. Staff from CSB Fiscal will be trained to utilize the reporting functionality of Credible and methods to complete and document monthly reconciliations.</p> <p>HO - The Health Department agrees that a report allowing for a monthly aggregate reconciliation of all collections posted in Avatar to FOCUS is desirable to supplement our current reconciliation process. However, our current process consists of a detailed daily transaction-level reconciliation of collections recorded in Avatar to bank deposit and credit card receipts prior to completing FOCUS uploads. A second monthly transaction-level reconciliation of those FOCUS uploads is completed. This reconciliation process was approved by the Department of Finance and meets the requirements of ATR 020. We are exploring whether the Avatar system is able to produce an aggregate report, but we are limited in our ability to make substantive changes to Avatar given its age and update status. Avatar will be replaced by the new Electronic Medical Record system currently in RFP stage of procurement. Based on the procurement schedule we anticipate having this monthly aggregate report available in Fall 2020/Spring 2021.</p> <p>LS - LS has consistently performed a daily reconciliation. Nonetheless, LS can additionally create a monthly report which will be the sum of all daily reconciliations for the month to meet the less stringent criteria documented in ATR 020.</p> <p>LS - LS has documented procedures for this process and will ensure that the additional steps taken to generate the invoices and reconcile the payables are appropriately detailed.</p>	<p>The CSB financial team will develop and implement a procedure by March 31, 2019 to reconcile the Electronic Health Record (Credible) for the Community Services Board (CSB) with FOCUS. This procedure will establish a monthly process by which CSB financial staff will make necessary accounting adjustments to either Credible or FOCUS.</p> <p>The Health Department has made further efforts to produce the recommended report using the existing Avatar system. An initial comparison of Avatar data to FOCUS data has revealed complications based on how the system is set-up and our related business processes. Significant manipulation of the raw data in Excel (by choosing values to filter in or filter out) would be required before aggregate totals could be compared to FOCUS data. This limits the data's usefulness in a reconciliation process. Our target completion date remains March 2021 once the new EHR is in place. The HO continues with its current daily and monthly detailed reconciliation process.</p> <p>LS - January 2019 - All associated documentation and procedures were updated and operational as of July 1, 2018. No further updates anticipated.</p>
<p>External Systems Oversight and Tracking (DIT/DOF/DME)</p> <p align="center">June 2018</p>	<p>Efforts should be made to enhance the oversight/tracking of external systems, as no report could be generated which detailed ALL stand-alone systems with financial activity. Additionally, consideration should be given to identifying and accounting for ALL external systems. This could assist in ensuring system related procurements are properly tracked.</p>	<p>June 30, 2019</p>	<p>Management concurs with the finding. The Department of Information Technology (DIT) and the FOCUS Business Support Group (BSG) will continue to work with county agencies in our priority to develop a comprehensive list of county business systems (including those with and without financial activity external to FOCUS). Annually, DIT/BSG will send this list to the departments for them to confirm and/or update the current list of stand-alone systems being utilized. DIT will survey agencies annually as a part of strategic planning for IT investments and compliance the Proc. Memo 70-07 as well as efforts to reduce sites to extent practicable which is in the IT Plan guidelines, and, DOF will include the requirement for departments to complete this review and submit the updated list to DIT/BSG as part of DOF's annual year-end closing procedures.</p>	<p>Work in progress. No change in the Target Implementation Date.</p>
<p>Reconciling Items (DPWES & DOF)</p> <p align="center">June 2018</p>	<p>We recommend that SW staff liaise with Department of Finance (DOF) (or the appropriate agency), to reconcile these balances. Also, processes should be developed and efforts should be made to resolve these differences more timely going forward.</p>	<p>July 1, 2019</p>	<p>SNMP is committed to correcting its accounts receivable situation. Beginning on June 11, 2018, SNMP met with DOF and FOCUS staff to discuss the outstanding reconciliation balance. DOF has assigned a staff accountant to review the reconciling difference and attempt to locate its source. SNMP turned over recent reconciliation data on June 11 to DOF to begin the process. SNMP has been aware of this reconciliation for some time and has been actively working to procure a new subsystem that will eliminate the duplicate manual data entry that currently exists and will instead rely upon daily interfaces from the subsystem to FOCUS and SNMP will utilize the FOCUS SAP Accounts Receivable Module to maintain detailed records of customer accounts, eliminating the need for the external system to track accounts receivable. It is estimated that we will have a new subsystem installed and operating by July 1, 2019. SNMP is currently working with DPMM on a sole source procurement for that system.</p>	<p>During the period of June - September 2018, DOF staff accountant, Michelle Abcraft performed a review and analysis of the (DPWES) SWMP AR Weigmaster to FOCUS unreconciled difference. She examined sample month to month changes in both systems for the periods of March-April and May of 2018 and was able to only identify small discrepancies between the two systems. Therefore, she's posts that most of the large unlocated balance is due to the old difference being carried forward. DOF has to an extent concluded that the unreconciled difference between the two systems is in part attributable to deficiencies in the Weigmaster AR module / Aging reports functions and limitations. We have attached all work papers and email communications generated by DOF/SWMP so far regarding this matter, to date. SNMP is making progress on the procurement of the Paradigm system to replace Weigmaster. The new system will utilize FOCUS Accounts Receivable module for billing purposes. County attorney comments on the contract have been received and. These actions remains ongoing and we will continue to partner with DOF and FOCUS staff toward resolution of these matters.</p>

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Study Topic & Month/Year	Recommendation Outline	Target Implementation Date	Prior Management Response	Updated Management Response
<p>Payment agreement between the County & Town of Vienna (DPWES) June 2018</p>	<p>We recommend that consideration is given to WW staff liaising with the DCF and Office of the County Attorney (OCA) to explore the opportunity of formalizing the deferred payment arrangement between the County and Town for the town's allocated share of capital costs at the County's wastewater treatment facility.</p>	<p>July 1, 2019</p>	<p>DPWES will work with the Office of the County Attorney and develop a proposed agreement with the Town of Vienna to formalize this payment arrangement. The intention is to have this agreement in place by July 1, 2019.</p>	<p>Wastewater Management along with OCA drafted a Letter of Agreement (LOA) and sent it to the Vienna, Director of Finance for review. Vienna agreed with the LOA except for a few minor edits. The LOA is expected to be signed by Fairfax County and the Town of Vienna before July 1, 2019.</p>
<p>Terms in agreement no longer applicable (DPWES & OCA) June 2018</p>	<p>We recommend that consideration is given to WW staff liaising with the OCA to review the current agreement to assess if the above-mentioned areas should be revised or removed. Additionally, as the current agreement is dated as of 1st January 1989, consideration should be given to assessing if this agreement should be terminated and a new agreement should be executed or the existing agreement should be updated.</p>	<p>July 1, 2019</p>	<p>DPWES will work with the Office of the County Attorney evaluate appropriate amendments to the Agreement with the Fairfax County Water Authority (FCWA). The intention is to have this agreement in place by July 1, 2019.</p>	<p>DPWES - Wastewater Management and OCA are in agreement that the existing Agreement with the FCWA should be updated. We are reviewing a draft "Amendment" and expect to have the updated agreement signed by Fairfax County and Fairfax Water before July 1, 2019. OCA - A draft Amendment to the Agreement with FCWA has been provided to DPWES for review prior to transmittal to FCWA. It is still expected that the Amendment can be executed by July 1, 2019.</p>
<p>Oversight of Billing & Collection Functions Provided by FCWA (DPWES) June 2018</p>	<p>We recommend that WW staff develop and implement a documented (and consistently executed) process whereby periodic reviews (based on a timeframe as deemed appropriate by DPWES management, e.g. on a sample basis and/or annually) for billing compilation and remittance of funds from FCWA to the County. Staff should review source documentation for billings and remittances re: the fiscal interest of the County. This would assist staff in gaining reasonable assurance that financial activity for WW has been adequately processed.</p>	<p>July 1, 2019</p>	<p>A documented annual review will be implemented and performed by Wastewater staff. Using sampling as the method, specific types of transactions relating to FCWA billing compilations and remittance of funds will be analyzed with FCWA's cooperation. Existing oversight has examined monthly data and invoices, where trends have been analyzed and significant variances have been explored with FCWA staff.</p>	<p>Wastewater Management met with FCWA financial staff and we agreed the most convenient time of year to conduct this review/audit would be during the month of May. The review/audit will be performed on an annual basis beginning in May 2019.</p>

