

Office of Legislative  
**Auditor General**



**WILLIE MAYO, CPA, CIA, CICA**  
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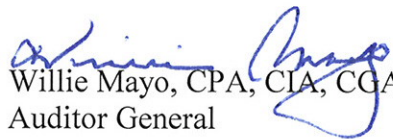
September 18, 2012

**FINAL REPORT TRANSMITTAL LETTER**

Honorable Wayne County Commissioners:

Enclosed is our final copy of the Corrective Action Plan (CAP) and Auditor General's Assessment for the Operational Assessment Review of the Wayne County Department of Public Services, Environmental Services, Facilities Management Division, Downriver Sewage Disposal System, dated August 22, 2012; DAP No. 2012-57-854. The contents of this report did not change from the draft report previously issued. The report was accepted by the Audit Committee at its meeting held on August 28, 2012 and formally received by the Wayne County Commission on September 6, 2012.

We are pleased to inform you officials from the Department of Public Services (DPS), Environmental Services, Facilities Management Division, provided their full cooperation. If you have any questions, concerns, or desire to discuss the report in greater detail, we would be happy to do so at your convenience. This report is intended for your information and should not be used for any other purpose. Copies of all Office of Legislative Auditor General's final reports can be found on our website: <http://www.waynecounty.com/commission/lagreports.htm>.

  
Willie Mayo, CPA, CIA, CGAP, CICA  
Auditor General

**REPORT DISTRIBUTION**

**Wayne County Department of Public Services**  
Terry Spryszak, Director  
Lavonda Jackson, Deputy Director – Environmental Services

**Facilities Management Division**  
Dennis Scully, Department Manager

**Department of Management & Budget**  
Carla E. Sledge, Chief Financial Officer  
Stacie Durant, Deputy Chief Financial Officer  
Terry L. Hasse, Director, Grants and Contract Administration  
Rosalind Downer, Assistant Director, DOE – Finance

**Wayne County Executive**



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August 22, 2012

**DAP No. 2012-57-854**

Honorable Ilona Varga, Chairwoman  
Audit Committee  
Wayne County Commission  
County of Wayne  
500 Griswold  
Detroit, MI 48226

Subject: **Corrective Action Plan**, including the Auditor General's Assessment Review, dated July 2, 2012 for the Wayne County Department of Public Services, Environmental Services, Facilities Management Division, Downriver Sewage Disposal Systems Operational Assessment Review.

Dear Chairwoman Varga:

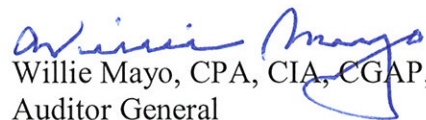
In accordance with Government Auditing Standards issued by the Comptroller General of the United States, and the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors, the Office of Legislative Auditor General (OAG) requested the Wayne County Department of Public Services (DPS) – Environmental Services – Facilities Management Division – Downriver Sewage Disposal Systems, to submit a Corrective Action Plan (CAP) for the recommendation identified in the Operational Assessment Review report on the DPS-Environmental Services, Facilities Management Division, Sewage Disposal System dated March 20, 2012.

Facilities Management Division officials provided the CAP as requested. Attached is a Summary and Assessment of the CAP prepared by the OAG. The summary schedule includes: the recommendation; management's comments on the finding and recommendation; management's action taken or planned; whether management has or intends to implement the recommendation; responsible person(s)/area; implementation or targeted implementation date; and the Auditor General's assessment.

Our assessment of the single recommendation found that management has taken sufficient action to address the recommendation in the report and a follow-up review will not be necessary.



Respectfully submitted,



Willie Mayo, CPA, CIA, CGAP, CICA  
Auditor General

P.C. Terry Spryszak, Director, Department of Public Service (DPS)  
Lavonda Jackson, Deputy Director, DPS-Environmental Services  
Dennis Scully, Department Manager, DPS-Facilities Management Division  
Carla E. Sledge, Chief Financial Officer  
Stacie Durant, Deputy Chief Financial Officer  
Terry L. Hasse, Director, Grant Compliance and Contract Management,  
Management & Budget  
Rosalind Downer, Assistant Director, DOE – Finance, Management & Budget

Attachment

**Department of Public Services  
Environmental Services  
Facilities Management Division  
Downriver Sewage Disposal Systems  
Operational Assessment Review**

**Summary and Assessment of  
CORRECTIVE ACTION PLAN**

<b>Auditor General's Recommendation</b>	<b>Management's Comments on Findings and Recommendations</b>	<b>Management's Action Taken or Planned</b>	<b>Management has or Intends to Implement the Recommendation Yes/No</b>	<b>Responsible Person(s)/ Area</b>	<b>Implementation or Targeted Implementation Date</b>	<b>Auditor General's Assessment</b>
11-01 We recommend DOE management work with M&B – DOE Finance to ensure enforcement of the written policies and procedures regarding the assessment and collections of late fees and notify each community that within 30 days they will begin assessing a 1% late fee in accordance with provisions outlined in the Joint Management Committee's Memorandum of Understanding.	Agree	While DOE does not supervise M&B staff, we will continue to coordinate and work with the M&B staff to ensure the fees are collected. The DOE Facilities Management Division (FMD) Director and DOE staff met with M&B staff to review the procedure for collecting the late fees.	Yes	The FMD Director and M&B staff.	Implemented	DOE and M&B management provided copies of delinquent letters and invoices sent to communities who had late payment penalties assessed to their sewage billing charges. Penalties and late fees assessed totaled nearly \$75,000.  One of the communities paid their late fees immediately, and the other is under a payment arrangement.  Based on the action taken, management has taken sufficient action to address the recommendation.