

A REPORT
TO THE CITIZENS OF SALT LAKE COUNTY
BEN McADAMS, MAYOR



An Audit of
Capital Improvements Fund

November 14, 2013

GREGORY P. HAWKINS

SALT LAKE COUNTY AUDITOR

Audit reports are available at
<http://www.saltlakecountyauditor.org/site/audit/>



GREGORY P. HAWKINS
Salt Lake County Auditor

LONN LITCHFIELD, JD, LL.M.
Chief Deputy Auditor

2001 South State Street, N3300
PO Box 144575
Salt Lake City, UT 84114-4575

(385) 468-7200
(385) 468-7201 / fax
GHawkins@slco.org

November 14, 2013

Ben McAdams, Mayor
Salt Lake County
2001 S State St #N2100
Salt Lake City, UT 84114-4575

Re: An Audit of Capital Improvements Fund

Dear Mayor McAdams:

We recently completed an analysis of Capital Improvements Fund pursuant to Utah Code Ann. § 17-19a-204. Our purpose was to verify the accuracy and completeness of selected financial records and to assess compliance with certain internal controls. A report of our findings and recommendations is attached.

Our work was designed to provide reasonable but not absolute assurance that records were accurate and complete and that the system of internal controls was adequate. There may be inaccurate or incomplete financial records that were not selected for review. Further, there may also be instances of noncompliance in areas not examined.

We appreciate the time spent by the staff at Capital Improvements Fund and the cooperation from Wayne Marion, Rory Payne, and other assigned staff members for answering our questions, gathering the necessary documents and records, and allowing us access to Capital Improvements Fund during our audit. The staff was friendly, courteous, and very helpful. We trust that the implementation of the recommendations will provide for more efficient operations and better safeguarded County assets. Please feel free to contact me with any questions.

Sincerely,

Gregory P. Hawkins
Salt Lake County Auditor

By Larry Decker CPA, CIA
Sr. Deputy Auditor

cc: Jill Carter, Director of Administrative Services
Leslie Workman, Fiscal Administrator of Administrative Services
Wayne Marion, Director of Facilities Services Division



Objectives

Pursuant to § 17-19a-204, we analyzed the financial records and internal controls of Capital Improvements Fund. Our purpose was to verify the accuracy and completeness of selected financial records and to assess compliance with selected internal controls.

Conclusion

The scope of our audit was an examination of processes for capturing and recording capital projects within the Capital Improvements Fund, Fund 450, from January 2013 through July 2013. Due to the large number of projects involved, we limited our scope to an overview of processes involved in project planning, authorization, and accounting. We did not examine individual projects for necessity, reasonableness of cost, or efficiency. We have no findings to report in our audit of the Capital Improvements Fund.

Background

The Capital Improvements Fund provides funding for capital projects of County agencies designated in the General Fund. To qualify as a capital project, costs must exceed \$10,000. Examples of capital projects include roof replacement, parking lot expansion, river bank stabilization, carpet replacement, installation of surveillance cameras, and heating and air conditioning additions and modifications. County agencies submit requests on-line to the Facilities Services Division for processing. Facilities Services compiles requests and submits them to the County Council, which ultimately decides whether to accept proposals submitted. A separate tax assessment and transfers from other funds provide the revenue source for the Capital Improvements Fund. The Facilities Services Division monitors the costs and progress of projects assigned to the fund.

Scope

Our work included a formal examination of financial records related to the following key internal controls, to the degree applicable:

- Project Planning
- Project Prioritization
- Project Approval
- Project Tracking and Accounting

Our examination period covered up to twelve months ending July 30, 2013. In addition to reviewing financial records, we reviewed and examined current practices through observation to assess compliance with Countywide policy and standard business and internal control practices.



**SALT LAKE
COUNTY**

BEN McADAMS
Salt Lake County Mayor

Jill E. Carter
Administrative Services
Department Director

**FACILITIES
MANAGEMENT**

Wayne Marion
Facilities Management
Division Director
wmarion@slco.org

Salt Lake County
Government Center
2001 South State Street
Suite S-3100
Salt Lake City, UT 84190-3300

801 / 468-2451
801 / 468-3466 fax

November 6, 2013

Mr. Greg Hawkins
Salt Lake County Auditor

Mr. Hawkins;

We are in receipt of the draft audit report for fund 450-500-5050 which indicated that there were no audit findings.

We appreciate the time and professionalism of Mr. Decker in his audit work and interactions with Facilities Management Staff.

Thank You.