

Analysis
Department of Transportation
Internal Audits Report

Analyst: Linda Gilbert

Request: Acknowledge receipt of a report on 2011-13 internal audits.

Recommendation: Acknowledge receipt of the report.

Analysis: A budget note in SB 5544 (2013) directed the Department of Transportation to report to the Legislature on all internal audits performed during 2011-13, and to include the Department's response to the findings.

The Department reported 12 audits. Four reviewed contract administration as parts of an ODOT-wide audit, one was on information asset classification with follow-up planned, two followed up on earlier audits, two were requested by management or the Secretary of State, one addressed credit card use, one looked at Department of Administrative Services delegation of purchasing authority, and one examined expenditures for a Grants Pass transit shelter. The audit dates ranged from September 2011 – June 2013.

There were no reported disagreements with audit findings. Two found the Department compliant with regulations, and therefore did not require a response. With respect to the other 10 audits, the Department:

- Updated credit card use policy and is following up on any card misuse
- Is planning to include performance reviews and measurements in future workforce development contracts
- Agreed to defer auditing Information Asset Classification until the Information Security program has made more progress
- Is verifying project milestones, developed a construction hand-off package, clarified "in-kind" work and products, and worked on current site occupancy updates (State Radio Project)
- Updated procurement sub-delegations and is filing required delegation reports
- Documented invoice reviews, contract closeout procedures, and acceptance of deliverables
- Is training contract administrators

The Legislative Fiscal Office recommends acknowledging receipt of the report.