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<p>Management of BCS County Owned Land (DOF)</p> <p>February 2018</p>	<p>OPFA recommends that DOF review the remaining 54 of the 58 identified items and address the issues for each parcel (e.g. remove parcel from FOCUS inventory, update Tax Map Number, and update recorded historical costs). But for this review, these parcels of land remained unreconciled.</p>	<p>June 30, 2019</p>	<p>DOF has coordinated with FSG and met with OIA. OIA has developed an I-care query that can be run upon request to provide a file that the asset team can use to reconcile to the FOCUS land asset records. This process is currently being developed and documented. In order for this process to function effectively, the FOCUS records will need to be completely reconciled and edited to ensure the tax ID is recorded in the same format in both systems so excel functionality can be used to identify changes or items to be researched. This will become a priority for the asset team upon completion of the FY 2018 external audit.</p> <p>Of the 54 items noted in the recommendation, 5 require additional review of contracts and agreements to determine if actions is required. The remaining items have been reviewed. Actions have been taken on a number of items and the remainder will be cleared in conjunction with the clearing of items identified in the Tracking of BCS County Owned Land section. The projected completion date is June 30, 2019.</p>	<p>Work in progress. No change in the Target Implementation Date.</p>
<p>Tracking of BCS County Owned Land (DOF)</p> <p>February 2018</p>	<p>OPFA recommends that DOF review the remaining 148 of the 358 parcels identified and address any issues (e.g. remove parcel from FOCUS inventory, update Tax Map Number, update recorded historical costs, and any other relevant data). Further to this process, consideration should be given to DOF reconciling its records to the Circuit Court records. But for this review, these parcels of land remained unreconciled. We recommend that this review process is performed on a periodic basis with existing staff levels to evaluate and restate data relevant to the land parcels. Any lessons learned should be utilized to identify and close any process gaps. Finalized results will be presented as part of the bi-annual follow up reporting.</p>	<p>June 30, 2019</p>	<p>Of the 358 items, a total of 251 items have been identified as below the threshold for capitalization. FSG has proposed a solution to enter these items into the system independent from any future consideration to a change in the capitalization policy. This will be initiated in December/January timeframe.</p> <p>The 107 remaining items have been identified as assets resulting in the FOCUS system. The corrective actions needed to these asset records will occur through the effort required to implement the reconciliation process noted in Management of BCS County Owned Land response. The projected completion date is June 30, 2019.</p>	<p>Work in progress. No change in the Target Implementation Date</p>
<p>BCS County Owned Land Historical Costs Recorded in FOCUS (DOF)</p> <p>February 2018</p>	<p>As part of the records review between FOCUS and Circuit Courts (mentioned in the above observation), the update of relevant data should include validation of historical costs. Consideration should be given to performing this process under the same parameter as mentioned above, e.g. performed at the frequency and quantity deemed feasible utilizing the existing staff. Any lessons learned should be utilized to identify and close any process gaps. Finalized results will be presented as part of the bi-annual follow up reporting.</p>	<p>February 1, 2019</p>	<p>The DOF assets team has initiated a practice of creating an attachment note to the file when creating the asset in the system indicating how the valuation was determined and attaching supporting documentation where applicable. This functionality was not available in the previous asset tracking system.</p> <p>DOF has identified agency contacts with whom to request assistance with attempting to locate some auditable support for these historic valuations. This outreach has been deferred due to the demands of the fiscal year end external audit and will resume with the reconciliation effort. The projected completion date is February 1, 2019, for determining and locating any existing historical documentation.</p>	<p>Work in progress. No change in the Target Implementation Date</p>

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<p>Integrated Tax and Finance Systems (DTA)</p> <p>February 2018</p>	<p>If not already included in the scope of work of the project (Tax PP) implementation, consideration should be given to working with DIT to interface the (Tax PP) with FOCUS to reduce uploads and/or manual data entries. While our review of three reconciliations between Novah and FOCUS did not reveal errors, this is a recommendation for process enhancement if feasible.</p>	<p>June 30, 2019</p>	<p>DIT's work for the Tax PP implementation is ongoing and the plan is for DIT to begin Phase 2 which includes the FOCUS Interface in FY 2019. The Tax PP System has been renamed the Tax & Business System (TABS) and will be referred to as such from now on.</p>	<p>DIT's work for TABS implementation continues. Phase 1 is scheduled to go live by end of 3rd quarter of FY19. FOCUS interface is included in Phase 2, and the plan is still for DIT to begin Phase 2 during the 4th quarter of FY 2019.</p>
<p>BPO License Monitoring and Issuance (DTA)</p> <p>February 2018</p>	<p>OPPA recommends that DTA augment the current practices utilized to identify unlicensed businesses with enhancements such as incorporating the use of external databases for comparative analysis. Some examples of these suggested databases are: Chamber of Commerce, Dun & Bradstreet, Better Business Bureau or other sources deemed appropriate. Consideration should be given to performing this process utilizing electronic mechanisms e.g. the matching utilizing Lookups. While we are aware that DTA staff (business tax specialists) are assigned areas of the County to search for new businesses that have not yet registered, we recommend this process be enhanced based on the above mentioned approach. This process could be performed at the frequency and quantity deemed feasible utilizing the existing staff. Lessons learned could then be employed to refine the process to a state of diminishing returns or continued if needed.</p>	<p>January 31, 2020</p>	<p>DTA has been working with the vendor on the analytics and the data that the system will produce. Once satisfied with the results, the next step is to engage in negotiations with the vendor on pricing, terms and conditions. Once the pricing has been finalized the next step is to secure funding. The original plan was to implement this by FY20, but we are working advancing the schedule, if funds permit.</p>	<p>DTA completed work with the vendor on the analytics and data. System was implemented on December 15.</p>
<p>SAC Committee Evaluation Timeline (DPMM)</p> <p>February 2018</p>	<p>We recommend that the project predetermined timelines are managed through the use of an existing management tool. As DPMM has an oversight function, and utilizes a procurement project management tool to manage the predetermined timelines established in the DPMM project plan. We also recommend that DPMM strategize with the SAC chair to ensure that the project schedule is maintained.</p> <p>Additionally, consideration should be given to structuring the SAC with SME's with background in the project subject matter. When appointing SAC members, consideration should also be given to the level and/or grade of the employee as the limited availability of senior management may adversely impact the procurement cycle time.</p>	<p>February 28, 2019</p>	<p>DPMM is on track to meet the target implementation date.</p>	<p>DPMM is on track to meet the target implementation date.</p>

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<p>RFP Procurements Process Timeline to Award (DPMM)</p> <p>February 2018</p>	<p>As the initial leading in the procurement process is perceived to be created by the procurement request intake bottleneck, we recommend this process is reviewed to identify gaps for remedies. We also recommend that contract templates are reviewed and updated, changes should be communicated in the most efficient manner to needed parties. Lastly, we recommend that RFP predetermined timelines are managed using an existing project management tool to assist in staying with proposed completion dates, to the extent feasible.</p>	<p>February 28, 2019</p>	<p>DPMM is on track to meet the target implementation date.</p>	<p>DPMM is on track to meet the target implementation date.</p>
<p>Collaborative Cross-Departmental Work Group (DPMM/OCA/DIT)</p> <p>February 2018</p>	<p>We recommend that a work group is formulated with representatives from DPMM, DIT, OCA (and/or other parties as deemed appropriate) to strategize in the earliest (or most appropriate) phase of the procurement cycle.</p>	<p>February 28, 2019</p>	<p>DPMM is on track to meet the target implementation date.</p> <p>DPMM has regular meetings with DIT to go over procurement actions in the purchasing and OCA review queues. In addition, assigned OCA staff interact directly with DIT deputies on technical understandings to inform their review.</p>	<p>DPMM is on track to meet the target implementation date.</p> <p>DIT: Completed. DIT senior management attend monthly meetings that are set-up by DPMM between OCA, DPMM and DIT to go over and status pending IT contracts. Other DIT stakeholders may be included based on a specific contract issue needing more SME input.</p> <p>OCA: Completed.</p>
<p>Negotiations with Vendor's Counsel (DPMM & OCA)</p> <p>February 2018</p>	<p>We recommend that a trigger is included in the Contract Specialist Procedural Reference (if exist) to include an early indicator for contacting OCA to assist in procurement when legal expertise is needed. There was considerable discussion around this issue and it appeared this process is expedited when OCA starts the dialogue early in the process with vendor counsel of the vendors.</p>	<p>February 28, 2019</p>	<p>DPMM is on track to meet the target implementation date.</p> <p>OCA concurs with this recommendation and will provide legal review when requested by DPMM.</p>	<p>DPMM is on track to meet the target implementation date.</p> <p>OCA concurs with this recommendation and will provide legal review when requested by DPMM.</p>

