



CITY OF RICHMOND
CITY AUDITOR

December 1, 2020

The Honorable Members of City Council
City of Richmond, Virginia

Subject: Annual Follow-Up Review

The City Auditor's Office has completed the Annual Follow-Up Review for all open recommendations for audit reports issued by the Office of the City Auditor through June 30, 2020, which included a total of 186 recommendations. Of the 186 recommendations reviewed, 42 were from audits issued in the first six months of CY2020. Audit follow-up work with the departments and administration concluded November 24, 2020.

The City Administration implemented 41% of the open recommendations during this follow-up period. This is above the average rate for the last 10 years of 38%. Implementation of some recommendations were impacted due to the COVID-19 Pandemic.

If you have any questions related to this report, please contact the City Auditor's Office.

Sincerely,

Louis G. Lassiter, CPA
City Auditor

Attachment

cc: The Richmond Audit Committee
Ms. Lenora Reid, Interim Chief Administrative Officer

Objectives, Scope, and Methodology

In accordance with the 2021 Annual Audit Plan, the City Auditor's Office has completed a review of the status of outstanding audit recommendations. The primary objective of this review was to evaluate the timeliness and adequacy of implementing recommendations made from previous audits. During this review, the auditors interviewed management personnel associated with these recommendations and reviewed documentation submitted regarding the results of the actions taken. The auditors reviewed all the open recommendations for audit reports issued by the Office of the City Auditor through June 30, 2020. Of the 186 recommendations reviewed, 42 were from audits issued in the first six months of CY2020.

This review was conducted in accordance with the Generally Accepted Government Auditing Standards promulgated by the Comptroller General of the United States. 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 the audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objectives. During this follow up period, the City Auditor's Office would like to recognize accomplishments and challenges with the validation of open recommendations.

Accomplishments:

Several departments made significant progress in closing audit recommendations.

- The Department of Public Works closed 23 of 27 (85%) open audit recommendations.
 - All 16 recommendations issued from the 2020-03 Parking & Shared Mobility Audit were closed;
 - Two recommendations from the 2020-07 Top 20 Overtime Audit were closed;
 - Four of the five recommendations from the 2020-11 Heat Scarification Audit were closed; and
 - One recommendation from the 2015-09 Contract Administration Audit was closed.
- The Department of Human Resources closed all four issued recommendations on the 2020-06 FMLA Audit.

We would like to recognize the Administrations' staff that worked to achieve the closure of these open audit recommendations.

Challenges:

While significant progress has been made there are still 108 recommendations that remain open including some that date back a few years and will require continued focus moving forward. Implementation of many recommendations were impacted due to the COVID-19 Pandemic, specifically GRTC and Fire Special Events Overtime.

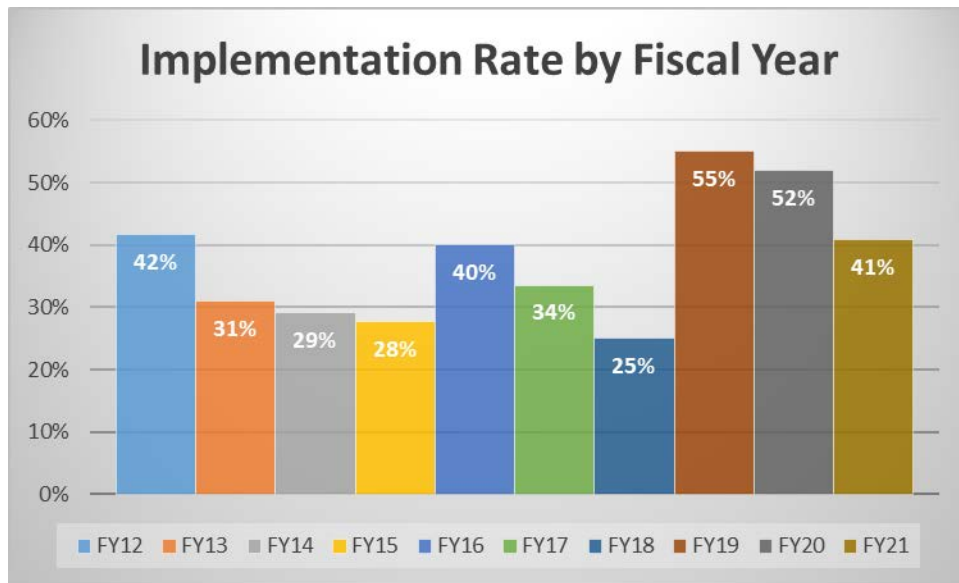
Implementation Status of Open Recommendations:

