

## Internal Audit Reports Issued

June 1, 2012, through June 30, 2013

As Reported by State Agencies

Office and Division Audited	Scope of Audit	Audit Period
<b>Alabama</b>		
Sixth Division	Sixth Division completed ARRA Funded Maintenance and Construction Contract Administration activities	Ended 10/31/2011
Eighth Division	Eighth Division completed ARRA Funded Maintenance and Construction Contract Administration activities	Ended 12/31/2011
Fourth Division	Fourth Division completed ARRA Funded Maintenance and Construction Contract Administration activities	Ended 12/31/2011
Fifth Division	Fifth Division completed ARRA Funded Maintenance and Construction Contract Administration activities	Ended 01/31/2012
Second Division	Second Division completed ARRA Funded Maintenance and Construction Contract Administration activities	Ended 02/29/2012
Seventh Division	Seventh Division completed ARRA Funded Maintenance and Construction Contract Administration activities	Ended 7/31/2012
Eighth Division	Eighth Division completed ARRA Funded Maintenance and Construction Contract Administration activities	Ended 8/31/2012
First Division	First Division completed ARRA Funded Maintenance and Construction Contract Administration activities	Ended 08/31/2012
Ninth Division	Ninth Division completed ARRA Funded Maintenance and Construction Contract Administration activities for the period	Ended 12/31/2012
Second Division	Second Division review of After Hours/Holiday Fuel Issues	From 01/01/2011 through 12/31/2011
Fourth Division	Fourth Division review of After Hours/Holiday Fuel Issues	From 04/01/2012 through 09/30/2012

Office and Division Audited	Scope of Audit	Audit Period
<b>Idaho</b>		
Highway Division District Administrative Functions Follow-Up Review, IR# 2011-129	Review & evaluation of internal controls and risks in district administrative functions with concentrated effort on procurement. Review recommendations from 2010 District Administrative Functions Review.	9/12/2012
Internal Control & Performance Audit of DMV Motor Carrier Services, IR# 2012-007	Documentation of processes and evaluation of internal controls; assessment for efficiencies and effectiveness of procedures. Review of previous audit recommendations for current status.	11/28/2012
Business & Support Management Performance Audit, IR# 2012-048	Review of Business & Support Management section including procurement, warehouse, and print shop. Key business procedures were identified, documented and evaluated for efficient & effective use of department resources.	12/14/2012

<b>Illinois</b>		
Division Highways Design & Environment	Consultant Fee Negotiations, 13-01-1.22C	July 1 2011-June 30 2012
Division Highways Design & Environment	Consultant Payments, (Design Monitored Contracts in the Central Office), 13-02-1.22D	July 1 2012-June 30, 2013
District Office	Motor Pool & Vehicle Operations, 13-03-1.67J	July 1, 2011-June 30 2012
District Office	Motor Pool & Vehicle Operations, 13-04-1.69J	July 1, 2011-June 30 2012
District Office	Public Involvement, 13-05-1.68Q	July 1, 2007-June 30 2012
Office of Finance & Administration	Manual Sales, 13-06-5.23C	July 1, 2011-Oct. 31, 2012
Division Highways Bridge Office	Statewide Bridge Inspections, 13-07-1.44A	Jan 1 2010-Dec. 2012
Division Highways Bridge Office	Inspection Analysis & Load Capacity Determinations of Bridges (Local Bridge Inspections), 13-08-1.43A	Jan 1 2010-Dec. 2012
Office of Traffic Safety	Truck & Charter Bus Inspections, 13-09-4.32D	Oct. 1, 2011-Nov 30 2012
District Office	Motor Pool and Vehicle Operations, 13-10-1.64J	July 1, 2011-June 30 2012
Office of Planning & Programming	Scenic Byways Program, 13-12-6.11D	July 1 2011-June 30 2013
District Office	Motor Pool and Vehicle Operations, 13-13-1.66J	July 1, 2011-June 30 2012
Office of Finance & Administration	General Accounting & GAAP Process, FY12 GAAP Package, 13-14-5.21I	July 1 2011-June 30 2012
Office of Business & Workforce Diversity	DBE Certification, 12-01-7.11A	July 1, 2010-June 30, 2011
District Office	Property and Equipment, 12-02-1.66C	April 1, 2011-Sept. 30 2011
Office of Quality & Compliance	Distribution of Motor Fuel Tax Funding to Local Agencies, 12-03-1.33E	July 1, 2011-June 30 2012

