

# Salt Lake County Parks Operations: An Investigation of CDL Certifications and Inventory

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# Investigation

Former employee contacted our office, and the Fraud Hotline Survey was completed.


The Auditor's Office completed an investigation of the alleged wrongdoing which included:

- Employees operating trucks or truck trailer combos without a Class A CDL license.
- Management was not properly tracking capital and controlled assets and parts inventory.
  - No annual inventory performed.
  - Parts Inventory not tracked appropriately.
- An employee purchased more trailer brakes than necessary.

# Scope and Objectives

- Our audit period included January 1, 2021, to December 31, 2021, but was extended beyond this period in some cases.
- Our audit procedures were designed to:
  - Gather sufficient evidence to form conclusions, *where possible*, regarding the allegations.
  - Ensure that controls were in place to protect County funds and assets from fraud, waste, and abuse.

# Control Strengths



- Management performed an annual capital and controlled asset inventory.



- All assets were tagged or engraved with an asset number.



- Parts purchases were reviewed and approved by management.

# Finding 1: Drivers operating vehicles requiring Class A CDLs not tracked.

Summary	Effect/Risk	Recommendations
<p>Driver logs or other documentation was not maintained to corroborate that only Class A CDL holders operated vehicles that require it.</p>	<p>There is an increased risk that unqualified employees may operate vehicles. The County may be liable in the event of an accident occurring where the employee was not properly licensed.</p>	<p>(1) We recommend Parks Operations maintain logs that document the drivers and dates of operation for the 10-wheel dump trucks and combination vehicles that require a Class A CDL.</p> <p>(2) We recommend that management periodically review the logs to verify that the log is up-to-date and that only valid Class A CDL holders operated the vehicles.</p>

## Finding 2: Not all driver license expiration dates tracked

Summary	Effect/Risk	Recommendations
<p>Management implemented procedures to track employee driver license expiration dates, but the expiration date for eight (24 percent) out of 33 employees was not entered.</p>	<p>There is an increased risk of employees operating County vehicles without a valid driver's license. The County may be liable in the event of an accident occurring where the employee was not properly licensed.</p>	<p>We recommend that management verify that the driver license expiration spreadsheet have all employee's driver's license expiration dates entered prior to being assigned a County vehicle.</p>

# Finding 3: Purchase request improperly adjusted

Summary	Effect/Risk	Recommendations
<p>The purchase request for trailer brakes in December 2020 was changed by the former Fiscal Coordinator but not documented and approved.</p>	<p>Without appropriate documentation of purchase requests and approvals there is a risk that unnecessary or fraudulent orders may be placed and that misappropriation of funds or assets may occur.</p>	<ol style="list-style-type: none"><li>1. We recommend management implement procedures to document any purchase request changes with the initial of who changed the request and the reason for the change.</li><li>2. We recommend that new purchase requests be completed and approved whenever items are cancelled or removed but later ordered.</li></ol>

# Finding 4: Parts not tracked when used

Summary	Effect/Risk	Recommendations
<p>Documentation, such as work order entries, to substantiate that the trailer brakes ordered were installed on County equipment were not maintained.</p>	<p>When the use of parts is not documented and approved, parts inventory is more susceptible to theft or misuse. County funds may be spent unnecessarily.</p>	<p>(1) We recommend that management implement policies and procedures requiring mechanics to document parts used that are above a determined cost threshold on work orders, including an adequate description of the part, quantity used, and unit number they were installed on.</p> <p>(2) We recommend that management implement policies and procedures requiring supervisory review and approval of work orders.</p>



# Finding 4: Parts not tracked when used *continued...*

Summary	Effect/Risk	Recommendations
		<p data-bbox="1166 496 1972 548"><b><i>Continued recommendations...</i></b></p> <p data-bbox="1166 648 2339 1005">(3) We recommend that management implement policies and procedures to ensure that parts above a determined cost threshold are accounted for and are either on hand or were installed on County vehicles.</p>

# Finding 5: Unable to locate a controlled asset

Summary	Effect/Risk	Recommendations
<p>Management could not locate a voltage tool that was commonly used by electricians.</p>	<p>There is an increased risk of mismanagement of tools due to theft or loss if management is unable to readily locate controlled assets.</p>	<p>We recommend that management attempt to locate the tool once the employee returns from leave. If they are unable to locate the tool, complete Form PM-2 and document with a Mayor Letter of the lost item.</p>

# Management Response

- Parks Operations was excellent to work with.
  - Agreed with recommendations and majority will be implemented by June 30, 2022.