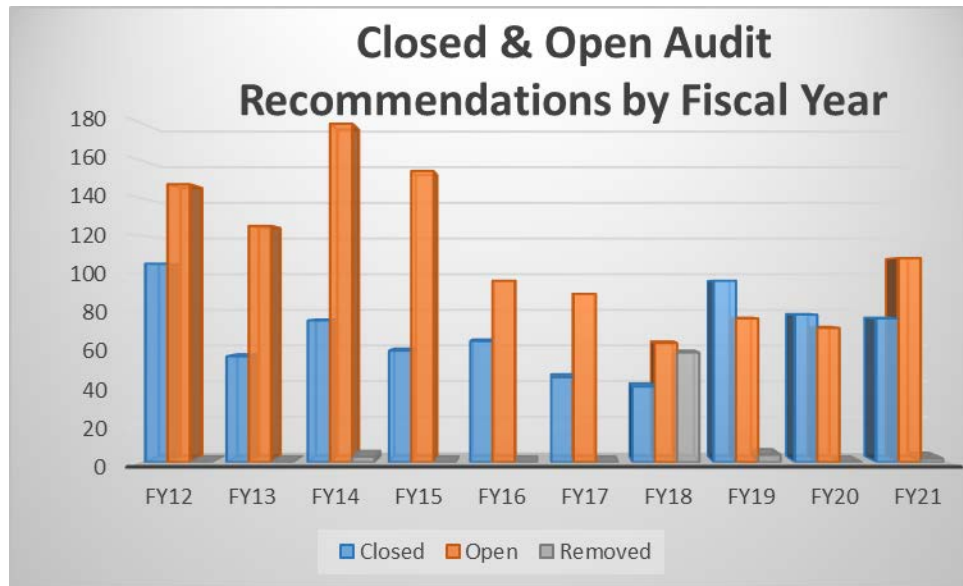
The auditors reviewed 186 outstanding recommendations. The results of our review indicated the below statuses:

Status	# of Recommendations	Explanation
Closed	76	Recommendations were implemented.
Open	108	Recommendations have not been completed
Removed	2	No further follow up to be completed by the City Auditor’s Office.
Total	186	

Source: Auditor Prepared

During 2020, City Administration implemented 41% of the open recommendations during this follow-up period.





We would like to acknowledge management’s efforts during this follow up process where they provided documentation of corrective actions.

Summary of Results

Department/Agency	Report Number	Total	Open	Closed	Removed
City Attorney					
Special Revenue Funds	2020-13	1		1	
City Council/Human Resources					
Payroll	2019-07	1	1		
Citywide					
Accounts Payable	2020-12	3	3		
Citywide - Construction Work In Progress	2017-05	4	4		
Citywide - Electronic Equipment Purchases	2017-06	2	2		
Facilities Maintenance	2018-06	1	1		
Special Revenue Funds	2020-13	1	1		
Temporary Services Contract Compliance	2018-03	1	1		
Economic & Community Development					
Economic Development Strategy	2016-07	3	2	1	
Emergency Communications					
Top 20 Overtime	2020-07	1		1	
Finance					
Accounts Payable	2020-12	1		1	
Capital Improvement Plan	2019-10	1	1		
Citywide Grants	2018-08	2	2		
Delinquent Collections & Cash Operation Units	2018-09	2	2		
Fixed Assets	2012-07	1	1		
Special Revenue Funds	2020-13	3	1	2	
Vehicle Personal Property Unit	2018-12	2	2		

Department/Agency	Report Number	Total	Open	Closed	Removed
Fire and Emergency Services					
Apparatus & Equipment	2019-09	2		2	
Special Events Overtime	2020-04	5	4	1	
GRTC					
Greater Richmond Transit Company Revenues Audit	2020-09	7	6	1	
Housing & Community Development					
Citywide Grants	2018-08	1	1		
Special Revenue Funds	2020-13	2	1	1	
Human Resources					
Family Medical Leave Act (FMLA)	2020-06	4		4	
IT User Access	2020-14	1	1		
Payroll	2019-07	10	10		
Human Services					
Accounts Payable	2020-12	1		1	
Information Technology					
IT User Access	2020-14	6	6		
RAPIDS	2014-04	2			2
Justice Services					
Special Revenue Funds	2020-13	1		1	
Library					
Special Revenue Funds	2020-13	5	3	2	
Parks & Recreations					
Cash Collections	2019-05	1	1		
Planning & Development Review					
Development Process	2017-03	3	1	2	
Permits & Inspections	2020-02	28	21	7	
Property Maintenance Code Enforcement	2017-09	1		1	
Special Revenue Funds	2020-13	1		1	
Police					
Cash Collections	2019-05	1	1		
Citywide Recruitment & Retention	2016-06	1	1		
Property & Evidence Unit	2019-12	8	3	5	
Top 20 Overtime	2020-07	1	1		
Press Secretary					
Special Revenue Funds	2020-13	5	2	3	
Procurement Services					
Accounts Payable	2020-12	5	2	3	
Purchasing Cards (Pcards)	2020-05	8	2	6	
Split Purchases	2019-13	4	2	2	
Temporary Services Contract Compliance	2018-03	2		2	

Department/Agency	Report Number	Total	Open	Closed	Removed
Public Utilities					
Billing and Collection Process	2018-04	2	2		
Facilities Maintenance	2018-06	1	1		
Top 20 Overtime	2020-07	1	1		
Utility Cuts Repair	2019-02	1	1		
Public Works					
Capital Improvement Plan	2019-10	2	2		
DPW Contract Administration	2015-09	2	1	1	
Heat Scarification Contract	2020-11	5	1	4	
Parking & Shared Mobility (Parking Division)	2020-03	16		16	
Top 20 Overtime	2020-07	2		2	
Sheriff's Office					
Sheriff's Office Overtime	2020-10	1		1	
Social Services					
Children's Services Act	2019-11	6	5	1	
LASER Reimbursements Process	2019-03	1	1		
Total Recommendations		186	108	76	2