



DEPARTMENT OF INSPECTOR GENERAL
OKALOOSA COUNTY, FLORIDA
JD PEACOCK II, CLERK OF CIRCUIT COURT AND COMPTROLLER



May 30, 2023

John Hofstad, County Administrator
Okaloosa County Administration Building
1250 N Eglin Pkwy, Suite 102
Shalimar, FL 32579

Mr. Hofstad,

Please find attached the report on our audit of the Facilities & Parks Maintenance Department.

Our work served as a review of the Department's process for generating, tracking, and completing work orders, as well as the overall efficiency and internal control of the process.

I want to thank Butch Hendrick, Amanda Maxwell, and their staff for the cooperation and accommodation they afforded us. Should you have any questions please do not hesitate to call me at (850) 689-5000 Ext. 3421.

Respectfully,

Andrew Thurman, Inspector General

CC: Butch Hendrick, Facilities and Parks Maintenance Director
Amanda Maxwell, Finance and Administrative Manager
JD Peacock, Okaloosa County Clerk of Courts

OKALOOSA COUNTY CLERK OF CIRCUIT COURT



DEPARTMENT OF INSPECTOR GENERAL



REPORT ON THE AUDIT OF THE FACILITIES & PARKS MAINTENANCE WORK ORDER PROCESS

REPORT NO. BCC 23-02

REPORT ISSUED MAY 30, 2023

ISSUED BY: ANDREW THURMAN, INSPECTOR GENERAL

Background

Based on the 2022 County-wide Risk Assessment, the Department of Inspector General 2023 audit plan included an examination of Facilities and Parks Maintenance (FM/Parks) workorder process.

Objective

The objective of our audit was to determine the effectiveness of the FM/Parks process for generating, tracking, and completing work orders as well as evaluate any operational constraints that exist in the current process.

Scope & Methodology

The scope of our examination included policy and procedure documents as of January 1, 2023, and FM/Parks maintenance workorders for fiscal year 2022 (October 1, 2021, through September 30, 2022). Examination methodology included interviews with FM/Parks staff involved in the program, interviews with Public Works staff responsible for the OMS/Cartegraph system (an asset management and workorder software system), review of Practice 17.6 - Request for Maintenance Revision 1 dated May 14, 2015, and select workorders initiated during fiscal year 2022.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, waste, or abuse. This includes the design, implementation, and maintenance of internal controls relevant to the objectives. This review was conducted in compliance with Standards for Offices of Inspector General issued by the Association of Inspectors General and the International Professional Practice Framework issued by the Institute of Internal Auditors.

Process

The need for maintenance at an Okaloosa County facility or park may be identified by the public, FM/Parks staff, other Okaloosa County employees, or a County Commissioner. Requests for maintenance can be made via a phone call to FM/Parks, self-reported by staff or web-initiated through a request on the County website, or through a help desk ticket on the intranet.

A **Process Diagram** is included as an attachment to this report.

The department supervisor assigns the work order to staff or work crews by handing out a printed document, verbally, or via phone call.

There is no firm rule in place as to which department (FM/Parks or Public Works) will purchase supplies, materials, or tools for the work to be performed. Tools that are purchased are normally etched by Public Works for identification purposes. The FM/Parks Supervisor decides if FM/Parks will purchase a needed item or if staff should call Public Works to make the purchase. Informally, the distinction appears to be if the material is considered a consumable inventory item, FM/P would make the purchase or a perpetual inventory item, Public Works would make the purchase. Another distinction appears to be if only one item, a small amount of an item or an inexpensive item is needed FM/P would make the purchase.

FM/Parks staff assigned the work orders, complete daily work records to record their time spent on each task for tracking purposes and to provide updates as to work progress. Once a work order is completed,

the work order and in some cases the completed work product is reviewed by a supervisor for sufficiency. If the completed work passes review and the work order notes, time, equipment and materials recorded are correct, the work order is then closed in the OMS/Cartegraph software as complete by the supervisor accessing OMS directly, or by emailing or providing a signed hard copy document for FM/Parks administrative staff to use to close the open work order.

Testing

We conducted interviews with Facilities and Parks Maintenance staff involved in the process to gain a full understanding of all aspects of the process. We obtained access to the OMS/Cartegraph system used to input, monitor, and close work orders. We diagrammed the Work order process to identify and evaluate any existing controls in the process. We examined select work orders for conformity with the existing process and policy.