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<p>Coordination of Annual IT Plan between DIT, DPMM & OCA (DPMM/OCA/DIT)</p> <p>February 2018</p>	<p>To assist improving the efficiency in obtaining legal expertise, we recommend that the DIT Annual IT plan is reviewed with DPMM and OCA to discuss upcoming procurements and other strategic initiatives. This process should be implemented based on the frequency and depth as deemed appropriate by the related parties.</p>	<p>February 28, 2019</p>	<p>DPMM is on track to meet the target implementation date.</p> <p>OCA concurs with this recommendation and will participate in any meetings scheduled pursuant to the recommendation and prior management response.</p> <p>DIT now participates in the monthly meetings with DPMM and OCA to go over pending IT contracts and open issues. DPMM works closely with DIT program management to reconcile understanding of technology nuances and solution differentiators to inform the legal and risk review process. Outside of legal-related issues, DIT and DPMM coordinate to get to mutual acceptance. A meeting is coordinated to go over the FY 19 IT Plan.</p>	<p>DPMM is on track to meet the target implementation date.</p> <p>DIT: Completed. Alsvaeth Tibbs, IT PMO Director in DIT held a meeting in Summer 2018 to brief DPMM Director and CA office representatives on the FY 2019 IT Plan with emphasis on IT an RFP and contract negotiation task were anticipated for existing or new projects.</p> <p>OCA - Completed.</p>
<p>Standardized IT Procurement Contract Templates (DIT/OCA/DPMM)</p> <p>February 2018</p>	<p>We recommend that consideration is given to OCA liaising with DIT and DPMM to standardize sections of the contracts, where appropriate. This recommendation is designed to make reductions in the resources needed to compile contracts.</p>	<p>February 28, 2019</p>	<p>DPMM is on track to meet the target implementation date.</p> <p>OCA will work with DPMM and DIT to meet the target implementation date.</p>	<p>DIT: Ongoing. Final implementation of new templates anticipated by summer 2019, which allows time to incorporate any legislative changes to the Code of Virginia related to IT contracts. There is pending legislation that may provide better flexibility for reasonableness for certain provisions that have been difficult to negotiate by IT firms and industry (ref: 2019 Session; House Bill 2324 - TBO).</p> <p>DPMM is on track to meet the target implementation date.</p> <p>OCA will continue to work with DPMM and DIT to meet the target implementation date.</p>
<p>Acknowledgment Certification (DPMM & OCA)</p> <p>February 2018</p>	<p>We recommend that consideration is given to creating An-Acknowledgment Certification including terms and conditions that comport with statutory requirements. This document could be inserted in the procurement process when and where deemed appropriate by OCA.</p>	<p>February 28, 2019</p>	<p>DPMM is on track to meet the target implementation date.</p>	<p>DPMM is on track to meet the target implementation date.</p> <p>OCA - Completed.</p>

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<p>Vendor Classification (DOF & DPWES & DAHS)</p> <p>November 2017</p>	<p>As all vendors are required to complete vendor forms, it appears some of these forms submitted are incomplete. All procurement authorities should liaise with unclassified vendors to obtain completed forms for classifications, if applicable. This data should then be used to update all relevant records. Additionally, mechanisms should be developed and employed to review this repository of data periodically to maintain updated records.</p>	<p>December 31, 2018</p>	<p>The Department of Finance is in the final phases of updating the vendor file policy. In the revised version it will provide guidance and expectations for agencies to collect data on vendor classification. Included as an attachment to the policy is a Signal, Women, and Minority (SWM) classification form to be filled out by new vendors. Currently the form is available on the DOF webpage. Once the policy is complete and published, the training video will be updated to include the SWM data capture. These items are projected to be completed by December 31, 2018. DPWES obtained SWM codes for all unclassified DPWES vendors. This information was shared with DPMM. DPMM is coordinating with DOF to enter those codes into FOCUS. DPWES will review FOCUS vendor information annually.</p>	<p>Updated Management Response will be populated when reverted from DOF.</p>
<p>Tracking of DIT Invented Property (DIT)</p> <p>November 2017</p>	<p>Subsequent to this review, DIT documented processes to implement an IT Management overview whereby relevant procurement equipment could be traced through the lifecycle to effect appropriate actions, e.g. recognition, repair, disposal, and/or etc. This would allow DIT to implement processes whereby all relevant asset related data are maintained in a centralized repository. Further to the process, reconciliations to FOCUS (as prescribed by the appropriate oversight function, e.g. DPMM and/or DOF) could be performed.</p> <p>We also recommend any/all shipping documentation related to Primers be executed (by both parties /the County and the service provider's representative) and maintained by DIT (utilizing DIT's prescribed record maintenance format, e.g. electronically and in compliance with the record retention policy).</p>	<p>February 28, 2019</p>	<p>DIT has implemented the new IT Service Management system which went live in April for the core functionality. Staff is working on Phase 2 work to finalize the asset tracking configuration for lifecycle management, and enter the inventory, estimated for completion in February 2019. Integration to FOCUS will be part of the list of systems in the separate audit related to system integration into FOCUS and prioritized by the joint DIT/BSG development team.</p>	<p>DIT: Development of the new system is complete, now in testing phase. The anticipated go-live is in the Spring 2019.</p>
<p>Recycled Equipment Revenue Recognition (DIT)</p> <p>November 2017</p>	<p>We recommend that a policy is codified to centralize the collection and recycle initiatives through DIT whereby a process could be implemented to capture potential revenue leakage related to any available recycled revenue receipts for all agencies /departments in the County. We also recommend that DIT and DPMM (if applicable) liaise with DOF to determine the most efficient manner for receiving, recognizing, and tracking the receipt and use of these funds.</p>	<p>February 28, 2019</p>	<p>DIT and DPMM have agreed upon an updated, more efficient process for 'cradle-to-grave' lifecycle management of end-user devices. The revised process sets the financial return in the form of checks that are appropriately recorded in FOCUS, with our first check received and recorded in September 2018. We are in the process of refining existing policy based on the new process and associated operations, with completion on track for FY 19.</p>	<p>DIT: Ongoing - Previous comment still valid. DIT is in the process of refining existing policy based on the new process and associated operations, with completion on track for late FY19.</p>

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<p>Acquiring and Maintaining Disposal Certificates (DIT & DPMM)</p> <p style="text-align: center;">November 2017</p>	<p>We recommend that DIT maintain disposal certificates (utilizing DIT's prescribed record maintenance format, e.g. electronically) and in compliance with the record retention policy with the serial numbers to better track their inventoried property. Additionally, reconciliations should be performed between E-Waste Recycler Inventory Reconciliation Forms to Original E-Waste Recycler Disposal Request.</p>	<p>June 30, 2019</p> <p>The new process mentioned above includes the disposal certificates coming directly to DIT and we scan them into the new IT Service Management system recently implemented.</p>	<p>DPMM is on track to meet the target implementation date.</p> <p>DIT: Implemented with ongoing assessment of future options. DIT and DPMM agreed on a process for proper disposal with documented certificates based on a compliant, existing service integrated with PR replacement program. Due to near cost concerns, DIT is also looking at other alternatives that would automate this process with IT asset tracking, thus completed the initial requirement, but valuing cost and efficiency for other options for implementation in summer 2019.</p>	
<p>FCDOT Aged Cash Profiler Balances (FCDOT)</p> <p style="text-align: center;">September 2017</p>	<p>OFA staff recommends that FCDOT staff review and validate the aged cash profiler balances presented during this study. Determinations should be made, if these items are no longer supported by projects or programs. Upon completion, efforts should be made to work with the appropriate agency to reverse the entries and/or release unsupported funds as appropriate. As this process may address management accounting issues only, additional consideration must be given to whether these funds may be allocated to other projects or remitted to the Commonwealth Transportation Board. OFPA recommends that FCDOT execute a process to review and clean-up aged profiler balances in accordance with the County Attorney's advice.</p>	<p>June 30, 2019</p> <p>Still on track for June-30, 2019 completion of process and beginning to reallocate old profilers.</p>	<p>Still on track for June-30, 2019 completion of process and beginning to reallocate old profilers.</p>	
<p>FCDOT Cash Profiler Internal Tracking (FCDOT)</p> <p style="text-align: center;">September 2017</p>	<p>OFA recommends that efforts are made to complete cash profiler statuses on the internal tracking spreadsheet (going forward) utilized by FCDOT for management and oversight of these items.</p>	<p>June 30, 2019</p> <p>No change in previous status. Still ongoing.</p>	<p>No change in previous status. Still ongoing.</p>	<p>No change in previous status. Still ongoing.</p>

