

# FOLLOW-UP AUDIT REPORT

# Salt Lake County ENGINEERING AND FLOOD CONTROL

NOVEMBER 2023



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County Auditor

Office of the Auditor  
Salt Lake County

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## AUDITOR'S LETTER

In line with the generally accepted government auditing standards and the established policies of the Auditor's Office, as authorized by Utah Code, we maintain our responsibility to monitor and ensure that audit recommendations are addressed by county agencies through appropriate corrective action. This is also instrumental in informing our future audits.

This communication serves as the follow-up report for the Salt Lake County Engineering and Flood Control, subsequent to the original audit report issued in January 2023. That report had identified three findings with five recommendations.

The details of our follow-up indicate that the Engineering and Flood Control has fully implemented two of the five recommendations. The remaining three recommendations are in the process of being addressed. This demonstrates the department's commitment to resolving the issues identified in our initial audit.

While there is noteworthy progress, the completion of all recommendations is imperative. We have scheduled an additional follow-up for March 2024 to ascertain that the implementation of recommendations is completed and that the improvements are sustained.

We performed this audit in accordance with Generally Accepted Government Auditing Standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We extend our appreciation to the Engineering and Flood Control department and all county stakeholders for their cooperation during this process. The enclosed follow-up audit report provides detailed findings and recommendations. Should you have any questions or require further discussion, please do not hesitate to contact me at 385-468-7200.

A handwritten signature in black ink that reads "Chris Harding".

Chris Harding, CPA, CFE, CIA  
County Auditor

# Action Since Audit Report

An Audit of the Salt Lake County Engineering and Flood Control

3 findings with 5 recommendations found in January 2023.

Engineering and Flood Control has fully implemented 2 of the recommendations and 3 are in progress.



FULLY  
IMPLEMENTED

2



IMPLEMENTATION IN  
PROGRESS

3

## Remaining Risks

The Salt Lake County Auditor's Office will conduct an additional follow-up around March 2024.

## FINDING 1. LATE PAYMENTS AND OVERDUE ACCOUNTS RECEIVABLE (AR) BALANCES.



Recommendation 1.1 - We recommend that management document collection procedures for past due accounts receivables. The procedures should define what tasks are to be performed, when they occur and who is responsible.

Agency Action - Implemented our recommendation.



Recommendation 1.2 - We recommend follow-up statements should be sent once a month to all customers with an account balance and collection activity efforts (such as phone calls, emails, etc.) should be documented.

Agency Action - Implementation in progress: Management implemented the procedures on September 1, 2023, per their response to the recommendation's remediation status. Testing was not conducted due to the recent implementation and the lack of an appropriate population for sampling. As a result, a secondary follow-up audit is necessary. This allows sufficient time for progress in the implementation process and ensures adequate time to obtain an appropriate population to sample.



Recommendation 1.3 - We recommend that management should ensure amounts owed are settled per the contract terms.

Agency Action - Implementation in progress: Management implemented the procedures on September 1, 2023, per their response to the recommendation's remediation status. Testing was not conducted due to the recent implementation and the lack of an appropriate population for sampling. As a result, a secondary follow-up audit is necessary. This allows sufficient time for progress in the implementation process and ensures adequate time to obtain an appropriate population to sample.

## FINDING 2. AR RECONCILIATIONS NOT CONSISTENTLY PREPARED AND REVIEWED.



Recommendation 2.1 - We recommend that AR monthly reconciliations are performed on at least a monthly basis and reviews are completed monthly so that errors and other irregularities may be detected and corrected on a timely basis.

Agency action – Implemented our recommendation.

## FINDING 3. MASTER BALANCE SHEETS NOT CONSISTENTLY REVIEWED IN A TIMELY MANNER.



Recommendation 3.1 - We recommend consistency in the timeliness of reviews of the “master” balance sheets so that irregularities and errors may be detected and corrected in a timely manner.

Agency Action - Implementation in progress: Management implemented the procedures on September 1, 2023, per their response to the recommendation’s remediation status. Testing was not conducted due to the recent implementation and the lack of an appropriate population for sampling. As a result, a secondary follow-up audit is necessary. This allows sufficient time for progress in the implementation process and ensures adequate time to obtain an appropriate population to sample.