Office and Division Audited	Scope of Audit	Audit Period
<b>Illinois (continued)</b>		
Division of Highways Operations	Oversize Overweight Permits, 12-04-1.51A	July 1, 2010-June 30, 2011
Office of Finance & Administration	Fleet Management- Central Office Motor Pool Operations, 12-05-5.21U	July 1, 2010-August 31, 2011
Diversity Recruitment Office	Engineer Technician Training Program, 12-06-SEC2.4C, 12-07-SEC2.4C	July 1, 2010-June 30, 2011
District Office	Personnel Timekeeping and Overtime, 12-08-1.61F	July 1, 2011-Sept. 30, 2011
District Office	Personnel Timekeeping and Overtime, 12-09-1.61F	July 1, 2011-Sept. 30, 2011
Office of Traffic Safety	School Bus & Charitable Vehicle Inspection Program, 12-10-4.31B	July 1, 2011-Dec. 31, 2011
Office of Traffic Safety	Issuance of Safety Lane Stickers, 12-11-4.31D	Jan. 1, 2012-June 30 2012
Division of Highways Land Acquisition	Outdoor Advertising Billboard Inventory, 12-12-1.71F	July 1, 2011-June 30 2012
District Office	Motor Fuel Tax Audits, 12-13-1.65I	Jan. 1, 2012-June 30 2012
Office of Finance & Administration	Recruitment and Hiring of Engineer Technician Candidates, 12-14-5.41A	Feb 11, 2011-April 1, 2013
District Office	Motor Fuel Tax Audits , 12-15-1.63I	Jan. 1, 2012-June 30 2012

<b>Kansas</b>		
Kansas Dept. of Transportation Division of Operations Bureau of Construction & Maintenance	The OIG reviewed the operations, procedures, and documentation at KDOT and its contractors and subcontractors as they relate to meeting the required Federal, State, and KDOT prevailing wage provisions.	January 1, 2011 through November 30, 2011
Kansas Dept. of Transportation Division of Operations, Division of Planning & Development, and Division of Engineering & Design	The OIG reviewed the Division of Operations, Division of Planning and Development and the Division of Engineering and Design Personal Protective Equipment Program's accounting and administrative processes.	July 1, 2010 through December 31, 2011
Kansas Dept. of Transportation Division of Operations Bonner Springs Area Office	The OIG reviewed the Bonner Springs Area Office's accounting and administrative processes as they pertain to Capital Inventory, Consumable Inventory, Personnel, Procurement, VISA Card Procurement, and Security.	March 1, 2011 through February 29, 2012
Kansas Dept. of Transportation Division of Operations Horton Area Office	The OIG reviewed the Horton Area Office's accounting and administrative processes as they pertain to Consumable Inventory.	October 1, 2011 through February 29, 2012

Office and Division Audited	Scope of Audit	Audit Period
<b>Kansas (continued)</b>		
Kansas Dept. of Transportation Division of Operations Salina District Office	The OIG reviewed the Salina District Office's accounting and administrative processes as they pertain to Security, Personnel, Consumable Inventory, Capital Inventory, VISA Card Procurement, and Procurement.	March 1, 2011 through February 29, 2012
Kansas Dept. of Transportation Division of Operations Mankato Area Office	The OIG reviewed the Mankato Area Office's accounting and administrative processes as they pertain to Personnel, Consumable Inventory, and Safety and Security.	September 1, 2011 through March 31, 2012
Kansas Dept. of Transportation Division of Operations Iola Area Office	The OIG reviewed the Iola Area Office's accounting and administrative processes as they pertain to Security, Personnel, Consumable Inventory, Capital Inventory, VISA Card Procurement, and Procurement.	November 1, 2011 through April 30, 2012
Kansas Dept. of Transportation Division of Operations El Dorado Area Office	The OIG reviewed the El Dorado Area Office's accounting and administrative processes as they pertain to Capital Inventory, Consumable Inventory, Personnel, Procurement, VISA Card Procurement, and Security.	November 1, 2011 through August 31, 2012
Kansas Dept. of Transportation Division of Aviation	The OIG reviewed the Division of Aviation training processes as they pertain to Supervisory Training and Employee Training.	As of July 20, 2012
Kansas Dept. of Transportation Division of Operations Norton District Office	The OIG reviewed the Norton District Office's accounting and administrative processes as they pertain to Security, Personnel, Consumable Inventory, Capital Inventory, VISA Card Procurement, Procurement, Petty Cash, and Cash Receipts.	January 1, 2012 through August 31, 2012
Kansas Dept. of Transportation Division of Operations Oakley Area Office	The OIG reviewed the Oakley Area Office's accounting and administrative processes as they pertain to Consumable Inventory, Capital Inventory, Personnel, Procurement, VISA Card Procurement, and Security.	November 1, 2011 through October 31, 2012
Kansas Dept. of Transportation Division of Operations Garden City District Office	The OIG reviewed the Garden City District Office's accounting and administrative processes as they pertain to Capital Inventory, Consumable Inventory, Personnel, Procurement, Security, VISA Card Procurement, Petty Cash and Cash Receipts.	November 1, 2011 through October 31, 2012