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<p>FCOOT Cash Proffers Management Oversight (FCOOT)</p> <p>September 2017</p>	<p>A review and validation of the documentation for each aged cash proffer and the balances should be performed. OCPA recommends that FCOOT staff develop and implement a documented (and consistently executed) process whereby aged FCOOT proffer balances that remain on the FCOOT cash proffer list without disbursement activity are reviewed (based on a timeframe as deemed appropriate by FCOOT management, e.g. every three years).</p>	<p>June 30, 2019</p>	<p>The position has been advertised and interviews are planned for later this month. Development of the SOP will begin Spring 2019. Review of all proffers is ongoing, and tracking tables are being updated appropriately.</p>	<p>Development of the SOP will begin Spring 2019. Review of all proffers is ongoing, and tracking tables are being updated appropriately.</p>
<p>FCOOT Cash Proffers Close-Out Procedures (FCOOT)</p> <p>September 2017</p>	<p>We recommend FCOOT staff collaborate with DOF to develop a documented (and consistently executed) close-out process for cash proffers. As this process is being implemented based on prior quarter's reviews for other agencies, we also recommend that FCOOT and DOF leverage off of that project to address this recommendation.</p>	<p>June 30, 2019</p>	<p>No change in previous status. Working on filling the position (see previous status).</p>	<p>The Transportation Planner position has been filled, and work on this task is still on track for completion by June 30, 2019.</p>
<p>Court Case Status Tracking to Invented Property (FCPP)</p> <p>September 2017</p>	<p>OCPA recommends that FCPD implement a tracking mechanism to timely capture court case status for respective inventoried properties. We are aware that FCPD is currently exploring system enhancements which could provide opportunities in designing system tools not available in the current computing environment.</p> <p>Additionally, while FCPD staff performs periodic reviews at the main property room, these review results should be utilized to liaise with the respective evidence officers (on a sample rotating basis) to determine if any evidence can be disposed, released, sold, or remain as evidence.</p>	<p>June 30, 2019 (Updated)</p>	<p>Evidence TracQ, the QeTel software specifically for the Property & Evidence Section (and FCPD Quartermaster) remains on-track for deployment. A recent delay was moving the platform to the cloud, as opposed to hardware servers. Final preparation is underway with users and is expected to go live in December 2018.</p>	<p>The Evidence Division continues to dispose of property on a regular basis. FCPD is working with the personnel assigned to various divisions in order to determine what can be released, destroyed or archived. FCPD continues to work with the vendor to fully implement the QeTel software. Older evidence has been successfully moved from the BEAST program into QeTel. The Quartermaster will begin using the program to track inventory the week of January 28, 2019. FCPD is working toward moving evidence from the current LEADS RMS into the new system. It is expected that the Leads data will be pushed into QeTel and all front-line users will be trained and using the program by June 2019 of this year.</p>

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IN PROGRESS				
Study Topic & Month / Year	Recommendation Outline	Target Implementation Date	Prior Management Response	Updated Management Response
<p>FCPA Aged Cash Proffer Balances (FCPA) June 2017</p>	<p>OPPA staff recommends that FCPA staff review and validate the aged cash proffers balances presented by OPPA during this study. FCPA should analyze these items to determine whether they may be used to support projects or programs. Upon completion, efforts should be made to work with DOF or appropriate agencies to reverse the entries and/or release unsupported funds as appropriate. As this process may address management accounting issues only, additional consideration must be given to whether these funds may be used on other projects or whether they must be returned and/or escheated. The County Attorney will advise FCPA related to the use of funds and other issues which impact proffers as County staff execute a review and clean-up process. OPPA recommends that FCPA staff engage DOF staff to facilitate the review and clean-up process in accordance with the County Attorney's advice, if needed.</p>	<p>June 30, 2019 (Updated)</p>	<p>We are actively working to address all of the proffers on the list. This is a continuum of effort on which we are making progress and I anticipate meeting the 6/30/19 deadline</p>	<p>The Park Authority continues to make solid progress on spending proffers. In calendar year 2018, \$1,901,427.34 of available proffers was spent. The FCPA has pulled available documentation on the very old proffers for review of conditions and future use. On target for 6/30/19.</p>
<p>Cash Proffer Internal Tracking (FCPA) June 2017</p>	<p>OPPA recommends that efforts be made to complete cash proffer receipt dates on the internal tracking spreadsheet utilized by FCPA for management and oversight of these items. OPPA's review of this tracking spreadsheet provided by FCPA revealed 80 aged items. The total Remaining Balances for these items was \$2,339,345. As this information was obtained by a review after the receipt of the missing dates on the spreadsheet, COPPA asserts this information is critical to the tracking and oversight of these items.</p>	<p>June 30, 2019 (Updated)</p>	<p>We are actively working to address all of the proffers on the list. This is a continuum of effort on which we are making progress and I anticipate meeting the 6/30/19 deadline</p>	<p>We are actively working to address all of the proffers on the list. This is a continuum of effort on which we are making progress and anticipate meeting the 6/30/19 deadline</p>
<p>Aged Escrows Management/Oversight (LOS) June 2017</p>	<p>OPPA staff recommends that LOS staff develop and implement a process whereby aged escrow balances that remain on the County's books are reviewed (based on a timeframe as deemed appropriate by LOS management, e.g. every three years) to identify whether the funds can be utilized as earmarked, deployed to other projects, returned to the developer, and/or escheated, as appropriate. This initiative should assist staff in reducing the number and amount of aged balances ongoing.</p>	<p>July 1, 2019</p>	<p>8/1/19 - LOS is now reviewing all conservation escrows on a monthly basis and will attempt to contact the grantor within 30 days of the escrow being marked as payable. If the grantor does not respond to LOS attempts to contact, then the process to escheat the unclaimed property back to the state will begin 12 months after the date of notification. For the future construction escrows, LOS has received guidance from the BOS on the maturity threshold and is currently identifying resources necessary to complete the review by the 7/1/19 deadline.</p>	<p>January 2019 - LOS is in the process of reviewing the aging conservation escrows, as detailed previously, and anticipates the review to be completed by the 7/1/19 deadline.</p>

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IN PROGRESS				
Study Topic & Month / Year	Recommendation Outline	Target Implementation Date	Prior Management Response	Updated Management Response
<p>Overight of Fund Manager Fees (RAM)</p> <p>March 2017</p>	<p>Validation of management and other fees is performed and request the fund managers remit all supporting documentation for assessed fund expenses.</p>	<p>July 1, 2019</p>	<p>RAM remains on target to implement automated fund expense management by July 1, 2019. Analysis continues on the data received so far, validating amounts, identifying data points necessary for automation, and working with the investment companies on improved transparency. Automation is pending the approval of a proposed contract by procurement.</p>	<p>Contract for the service of building automation has been completed. RAM is working with developers to create the fee analysis system within RAM's Azure, cloud environment. RAM is the "beta" for this type of technology procurement and development through the various County agencies involved. This frequently delays progress, but we are working to meet the proposed deadline.</p>
<p>Non-Tax Accounts Receivable (DTA)</p> <p>October 2015</p>	<p>OPFA recommended the DTA work with FOCUS Business Support Group to develop complete system-generated AR aging reports using existing resources.</p>	<p>February 28, 2019 (Updated)</p>	<p>DTA has reviewed the test sample provided by SACC and had additional questions. DTA is in the process of reviewing the additional information. SACC hopes that after the review they are ready to implement the aging report in the next couple of months. CSB is in process of soliciting new vendors for the Health, Care Services Information System (HCSIS) which will be used by multiple agencies within the County but will primarily be used by The Health Department and CSB. This will serve as the primary system of record and include an aging report.</p>	<p>The SACC Department has met with the vendor and they will begin a process with FBSG to put a monthly aging report in the Fairfax County Secure FTP folder for review. This report will provide detailed and summary reports of account for current, 30, 60, 90, 120, 150 and accounts over 180 days.</p>
<p>Tax Recovery and Collection (Part 1) (DTA)</p> <p>July 2015</p>	<p>OPFA recommended the DTA have tax auditors review prior periods to ensure Federal Information Processing Standard (FIPS) codes are correct. If the FIPS codes are incorrect efforts should be made by the tax specialists to communicate with the business of what it needed.</p>	<p>June 30, 2019 (Updated)</p>	<p>System is currently in the user testing phase. We are currently anticipating implementation of new system sometime by the end of FY19.</p>	<p>This is part of the new TABS System, which continues in the user testing phase. We are currently anticipating implementation of TABS sometime by the end of 3rd quarter of FY19.</p>
<p>Tax Recovery and Collection (Part 2) (DTA)</p> <p>July 2015</p>	<p>OPFA recommended that DTA staff should continue efforts to review all files over a 36-month period, within the statute of limitations for collections. OPFA recommended that DTA should incorporate use of excel formulas which would match unique identifiers quicker therefore speeding up the review process.</p>	<p>June 30, 2019 (Updated)</p>	<p>System is currently in the user testing phase. We are currently anticipating implementation of new system sometime by the end of FY19.</p>	<p>This is part of the new TABS System, which continues in the user testing phase. We are currently anticipating implementation of TABS sometime by the end of 3rd quarter of FY19.</p>