Conclusion

Our audit found the Facilities and Parks Maintenance work order process is effective at meeting its objectives of providing an avenue for reporting facility and park issues, assigning work and tracking labor, equipment, and material costs. FM/Parks management has been working toward improvements in the efficiency of the process and was proactive during the audit period in identifying older, non-active tasks in the system and removing them from the Cartegraph system. Risk in the Cartegraph system itself has to do with the manual entry of information into the system and we found that the supervisor/management review is key to identifying work order errors, miscoded information, and to effectively track costs. Public Works is the owner of the Cartegraph system and is currently working on resolution of another risk found in the system which allows multiple departments to access a workorder assigned to another department which can lead to inadvertent entries on an incorrect work order or task number. Department staff obtain inventory from multiple locations which creates additional trips between department locations to obtain daily material, supplies, and tools. Public Works staff issues inventory and creates tickets of Inventory items which are input by FM/Parks staff requiring work in multiple departments for the same process. FM/Parks management becomes aware of Inventory use only after it has been obtained and a ticket issued by Public Works. This creates control risk for FM/Parks as they are not involved in the Inventory issuance process at Public Works and must rely on another department to accurately complete that task. There is also operational risk for Public Works staff issuing Inventory/tools to a different department's staff as they have no knowledge of the appropriate need or authorization of the material/supplies and have no tracking of the use of these items once they issue them. However, due to the extensive and well-maintained internal controls within the Public Works inventory process, we do not feel this rises to the level of a finding.

Finding 1: Current Policy Guidelines do not address the entirety of the Department.

Criteria: Government, and most publicly responsible programs, are most effective when policies and procedures support documentation requirements for program usage.

Condition: Practice 17.6 - Request for Maintenance Revision 1 dated May 14, 2015, currently refers to Facility Maintenance and provides definition and procedure for only Facility Maintenance.

Effect: The current policy provides no reference for the Parks portion of the department. It only addresses Facility Maintenance and could cause staff to inadvertently look for separate policy guidance for workers assigned to Parks Maintenance.

Recommendation: FM/Parks should update Practice 17.6 to reflect reference and guidance of the entire department.

Finding 2: FM/Parks staff have no formal guidance regarding which department will make payment for purchases made via P-card use.

Criteria: Clear policy and procedure should be in place so staff has reference as to what department will be paying for purchases made via P-card.

Condition: FM/Parks staff have multiple methods to obtain payment information for purchases made via P-card. In some cases, payment is made with an FM/Parks assigned P-card and in other cases Public Works staff are contacted to use their assigned P-cards to make purchases.

Effect: There is currently no policy in place delineating which department should make the purchase, which creates uncertainty in the payment process for both departments. Management in both FM/Parks and Public Works have acknowledged perplexity exists in the process due to a lack of written guidance. Having multiple departments involved in the purchasing process creates risk when one department makes a purchase that they are unable to track and monitor and could lead to both departments unknowingly making the same purchase in error or intentionally, due to confusion and lack of guidance in the process.

Recommendation: Management should consider the development of a clear policy and guidelines for P-card purchase of materials, supplies, and tools by FM/Parks staff. For improved internal control and tracking FM/Parks should consider bringing this process fully in-house.

Finding 3: FM/Parks has no formal criteria for the selection of outside contractors used on non- contract HVAC repair, new equipment purchases and currently has only a single individual approving proposals and invoices for completed work.

Criteria: FM/Parks Department should be selecting outside contractors based on a formal criteria-based selection process and two or more department officials should review and approve proposals and invoices submitted for completed work.

Condition: Early in the existing work order process the need for an outside contractor to complete work or provide new equipment is evaluated, the mechanical department supervisor currently selects outside contractors based solely on their personal selection process or knowledge of the available local contractors and in most cases defaults to the vendor assigned the current maintenance contract to obtain repair or a new equipment proposal and is the only individual who is approving proposals and invoices submitted for completed work.

Effect: Dependence on one individual to select outside contractors for repair and new equipment purchases and approve proposals and invoices reflects risk in the process for perceived collusion should an outside contractor be used repetitively and could cause potential violations of the County purchasing manual policies.

Recommendation: Facilities and Parks Maintenance should consider developing a formalized criteria-based process for selection of outside contractors used for HVAC repair and new equipment purchases and a completed work invoice approval process with multiple levels of review.

Management Response

Thank you for the review of our work order process. We agree with the findings and plan to make the necessary changes to improve our department process.

Received via email 5/30/2023