Office and Division Audited	Scope of Audit	Audit Period
<b>Kentucky</b>		
Division of Materials - Materials Certifications	Determine if the Division has adequate internal controls in place to ensure materials are properly certified and material certifications are performed in compliance with the applicable version of Standard Specifications for Road and Bridge Construction and certain sections of 23 CFR 637.	July, 2010 - March, 2012 Report Issued - 06/06/2012
Division of Highway Design - Value Engineering	Determine the adequacy of internal controls over the value engineering tracking and monitoring process as well as review these processes for compliance with policy and procedure manuals and applicable federal laws and regulations.	July, 2010 - January, 2012 Report Issued - 06/06/2012
Division of Maintenance - Maintenance Facility Site Audit District 4	Determine whether the maintenance facilities are operating in compliance with Cabinet policies and procedures and if each facility has adequate internal controls in place to ensure Cabinet property and resources are safeguarded.	As of February, 2012 Report Issued - 06/06/2012
Division of Equipment - Major Equipment Inventory	Determine if the Division has adequate controls in place to ensure that all major equipment is being tracked accurately in the Operations Management System (OMS) and is safeguarded against loss from unauthorized use or disposition.	As of April, 2012 Report Issued - 06/06/2012
Department of Highways - Louisville Bridges Project – KYTC Internal Process	Determine if KYTC management has adequate internal controls in place to ensure proper monitoring of Community Transportation Solutions (CTS) invoices.	Fiscal Year - 2010 Report Issued - 06/29/2012
Department of Highways - Construction Site Audit - District 2 - Audubon Parkway	Determine if District 2 administered the construction contract #111023 on the Audubon Parkway (PW 9005) in Henderson County in compliance with 29 CPR §1.5/1.6 (b) (Davis-Bacon Act) and 29 CPR §5 (Contract Work Hours and Safety Standards), the required contract provisions, the Construction Guidance Manual, and the Kentucky Standard Specifications for Road and Bridge Construction book.	As of May, 2012 Report Issued -- 06/28/2012
Division of Equipment - Fuel Usage - 98 Gallon Tanks	Determine if the Division has adequate internal controls in place to track and review fuel usage from 98-gallon portable diesel tanks as well as determine if the Division's policies and procedures are being followed.	As of 06/2012 Report issued - 7/6/2012

Office and Division Audited	Scope of Audit	Audit Period
<b>Kentucky (continued)</b>		
Division of Motor Carriers - IFTA Transmittals	Determine if the Division has adequate internal controls in place to ensure IFTA transmittals were properly processed in accordance with the IFTA Procedures Manual and applicable state regulations as well as review the Division of Accounts process for allocating IFT A taxes to ensure this process complies with state regulations.	IFTA transmittals processed February, 2010 - May, 2012 and IFTA returns processed July, 2011 - May, 2012 Report issued - 9/17/2012
District Traffic Facilities & Central Office Electronic Shop - Traffic Site Audit	Determine if District traffic facilities and the Central Office Electronic Shop have adequate internal controls to ensure Cabinet property and resources are safeguarded and ensure they are operating in compliance with the Cabinet's Traffic Operations Guidance Manual, OMS Materials Policy and Procedure Manual (October 2010), and GAP-706 Hazard Prevention and Control Programs within the General Administration and Personnel manual.	As of 06/2012 Report issued - 10/1/2012
Division of Construction, Division of Accounts & District Offices - Final Pay and Project Close-Out	Determine if the Divisions & Districts have adequate internal controls over final payment and project close-out processes as well as to ensure compliance with policy and procedure manuals.	January, 2010 thru March, 2012 Report issued - 10/2/2012
Office of Information Technology - Commonwealth Office of Technology Billings	Determine the reasonableness and appropriateness of the Commonwealth Office of Technology (COT) billings on desktop services, enterprise assessment, vendor provided data communications, and fax to desktop. Additionally, we determined if the Office of Information Technology (OIT) has adequate internal controls over the COT billing process to ensure COT charges are reasonable and appropriate.	July, 2011 - January, 2012 Report issued - 11/1/2012
Division of Driver Licensing - KDLIS State Traffic School Report	Determine if the Division has adequate internal controls over the Kentucky Driver Licensing System (KDLIS) and processes related to State Traffic School.	Fiscal Year 2012 Report issued - 11/20/2012
Central Office - Receipts Process	Determine if the Cabinet has adequate internal controls over the Central Office cash receipts process as well as to ensure compliance with KYTC and Finance and Administration Cabinet (FAC) Guidance Manuals.	Fiscal Year 2012 Report issued - 12/3/2012