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Implementation Not Started

IMPLEMENTATION NOT STARTED				
Study Topic & Month/Year	Recommendation Outline	Target Implementation Date	Prior Management Response	Updated Management Response
Retention of Payroll Records (Pay-Organizational) (FCRD)(OCA)(DHR)(DIT) October 2018	As FOCUS is the payroll system of record and some of the source documents are disposed, we recommend that FCRD lease with DHR and the Office of the County Attorney (OCA) regarding the retention of payroll source documentation.	July 1, 2019	Because FCRD is in compliance with the Countywide DHR Policy (PPAPB) for retention of payroll records, FCRD contends this is not an area of weak control in the agency. FOCUS is the acknowledged system of record for time entry and approval of time worked. Each pay period supervisors review PD-JAF's against time entered into FOCUS; their approval of FOCUS entries documents the data's accuracy. However, FCRD will consult with OCA, DHR and the County Archivist to re-visit payroll source documentation retention.	OPFA will follow-up on this recommendation in the next status update.
Non-Minimum Staffing Overtime Not Recorded in Telestaff or Retained (FCRD)(DHR)(DHR)(DIT) October 2018	We recommend that FCRD lease with DHR, FBSG, DIT, and OCA (and appropriate parties) regarding a data documentation standard for overtime in FOCUS. This endeavor is being explored to enhance the tracking process for overtime worked and paid. While limited hard copy documentation is utilized to track non-minimum overtime worked by staff, capturing more specific overtime information in FOCUS should provide management more complete payroll records.	July 1, 2019	FCRD utilizes Telestaff purely as a staffing tool for operational minimum staffed personnel and is in compliance with county standards regarding payroll documentation retention. The Telestaff tool is not intended to capture all hours worked by all personnel. FCRD recognizes FOCUS as the official record of hours worked and is in agreement with OPA that it would be ideal if FOCUS capabilities could be utilized for more robustly documenting overtime. To bring this recommendation to fruition, FCRD will collaborate with appropriate parties to document and institutionalize existing capabilities, identify needed enhancements, and grant any identified additional FOCUS roles to supervisors so they may access the necessary reporting modules to review time entries thoroughly.	OPFA will follow-up on this recommendation in the next status update.
Retention of Payroll Records (Pay-Organizational) (FCRD)(OCA)(DHR) October 2018	As FOCUS is the payroll system of record and some of the source documents are disposed, we recommend that FCRD lease with DHR and OCA regarding the retention of payroll source documentation.	Based on Post-Review by Counsel & DHR	FCRD will work with DHR and OCA regarding the retention of payroll source documentation and will advise OPA once the decision has been made.	Updated Management Response will be populated when received from DCF.

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IMPLEMENTATION NOT STARTED				
Study Topic & Month/ Year	Recommendation Outline	Target Implementation Date	Prior Management Response	Updated Management Response
<p>Telesaff System (Utilized by FCPD) October 2018</p>	<p>We recommend that FCPD staff liaise with the appropriate agency(s) to procure and implement the Telesaff system to be utilized for off-duty employment staff scheduling, where applicable. This system should assist management in reducing the costs and amount of time needed for scheduling tasks. These scheduling hours could be used to perform other assigned operational duties. Additionally, this system should assist in tracking and maintaining source documentation (ie. above in the observation) for prior pay periods.</p> <p>For staff scheduling processes that cannot be managed through the Telesaff software, consideration should be given to creating a repository to capture and retain overtime supporting documentation. The retention of this information should comply with standards compiled by OCA, DHR and other related parties.</p>	<p>Estimated deadline needed to complete this would be July 1, 2019</p>	<p>FCPD is open to discuss the option and possible implementation of using the scheduling option in FOCUS; however, this option for FCPD was explored when FOCUS was going live and the following hurdles were identified:</p> <ol style="list-style-type: none"> 1. Based on the FCPD cost center and internal order structure the "drop down" menu in Telesaff works best in order to prevent coding errors. In FOCUS each internal order and cost center numbers would have to be individually keyed into the system thus causing room for coding errors and therefore more hours spent in staff reclassifying these errors. 2. In Telesaff, the shift differential is calculated on the back end of the interface, and in FOCUS the employee would have to conduct a manual computation which would result in errors, which would then result in additional employee hours to correct operational coverage that exists within the Police department. In Telesaff, the changing of these hours is quite an easy process and can be completed by the employees and approved by the supervisors. In FOCUS, each supervisor would have to go in and make these changes, which based on the volume, would add to the amount of hours that the supervisors would be spending on making these changes thus taking away from "actual" supervision and management of the department. 3. Fax hours – FCPD has a majority of employees that their hours continuously in order to cover the twenty-four hour police operational coverage that exists within the Police department. In Telesaff, the changing of these hours is quite an easy process and can be completed by the employees and approved by the supervisors. In FOCUS, each supervisor would have to go in and make these changes, which based on the volume, would add to the amount of hours that the supervisors would be spending on making these changes thus taking away from "actual" supervision and management of the department. <p>FCPD will do the necessary review and conduct discussions with appropriate agencies in an effort to look into whether the scheduling option could be utilized by FCPD in Telesaff and will inform OCPA of the outcome of this review.</p>	<p>Fairfax County Police Department (FCPD) is still reviewing these items and will be holding additional meetings in order to come up with a decision on whether or not the scheduling option in Telesaff can be used by FCPD.</p>
<p>Tracking Overtime Worked in FOCUS (OEM/OCA/DHR) October 2018</p>	<p>We recommend that OEM liaise with DHR and OCA (and appropriate parties) regarding a data documentation standard for overtime in FOCUS. This endeavor is being explored to enhance the tracking process for overtime worked and paid. While limited hard copy documentation is utilized to track overtime worked by staff, capturing more specific overtime information in FOCUS should provide management more complete payroll records.</p>	<p>Based on Post Review by Counsel & DHR</p>	<p>OEM follows county procedures relating to employee overtime. In addition, OEM has internal policies addressing overtime specifically with the agency Duty Officer Program and Emergency Operations Center (EOC) activations. Overtime associated with the Duty Officer Program and EOC activations does not require "name of pre-approver, date of pre-approval and verification of work completed" due to the nature of work. The time is coded in FOCUS accordingly such as on call, call back, and emergency work. EOC activations are tracked on FOCUS time sheets with a county internal order. The data documentation standard for overtime and support documentation retention standard is a county wide DHR policy revision in cooperation with OCA. OEM will liaise with DHR and OCA to ensure that the agency is compliant with any policy revision set forth. In addition, OEM concurs that the FOCUS HCM system should be enhanced to include the capabilities recommended by the BOS Auditor. OEM will utilize the new capabilities to enhance overtime management once implemented by DHR.</p>	<p>Updated Management Response will be populated when reverted from DOF.</p>
<p>Retention of Payroll Records (Pay-Organizational) (DPS/C/OCA/DHR) October 2018</p>	<p>As FOCUS is the payroll system of record and the source documents are disposed, we recommend that DPS/C liaise with DHR and OCA regarding the retention of payroll source documentation.</p> <p>We also recommend that DPS/C liaise with the proper parties to formulate a process to track non-minimum overtime staffing similarly to the process for tracking minimum overtime staffing.</p>	<p>Based on Post Review by Counsel & DHR</p>	<p>DPS/C has and continues to follow the County policy related to tracking and retaining OT records. DPS/C stands ready to implement necessary changes to improve processes in place and is in liaison with recommended county agencies regarding records retention. However, so long as FOCUS lacks the functionalities to support and remains the system of record, no other findings in the report are within DPS/C control. We would welcome inclusion/consideration in any new policy that is developed by the County.</p> <p>We appreciate that there were no findings by the OCPA questioning the equity in which overtime is utilized within DPS/C.</p> <p>DPS/C takes the management, oversight and assurance of equity in overtime use very seriously. In addition to the processes put in place DPS/C regularly monitors the application of overtime. We continue the hard work to resolve staffing issues and in kind reduce overtime use, with these efforts, from 2016 to 2018, DPS/C has reduced its use of overtime to nearly 30%.</p>	<p>Updated Management Response will be populated when reverted from DOF.</p>

