

AUDIT REPORT TRACKING SYSTEM (ARTS)

SECTION I: SUMMARY INFORMATION			
Audit Title:	Control Gaps Leave Water's Storeroom Inventory Vulnerable to Errors, Loss, and Theft	Audit Release Date:	08/27/2018
Department:	Water Services	Last Report Date:	First ARTS Report
Department Director:	Terry Leeds	This Report Date:	2-25-19
Contact Person/Phone:	Sean Hennessy 30410	Expected Presentation Date:	03/20/2019
SECTION II: RECORD OF IMPLEMENTED RECOMMENDATIONS			
1. Implemented 8-20-18		6. In Progress	
2. In Progress		7. Implemented 11-1-18	
3. In Progress		8. In Progress	
4. Implemented 8-20-18		9. Implemented 8-20-18	
5. Implemented 8-20-18		10. In Progress	
SECTION III: SUMMARY OF IMPLEMENTATION EFFORTS			
Recommendation 1: The director of water services should ensure staff inventory all storeroom items annually, including those held on work trucks.			
<i>Status of Recommendation: Implemented 8-20-18</i>			
Virtual inventory, in addition to the regular storeroom locations, will be counted during annual physical inventory in April.			
Recommendation 2: The director of water services should develop written policies and procedures for the department's annual inventory that incorporate recommended practices.			
<i>Status of Recommendation: In Progress anticipated 4-30-19 implementation</i>			
Written policies and procedures are in process and are currently being reviewed in advance of a final version.			
Recommendation 3: The director of water services should segregate incompatible storeroom employee duties.			
<i>Status of Recommendation: In Progress anticipated 4-30-19 implementation</i>			
Final version of written policies and procedures will address segregation of duties.			
Recommendation 4: The director of water services should require storeroom employees use the inventory adjustment module in Hansen to make adjustments to the electronic inventory when the physical and electronic inventory counts do not match.			
<i>Status of Recommendation: Implemented 8-20-18</i>			
All adjustments to inventory are made in the Hansen inventory module.			
Recommendation 5: The director of water services should require that each individual issuing inventory be assigned a unique Hansen identification card for use when conducting transactions in Hansen and that staff be instructed not to display or let others use their cards.			
<i>Status of Recommendation: Implemented 8-20-18</i>			
Requirement is in place and will be included in the policies and procedures.			
Recommendation 6: The director of water services should develop comprehensive written policies and procedures for storeroom operations and train storeroom staff on them.			
<i>Status of Recommendation: In Progress anticipated 4-30-19 implementation</i>			
Written policies and procedures are being reviewed in advance of a final version.			
Recommendation 7: The director of water services should ensure staff change their Hansen system passwords in accordance with Administrative Regulation 1-16.			
<i>Status of Recommendation: Implemented 11-1-18</i>			
Water IT adjusted Hansen settings to require stronger passwords and change of passwords every 90 days.			

Recommendation 8: The director of water services should establish procedures for granting and periodically reviewing Hansen user access based on job function and need.
<i>Status of Recommendation: In Progress anticipated 3-15-19 implementation</i>
Water IT is developing a monthly report for division managers to confirm, or edit accounts to ensure access, type of access, and level of access are appropriate for each user.
Recommendation 9: The director of water services should ensure requested Hansen access is reviewed and acted upon promptly.
<i>Status of Recommendation: Implemented 8-20-18</i>
All employees who have a need to request inventory are issued a Hansen userid and identification card.
Recommendation 10: The director of water services should develop a key management program and prohibit unaccompanied, nonstoreroom employees storeroom access.
<i>Status of Recommendation: In Progress anticipated FY20 implementation</i>
Security upgrades are being made at the 18 th St location as they relocate to a new building within the complex.
SECTION IV: ADDITIONAL OUTCOMES