Office and Division Audited	Scope of Audit	Audit Period
<b>Kentucky (continued)</b>		
Division of Highway Design - Highway Design Estimates	Determine if the Division has adequate internal controls over the highway design estimate process as well as to ensure compliance with the Highway Design Guidance Manual, and applicable state and federal statutes.	Fiscal Year 2011 Report issued - 12/5/2012
Division of Accounts - JV Review	Determine if the Division had adequate internal controls over the journal voucher process to ensure journal vouchers were adequately supported and properly approved as well as to ensure compliance with the Accounts Guidance Manual.	Fiscal Year 2012 Report issued - 1/3/2013
Office of Human Resource Management - Hiring Process	Determine if the hiring and promotion processes can be streamlined as well as to ensure compliance with the OHRM Selection & Hiring Process Training Guide, General Administrative and Personnel (GAP) Manual (sections 204, 205, 1105, and 1106 only), 101 KAR Chapter 1 Personnel Board and Chapter 2 Personnel Cabinet, Classified.	Fiscal Year 2012 Report issued - 1/9/2013
District Maintenance Facilities - Maintenance Facility Site Audit - D5	Determine whether the facilities in District 5 are operating in compliance with Cabinet policies and procedures and if each facility has adequate internal controls in place to ensure Cabinet property and resources are safeguarded.	As of November, 2012 Report issued - 1/9/2013
District Offices - Materials Inspections	Determine the adequacy of internal controls over how materials inspections are conducted, processed, tracked and monitored in the districts.	Fiscal Year 2012 Report issued - 1/30/2013
Department of Aviation & Capital City Airport - Aviation Reimbursements	Determine if the Capital City Airport Division (CCAD) had adequate internal controls over the collection of reimbursements for maintenance performed on, fuel provided to, and storage space provided for aircraft not owned by the Kentucky Transportation Cabinet (Cabinet), as well as to ensure compliance with the CCAD's policies and procedures manual, and KRS Chapter 174.500 through 174.510.	Fiscal Years 2012 & 2013 Report issued - 4/9/2013
Kentucky Transportation Cabinet - GAX Documents	Determine if the Cabinet has adequate internal controls over the creation and approval of General Accounting Expenditure (GAX) documents as well as to ensure compliance with the Accounts Guidance Manual.	Fiscal Years 2011 & 2012 Report issued - 4/12/2013
Kentucky Transportation Cabinet - Statewide Agreements	Determine if certain statewide agreements are cost effective for the Cabinet.	Fiscal Year 2012 Report issued - 4/12/2013

Office and Division Audited	Scope of Audit	Audit Period
<b>Kentucky (continued)</b>		
Division of Construction - Construction Project Reviews	Determine if the Division had adequate management controls over the construction project review process.	Fiscal Year 2011 & 2012 Report issued - 6/13/2013
Division of Accounts & Office of Legal Services - Accounts Receivable Collection Process	Determine the adequacy of internal controls over the accounts receivable collection process performed by the Division and Office of Legal Services as well as to ensure collection activity was performed timely and in compliance with Accounts Guidance Manual ACC-1001 to ACC-1005; Finance and Administration Cabinet FAP 120-21-00; KRS Chapters 12.210, 44.030, 45.241, 131.515, 131.560, 131.565, 138.448, 281.602; 200 KAR 38:070 and best practices.	As of 9/30/2012 & 2/21/2013 Report issued - 6/28/2013
Kentucky Transportation Cabinet - Salt Spreading Contract Services	Determine if the Cabinet had adequate internal controls over retrofitting snow and ice removal trucks as well as to review the cost effectiveness of the agreements to retrofit contract trucks for snow and ice removal purposes.	Fiscal Year 2012 - 2013 Report issued - 6/28/2013