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IMPLEMENTATION NOT STARTED				
Study Topic & Month / Year	Recommendation Outline	Target Implementation Date	Prior Management Response	Updated Management Response
Tracking Overtime Worked in FOCUS (DFS) November 2018	We recommend that DFS liaise with DHR and the Office of the County Attorney (OCA) (and appropriate parties) regarding data documentation standards for overtime in FOCUS.	Based on Post Review by Counsel and DHR	Per the management response from the Public Safety Overtime audit, the findings for DFS overtime will be included in the overall pan-organizational management response. It should be noted that DFS follows County procedures related to employee overtime. The data documentation standard for overtime and support documentation retention is a County wide DHR policy. Any revision to this policy will be coordinated between DHR and OCA, and communicated to County departments. DFS will liaise with DHR and OCA to ensure that the agency is compliant with any policy revisions set forth.	OPFA will follow-up on this recommendation in the next status update.
Retention of Payroll Records (DFS) November 2018	Based on conversations with management, we understand that some overtime source documentation may not be retained. We recommend that DFS liaise with DHR and OCA regarding the retention of payroll source documentation.	Based on Post Review by Counsel and DHR	Per the management response from the Public Safety Overtime audit, the findings for DFS overtime will be included in the overall pan-organizational management response. It should be noted that DFS follows County procedures related to employee overtime. The data documentation standard for overtime and support documentation retention is a County wide DHR policy. Any revision to this policy will be coordinated between DHR and OCA, and communicated to County departments. DFS will liaise with DHR and OCA to ensure that the agency is compliant with any policy revisions set forth.	OPFA will follow-up on this recommendation in the next status update.
Caseload Assignment (DFS) November 2018	OPFA discussed the opportunity of developing caseload standards, for new and experienced staff in DFS (where applicable). These caseload standards could be used to monitor, control and potentially reduce overtime hours and spend (where appropriate).	November 30, 2019	DFS is currently exploring internal policies and procedures to address record retention and will work closely with DHR and OCA to remain compliant with any policy revisions set forth.	OPFA will follow-up on this recommendation in the next status update.

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INQUIRIES TO OFPA



County of Fairfax, Virginia

To protect and enrich the quality of life for the people, neighborhoods and diverse communities of Fairfax County

INQUIRIES TO THE OFFICE OF FINANCIAL AND PROGRAM AUDIT

Inquiry Received From	District/Location	Status of Inquiry	Date Received	Concern and/or Requests for Audits
Fairfax County Constituent	Fairfax County	N/A	10/23/2018	Constituent concern re: petition votes required for traffic calming in the Mount Vernon District.
Fairfax County Constituent	Fairfax County	N/A	11/2/2018	Constituent concern re: management/utilization of housing cash proffer funds and if these funds are made available for the Continuous Care Facilities for the Aging.
Fairfax County Constituent- Mclean Citizen Association	Dranesville / Fairfax County	Complete	11/14/2018	Request for Auditor of the Board to speak at an upcoming McLean Citizens Association committee meeting.
Fairfax County Constituent - Mclean Citizen Association	Dranesville / Fairfax County	N/A	12/1/2018	Request for Auditor of the Board to perform a review of the performance of the County's pension plans.
Fairfax County Constituent- Mclean Citizen Association	Dranesville / Fairfax County	N/A	12/19/2018	Constituent request for Auditor of the Board to address a list of topics identified by the Mclean Citizen Association.

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APPENDICIES

APPENDIX A

FY18 REFUSE FLEET WARRANTY REVIEW (TARGETED SEARCH FOR SAMPLE)										
Asset Sample							Substantive Analysis			
Vehicle No.	Vehicle Type	Vehicle Year	Vehicle Make	In-Service Date	Work Order no.	Warrantor	Maintenance At Cost To County	Warranty Expiration Date	Under Warranty (Y/N)	Comments
7526	Rear Loader	2017	Freightliner	7/14/2016	3788293	Western Branch	\$14,340.49	7/14/2017	N	Transmission Repair. The repair that that required fixing was outside of one year warranty.
7536	Rear Loader	2017	Frieghtliner	8/1/2016	3786774	Mid-Atlantic	\$7,247.37	8/1/2017	N	Transmission Repair. The repair that that required fixing was outside of one year warranty.
7470	Side Loader	2014	Mack	1/14/2013	3786795	Mid-Atlantic	\$1,865.05	N/A	N	Wearable Parts / Repair Not Warrantable
7471	Side Loader	2014	Mack	10/3/2013	3789055	Mid-Atlantic	\$1,506.05	10/3/2018	N	Extended Warranty of 5 years purchased by SW/Warranty Not in M5 System
7472	Side Loader	2014	Mack	10/3/2013	3788008	Mid-Atlantic	\$1,575.18	N/A	N	Wearable Parts / Repair Not Warrantable
Expensed Repairs Under Warranty										
7499	Side Loader	2015	Autocar	1/21/2015	3788111	Granturk	\$2,248.88	1/21/2020	Y	SW requested DVS repair the vehicle for expedience
7499	Side Loader	2015	Autocar	1/21/2015	3725735	Johnson Truck Center	\$1,426.56	1/21/2020	Y	SW requested DVS repair the vehicle for expedience / No repair notes captured in M5 System.
7497	Side Loader	2015	Autocar	1/21/2015	3781213	Granturk	\$3,785.24	1/21/2020	Y	SW requested DVS repair the vehicle for expedience.
7498	Side Loader	2015	Autocar	12/24/2014	3786788	TBD	\$6,042.67	12/24/2019	Y	SW requested DVS repair the vehicle for expedience / No repair notes captured in M5 System.
7496	Side Loader	2015	Autocar	12/24/2014	3778525	Johnson Truck Center	\$6,962.69	12/24/2019	Y	SW requested DVS repair the vehicle for expedience.

