



Audit Department

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Jeremiah P. Carroll II, CPA, Director • Charles W. Kendall, CPA, Audit Manager



February 28, 2005

Thom Reilly
Clark County Manager
500 South Grand Central Parkway, 6th Floor
Las Vegas, Nevada 89106

Dear Mr. Reilly:

Pursuant to Audit Department policy, we performed follow-up procedures on significant findings from the Countywide Capital Replacement Passenger Vehicle Audit, dated November 19, 2003. This follow-up letter should be read in conjunction with the original audit. The follow-up procedures performed included interviews with responsible parties and an examination of related documentation. This follow-up engagement does not represent a complete reexamination of the Capital Replacement Passenger Vehicle Audit.

The auditor's role in follow-up reviews is to compile corrective actions taken from affected Department/Division management, assess whether these responses are adequate or not adequate to correct reported deficiencies, and relay those findings to management.

It is the Department/Division management's responsibility to decide if any appropriate action should be taken in response to reported audit findings. It is also their responsibility to assume the risk by not correcting a reported condition because of cost or other consideration.

The results of our follow-up review showed that one recommendation has been fully implemented, four recommendations have been partially implemented, and three recommendations have not been implemented, for a total of eight recommendations that required follow-up attention from the Capital Replacement Passenger Vehicle Audit. See attached summary for details.

The assistance and cooperation of county staff is recognized and appreciated.

Sincerely,

/s/ Jeremiah P. Carroll

Jeremiah P. Carroll II, CPA
Director of Internal Audit

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**COUNTYWIDE
CAPITAL REPLACEMENT - PASSENGER VEHICLES
FINDINGS, RECOMMENDATIONS AND CORRECTIVE ACTION TAKEN**

Item #	Audit Finding	Recommendation	Fully Implemented	Partially Implemented	Alternate Means Employed	Not Implemented
#1	An independent assessment is not made to determine whether a department still has a need for a vehicle, whether the most appropriate vehicle has been purchased, or whether underutilized vehicles could be reassigned.	Departments should be required to present their request to an independent committee such as the Vehicle Review Committee.		X		
#2	92 passenger vehicles had a lifetime annual usage of 4,100 or less. We also noted certain instances where the overall vehicle usage could potentially be restructured.	A policy should be implemented to analyze the annual usage of passenger vehicles before new vehicles are purchased and to reassign vehicles when the department cannot justify continual usage.		X		
#3	A review of 10 vehicles over a 24 month period showed 7 instances where the change in the odometer reading between maintenance exceeded 3,000 miles.	Automotive is in the planning stages of replacing their fleet maintenance system. We also recommend that county employees be reminded of the importance of adhering to the preventive maintenance schedule to preserve the useful life and reliability of county vehicles.		X		

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Item #	Audit Finding	Recommendation	Fully Implemented	Partially Implemented	Alternate Means Employed	Not Implemented
#4	Employees, who do not have appropriate job functions, are driving county vehicles with unmarked license plates.	The county vehicles should be returned to the Automotive Department for the purpose of obtaining government plates.				X
#5	Differences were noted between the department supplied vehicle listings and the October 11, 2002 24-Hour Vehicle Assignment Listing.	We recommend department personnel be reminded to notify The Automotive Department of 24-Hour Vehicle status changes.				X
#6	Data isn't consistently entered in the fleet management system, specific data is not always entered, and entered data is not always accurate.	Automotive should develop input controls for data entered into their fleet management system. Further, efforts should be made to ensure when data is transferred to the new fleet management system, it is reviewed and corrected as needed.	X			
#7	We noted instances where the vehicles odometer meter readings were not current or appeared to be inaccurate.	Determine the status of installing sensors that will automatically read the odometer meter reading when fuel is pumped at county facilities.		X		
#8	152 of the passenger vehicles we reviewed have a model year of 1992 or older. The cost effectiveness of older vehicles is not calculated for reasonableness.	Periodically, an analysis be completed to determine the cost effectiveness of retaining older vehicles.				X