<b>Missouri</b>		
Construction and Materials Division	Review of Construction Contract Administration - Labor Compliance (payroll compliance and prevailing wage issues)	9 ME 3/31/2012
Construction and Materials Division	Review of Construction Contract Administration - Northeast, Southwest, and Southeast Districts (expenditures, daily work reports, materials testing)	FYE 6/30/2012
Financial Services Division	Review of Central, Northeast, and Southeast District Expenditures	FYE 6/30/2012



Office and Division Audited	Scope of Audit	Audit Period
<b>Montana</b>		
Consultant Design	We reviewed the new Consultant Design Contract Tracking Information System to ensure it: -Complied with Consultant Services Procedures as well as state and federal regulations. -Addressed CDB contract management issues identified in prior consultant contract audits. -Was adequate to effectively manage consultant contracts.	As of 10/2012
Construction Project Reviews	The scope of the CPRs was to determine if the projects comply with MDT and Federal Highway Administrative (FHWA) rules, policies and procedures at the time of the on-site work. The reviews covered 10 construction projects in progress during the 2012 construction season. We reviewed the documentation from the award date of the project to the time of the on-site review. We performed sample testing of five bid line items in each review to determine if there is reasonable assurance the material received and installed on these projects, support the quantities paid on the progress estimate. We reviewed the data entered into the Site Manager and Quality Assurance Suite (QA) systems to ensure compliance with rules, policies, and procedures.	2012 Construction Season
Maintenance Project Reviews	The review covered 10 maintenance projects completed during 2011. We determined whether: -Maintenance projects complied with MDT, state, and if applicable FHWA regulations, policies, and procedures. -Area offices maintained consistent project documentation throughout the districts. -Processes and procedures are adequate to mitigate risk to MDT.	Calendar Year 2011

<b>Oklahoma</b>		
Asphalt Binder Adjustment Audit	Review methodology and test accuracy of Asphalt Binder Adjustments.	
Tetra Tech Consultant Residency Audit	Audit contract compliance and documentation of projects inspected by consultant.	

Office and Division Audited	Scope of Audit	Audit Period
<b>Oregon</b>		
Oregon Wireless Interoperability Network/ State Radio Project	In April 2010, ODOT was put in charge of managing OWIN, a program for improving state emergency radio communications. In a 2010 audit, we found that OWIN budget information was incomplete, project controls were inadequate, and there were flaws in implementation. This was a follow-up to that audit.	July 2011-July 2012
Financial Services - Financial Reporting	This audit was a response to 2010 findings from the Oregon Secretary of State's office that ODOT needs to improve accuracy and completeness of data supporting financial statements. We evaluated whether the findings were addressed.	Dec 2011 - Aug 2012
Highway Division - Grant's Pass Local Project	In response to publicized cost increases for bus transit shelters in Grant's Pass, Oregon, we examined the contractual agreements, key program requirements, and evaluated whether ODOT's role in the project satisfied necessary requirements.	Feb 2012 - Dec 2012
Highway Division - Bridge Engineering	This was a survey of financial and payment process controls for the Sellwood Bridge project.	March 2012 - May 2013
Highway Division - Construction Quality Assurance	The objective of this audit was to determine whether previous Construction Quality Assurance Program recommendations were addressed. These recommendations included strengthening the roles of key positions and revising contract language for construction engineering and inspection services.	May 2012 - Jan 2013
Architectural and Engineering Contracts - Bridge/Major Projects/ODOT Regions 1 and 2	This audit evaluated administration of ODOT's Architectural and Engineering contracts in three areas: statement of work writing, payment processing, and contract closeout. We completed audits of the Bridge Section, Major Projects Branch, and several Highway regions. The audit of other ODOT sections and regions is ongoing.	May 2011 - ongoing

<b>Utah</b>		
Sub Recipients	A-133 Sub-Recipients review of their audits	7/1/2012-6/30/2013
ROW - Property Management	Procedures governing Inventory of surplus property	Spring 2013
POE - Wendover	Accounting and controls at the Port of Entry	10/2012-3/2013