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APPENDIX B

FY18 SWMP REFUSE FLEET MAINTENANCE										
Asset Sample						Testing Attributes				
Vehicle No.	Vehicle Type	Vehicle Year	Vehicle Make	Vehicle Model	Work Order	Date of Maintenance	Maintenance At Cost To County	Total Work Order Cost	Contractor Repair Invoice Provided to DVS by SW (Y/N/NA)	Comments
7130	Rear Loader	2009	Mack	GU713	3769372	2/2/2018	\$54,620.98	\$6,586.16	N	Work performed by contractor. Invoice s/b be forwarded to DVS as record of historical maintenance/repairs to support ongoing readiness of equipment.
7216	Rear Loader	2013	Volvo	VHD64F	3774626	5/21/2018	\$66,283.34	\$14,749.77	Y	N/A
7497	Side Loader	2015	Auto Car	ACX64	3760933	9/11/2017	\$23,735.78	\$2,871.37	N	Work performed by contractor. Invoice s/b be forwarded to DVS as record of historical maintenance/repairs to support ongoing readiness of equipment.
7498	Side Loader	2015	Auto Car	ACX64	3758855	8/9/2017	\$34,146.79	\$2,235.66	N	Work performed by contractor. Invoice s/b be forwarded to DVS as record of historical maintenance/repairs to support ongoing readiness of equipment.
7128	Front Loader	2010	Mack	MRU613	3769054	2/22/2018	\$59,163.17	\$12,290.79	Y	N/A
7612	Front Loader	2011	Mack	MRU613	3762988	10/19/2017	\$34,340.60	\$8,210.87	N	Work performed by contractor. Invoice s/b be forwarded to DVS as record of historical maintenance/repairs to support ongoing readiness of equipment.
7493	Roll Off Truck	2014	Freightliner	M2112	3765897	12/20/2017	\$20,528.64	\$3,374.36	N	Work performed by contractor. Invoice s/b be forwarded to DVS as record of historical maintenance/repairs to support ongoing readiness of equipment.
7229	Roll Off Truck	2010	Volvo	VHD64F	3761859	10/3/2017	\$21,586.37	\$2,910.92	N	Work performed by contractor. Invoice s/b be forwarded to DVS as record of historical maintenance/repairs to support ongoing readiness of equipment.
7468	Crane Truck	2014	Mack	MRU613	3771274	3/12/2018	\$26,184.93	\$6,258.14	Y	N/A
7267	Crane Truck	2008	Western Star	4900	3760596	9/6/2017	\$10,676.50	\$4,304.13	N	Work performed by contractor. Invoice s/b be forwarded to DVS as record of historical maintenance/repairs to support ongoing readiness of equipment.
7268	Crane Truck	2008	Western Star	4900	3771781	3/8/2018	\$13,074.48	\$2,089.35	N	Work performed by contractor. Invoice s/b be forwarded to DVS as record of historical maintenance/repairs to support ongoing readiness of equipment.
7397	Crane Truck	2012	Mack	MRU613	3766147	12/28/2017	\$37,797.92	\$9,027.83	N	Work performed by contractor. Invoice s/b be forwarded to DVS as record of historical maintenance/repairs to support ongoing readiness of equipment.
7257	Small Rear Loader	2007	Ford	F750	3771407	3/7/2018	\$12,135.15	\$2,050.10	N	Work performed by contractor. Invoice s/b be forwarded to DVS as record of historical maintenance/repairs to support ongoing readiness of equipment.
7285	Small Rear Loader	2013	Ford	F750	3755990	7/10/2017	\$24,693.17	\$9,017.84	N	Work performed by contractor. Invoice s/b be forwarded to DVS as record of historical maintenance/repairs to support ongoing readiness of equipment.
7084	Small Rear Loader	2009	Ford	F750	3756733	7/26/2017	\$25,065.08	\$5,678.18	N	Work performed by contractor. Invoice s/b be forwarded to DVS as record of historical maintenance/repairs to support ongoing readiness of equipment.
7165	Open Body	2006	Freightliner	M2106	3771539	4/18/2018	\$2,382.18	\$767.63	N	Work performed by contractor. Invoice s/b be forwarded to DVS as record of historical maintenance/repairs to support ongoing readiness of equipment.
7478	Open Body	2013	Freightliner	M2106	3767781	1/3/2018	\$1,648.42	\$546.87	N	Work performed by contractor. Invoice s/b be forwarded to DVS as record of historical maintenance/repairs to support ongoing readiness of equipment.
7122	Open Body	2009	Freightliner	M2106	3770184	2/13/2018	\$4,348.95	\$1,151.86	N	Work performed by contractor. Invoice s/b be forwarded to DVS as record of historical maintenance/repairs to support ongoing readiness of equipment.
5443	Pickups & SUVs	2016	Ford	Pickup	3772869	3/30/2018	\$784.42	\$329.17	N	Work performed by contractor. Invoice s/b be forwarded to DVS as record of historical maintenance/repairs to support ongoing readiness of equipment.
3587	Pickups & SUVs	2004	Toyota	Prius	2569928	4/18/2018	\$1,908.93	\$1,084.24	Y	N/A

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APPENDIX C

FY18 CONNECTOR BUS ROUTE ASSESSMENTS												
Sample Attributes			Testing Attributes									
Route No.	Operating Division	District/Area Served	Ridership Capacity Per Route	Actual Ridership Per Route	Over/(Under) Capacity	Actual Ridership Per Route	Ridership Projections (Based on FCDOT Budget)	Over/(Under) Actuals	Interpolated Into Daily Ridership (Note 1)	Avg. Daily On-Time Performance	On-Time Performance Target (Per VI Program)	Avg. Daily V. Title VI Program
101	Huntington	Fort Hunt	764,556	126,474	(638,082)	126,474	127,739	(1,265)	346.50	81.6%	85%	-4.1%
159	Huntington	Englestone Limited Stop	283,920	89,843	(194,077)	89,843	90,741	(898)	345.55	86.10%	85%	3.28%
231	Huntington	Kingstowne Loop CCW	223,080	33,559	(189,521)	33,559	33,895	(336)	129.07	83.20%	85%	-2.58%
321	Huntington	Springfield Loop CCW	551,616	173,401	(378,215)	173,401	175,135	(1,734)	475.07	72.20%	85%	-16.58%
402	Huntington	Backlick-Gallows (Southbound)	829,452	471,243	(358,209)	471,243	475,854	(4,611)	1290.80	68.80%	85%	-16.20%
306	West Ox	GMU-Pentagon	121,680	27,740	(93,940)	27,740	28,017	(277)	106.69	48.90%	85%	-36.10%
494	West Ox	Lorton-Springfield-Tyson	385,320	41,425	(343,895)	41,425	41,839	(414)	159.33	79.50%	85%	-5.50%
605	West Ox	Fair Oaks-Reston	543,504	100,915	(442,589)	100,915	101,924	(1,009)	276.48	76.40%	85%	-8.60%
632	West Ox	Westfield Blvd-Wainey Rd	283,920	62,410	(221,510)	62,410	63,034	(624)	240.04	83.80%	85%	-1.20%
507	West Ox	Sunset Hills-Sunrise Valley	425,880	20,656	(405,224)	20,656	20,863	(207)	79.45	91.60%	85%	6.60%
422	Herridon	Boone Blvd-Towers Crescent	425,880	10,432	(415,448)	10,432	10,536	(104)	40.12	75.3%	85%	-9.7%
551	Herridon	South Lakes	1,210,716	230,028	(980,688)	230,028	232,328	(2,300)	630.21	79.10%	85%	-5.90%
574	Herridon	Reston-Tyson	859,872	80,590	(779,282)	80,590	81,396	(806)	220.79	70.30%	85%	-14.70%
650	Herridon	Chartilly	342,732	53,224	(289,508)	53,224	53,756	(532)	145.82	73.20%	85%	-11.80%
721	Herridon	Chain Bride Rd - McLean	1,018,056	48,707	(969,349)	48,707	49,194	(487)	133.44	85.40%	85%	0.40%

Source: Data provided by FCDOT.

Note 1: Based on 365 days and 260 Weekdays in FY18.

**Fairfax County
Office of Financial and Program Audit**

APPENDIX D

FY18 CONNECTOR BUS FAREBOX COLLECTION & CONTRACT INVOICE ASSESSMENT									
<i>Invoice Sample</i>		<i>Testing Attributes</i>							
Invoice No.	Invoice Date	Invoice Total	Contractor Invoice Charges	Farebox Revenue Credit	Contract Support Vouched	Diff	Farebox Revenue Collected	Farebox Revenue Deposited	Diff
West OX									
76647	6/27/2017	\$1,225,393.36	\$1,280,498.39	\$68,103.91	\$1,280,498.39	\$0.00	\$105,392.35	\$107,931.73	\$2,539.38
77295	8/2/2017	\$1,414,164.43	\$1,472,573.15	\$71,407.60	\$1,472,573.15	\$0.00	\$107,657.35	\$111,497.31	\$3,839.96
77778	9/1/2017	\$1,211,963.56	\$1,280,498.39	\$72,694.28	\$1,280,498.39	\$0.00	\$72,694.28	\$106,482.50	\$33,788.22
78405	10/1/2017	\$1,259,599.89	\$1,388,837.51	\$80,237.62	\$1,388,837.51	\$0.00	\$281,037.95	\$253,790.13	-\$27,247.82
79144	11/3/2017	\$1,240,781.76	\$1,388,837.51	\$72,310.72	\$1,388,837.51	\$0.00	\$111,563.60	\$122,103.09	\$10,539.49
79745	12/5/2017	\$1,267,516.74	\$1,334,992.67	\$74,312.13	\$1,334,992.67	\$0.00	\$115,778.74	\$118,953.73	\$3,174.99
80458	1/4/2018	\$1,299,060.41	\$1,447,348.54	\$66,057.44	\$1,447,348.54	\$0.00	\$237,163.32	\$206,220.04	-\$30,943.28
81097	2/5/2018	\$1,256,246.08	\$1,313,849.28	\$57,603.20	\$1,313,849.28	\$0.00	\$221,812.60	\$193,782.77	-\$28,029.83
81554	3/2/2018	\$1,375,050.53	\$1,468,491.93	\$58,089.30	\$1,468,491.93	\$0.00	\$88,792.85	\$102,103.90	\$13,311.05
82229	4/3/2018	\$1,248,362.72	\$1,401,742.30	\$55,447.15	\$1,401,742.30	\$0.00	\$79,018.00	\$76,923.83	-\$2,094.17
Huntington									
73574	6/5/2018	\$2,277,048.69	\$2,576,596.94	\$223,048.25	\$2,576,596.98	\$0.04	\$223,048.25	\$193,997.91	-\$29,050.34
82787	5/2/2018	\$2,372,101.13	\$2,668,652.18	\$208,323.90	\$2,668,652.28	\$0.10	\$208,323.90	\$187,684.37	-\$20,639.53
81096	2/5/2018	\$2,190,570.07	\$2,412,382.67	\$221,812.60	\$2,412,382.67	\$0.00	\$221,812.60	\$193,782.77	-\$28,029.83
81552	3/2/2018	\$2,479,998.12	\$2,678,012.89	\$198,014.77	\$2,678,012.99	\$0.10	\$198,014.77	\$175,764.28	-\$22,250.49
82227	4/3/2018	\$2,286,780.43	\$2,569,785.15	\$186,803.00	\$2,569,785.20	\$0.05	\$186,803.00	\$178,122.10	-\$8,680.90
78404	10/1/2017	\$2,319,163.86	\$2,660,876.49	\$281,037.95	\$2,660,876.59	\$0.10	\$281,037.95	\$253,790.13	-\$27,247.82
76646	6/27/2017	\$2,230,267.81	\$2,478,307.08	\$248,039.27	\$2,478,307.08	\$0.00	\$248,039.27	\$214,871.26	-\$33,168.01
77294	8/2/2017	\$2,361,533.17	\$2,610,757.33	\$254,140.36	\$2,610,757.48	\$0.15	\$254,140.36	\$231,990.14	-\$22,150.22
77777	9/1/2017	\$2,165,038.11	\$2,428,900.88	\$268,022.22	\$2,428,900.88	\$0.00	\$268,022.22	\$226,806.91	-\$41,215.31
Herndon									
76645	6/27/2017	\$2,032,272.22	\$2,175,179.23	\$105,392.35	\$2,175,179.23	\$0.00	\$105,392.35	\$107,931.73	\$2,539.38
77293	8/2/2017	\$2,203,243.50	\$2,263,406.25	\$107,657.35	\$2,263,406.25	\$0.00	\$107,657.35	\$111,497.31	\$3,839.96
78403	10/1/2017	\$2,111,308.95	\$2,224,554.17	\$116,824.50	\$2,224,554.17	\$0.00	\$116,824.50	\$119,583.07	\$2,758.57
79142	11/3/2017	\$2,017,940.03	\$2,224,554.17	\$111,563.60	\$2,224,554.17	\$0.00	\$111,563.60	\$122,103.09	\$10,539.49
79743	12/5/2017	\$2,081,804.47	\$2,181,154.07	\$115,778.74	\$2,181,154.07	\$0.00	\$115,778.74	\$118,956.73	\$3,177.99
80451	1/4/2018	\$2,060,587.13	\$2,224,608.53	\$91,786.90	\$2,224,608.86	\$0.33	\$91,786.90	\$114,811.28	\$23,024.38
81093	2/5/2018	\$1,945,707.45	\$2,015,654.87	\$85,594.22	\$2,015,654.55	-\$0.32	\$85,594.22	\$96,964.39	\$11,370.17
81551	3/2/2018	\$2,167,654.35	\$2,239,235.72	\$88,792.85	\$2,239,235.40	-\$0.32	\$88,792.85	\$102,103.90	\$13,311.05
82221	4/3/2018	\$2,005,009.70	\$2,151,395.76	\$79,018.00	\$2,151,396.09	\$0.33	\$79,018.00	\$76,923.83	-\$2,094.17
82786	5/2/2018	\$2,093,583.28	\$2,231,942.80	\$90,667.00	\$2,231,943.13	\$0.33	\$90,667.00	\$95,795.71	\$5,128.71

**Fairfax County
Office of Financial and Program Audit**

LIST OF ACRONYMS

AC	Audit Committee
BOS	Board of Supervisors
CAFR	Comprehensive Annual Financial Report
CAR	County Agency Routes
CY	Calendar Year
DMB	Department of Management and Budget
DOF	Department of Finance
DPWES	Department of Public Works and Environmental Services
DVS	Department of Vehicle Services
FCDOT	Fairfax County Department of Transportation
FCPS	Fairfax County Public Schools
FTA	Federal Transit Administration
FY	Fiscal Year
OFPA	Office of Financial and Program Audit
OTP	On Time Performance
SWMP	Solid Waste Management Program
TDP	Transit Development Plan
Y-T-D	Year to Date

ADDENDUM SHEET

OFPA (February 2019 /Agency Report and/or Debriefing)

2/12/2019

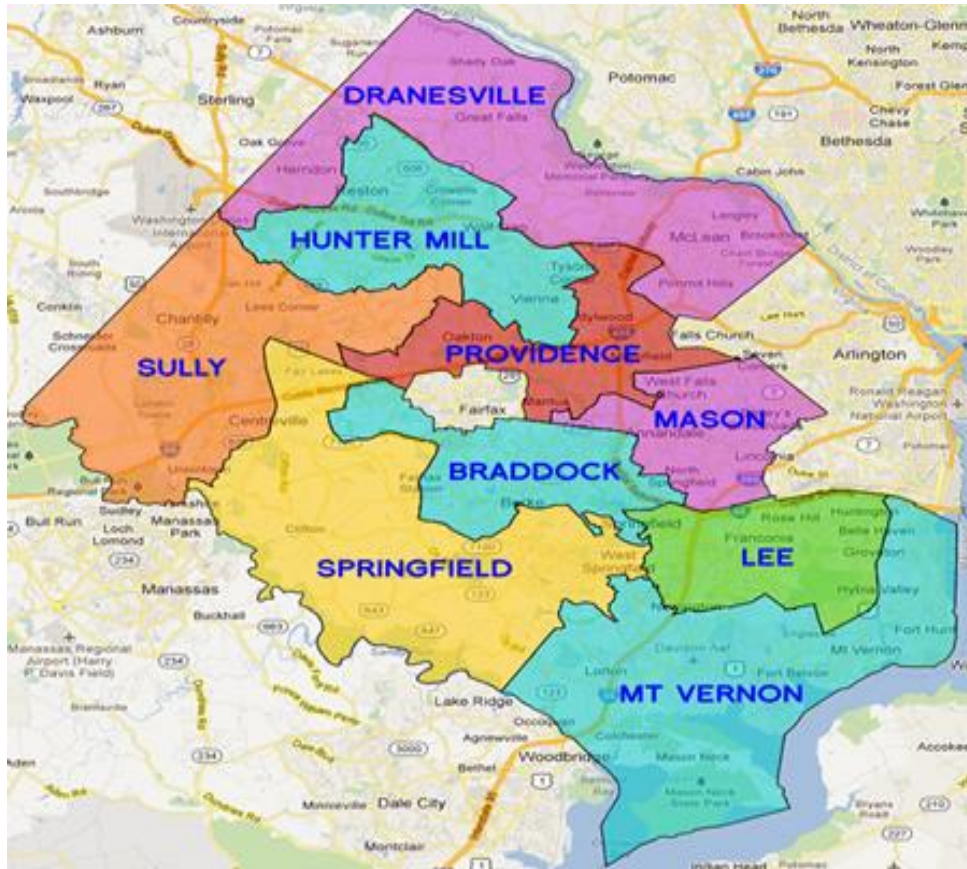
The table below lists discussions from the Audit Committee.

<i>Location in Document</i>	<i>Comments</i>

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AUDITOR OF THE BOARD
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