


AUDIT COMMITTEE MEETING

TUESDAY, SEPTEMBER 17, 2024

OFFICE OF FINANCIAL AND PROGRAM AUDIT

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 [FAIRFAXCOUNTY.GOV/BOARDAUDITOR](https://www.fairfaxcounty.gov/boardauditor)

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MEETING AGENDA

1. Opening Remarks – 5 minutes
2. Review: Meeting Minutes from the Prior Audit Committee Meeting (June 18, 2024) – 2 mins
 - Allowance for Vote by Audit Committee
3. Presentation: P-Card Detailed Data Review Study – 30 mins
 - Allowance for Vote by Audit Committee
4. Presentation: FCDOT Cash Proffers Follow-up Study – 30 mins
 - Allowance for Vote by Audit Committee
5. New Business: Next Audit Committee Meeting – January 28, 2025 at 3 p.m. in Conference Room 11
6. Adjournment

P-Card Detailed Data Review: Background

The **objective** of this study was to analyze the County's P-Card Level 3 data to explore its potential for identifying noncompliance and misuse and providing insights into the County's spending that could lead to cost savings or other efficiencies.

Level 3 data provides detailed transaction information including the items and quantities purchased.

Fairfax County employees spend approximately **\$60 million** every year across over **1,350 P-Cards**.

P-Card Detailed Data Review: Analysis

Conducted analytical tests, reviewing a two-year period of data (May 2022 – April 2024).

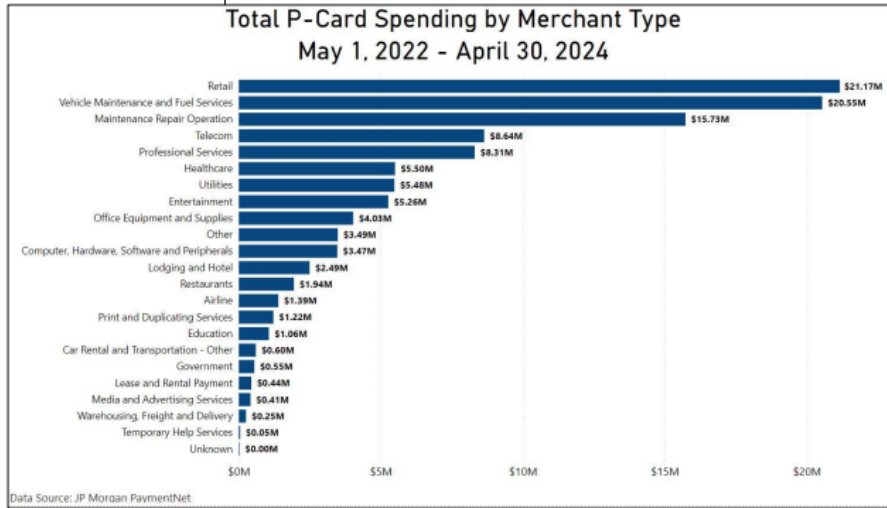
Focused on Level 3 data and explored other P-Card data.

Inquired about current controls in place (DPMM, JP Morgan Chase Bank, Internal Audit)

Most transactions appear to be in alignment with county guidelines, and instances of questionable activity were limited and addressed promptly.



P-Card Detailed Data Review Study: Data



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Appendix 1

Spend, Transaction Count and Cards by Agency

May 1, 2022 - April 30, 2024

Agency/Department	Total Transaction Amount	Number of Transaction	Active Card Count
Department of Vehicle Services	\$24,036,405	56,835	16
Department of Information Technology	\$13,165,734	3,256	17
Public Library	\$9,804,654	10,632	21
Fire and Rescue Department	\$7,648,481	15,506	62
Dept of Public Works and Environmental Services	\$7,331,909	12,935	56
Police Department	\$7,180,403	19,213	237
Dept of Neighborhood and Community Services	\$6,113,911	22,976	147
Fairfax-Falls Church Community Services Board	\$6,067,014	18,764	84
Facilities Management Department	\$4,871,602	14,607	151
Park Authority	\$4,214,832	17,842	153
Health Department	\$2,986,448	5,396	19
Golf Enterprises (Park Authority)	\$2,362,374	7,291	30
School Age Child Care (NCS Program)	\$2,167,318	14,775	148
Department of Animal Sheltering	\$1,948,201	2,107	11
Sheriff's Office	\$1,640,679	3,975	29
McLean Community Center	\$1,490,122	3,025	13
Department of Family Services	\$1,357,487	4,998	40
Department of Human Resources	\$880,576	2,303	6
Dept of Housing and Community Development	\$798,881	2,148	13
Reston Community Center	\$657,382	2,454	8
Juvenile and Domestic Relations District Court	\$608,705	2,510	10
Office of the Commonwealth's Attorney	\$540,760	876	5
Department of Clerk Services	\$474,691	1,925	5
Circuit Court and Records	\$407,248	1,237	21
Office of the County Executive	\$339,341	630	5
Dept of Emergency Management and Security	\$316,963	825	8
Department of Planning and Development	\$289,084	613	7
Department of Tax Administration	\$231,868	593	4
Department of Transportation	\$229,277	814	7
General District Court	\$223,440	386	6
Dept of Procurement and Material Management	\$222,837	414	7
Department of Code Compliance	\$217,554	524	5
Office of Elections	\$192,289	509	4
Retirement Administration Agency	\$168,927	423	4
Humans Rights Commission	\$147,271	349	4
Office of the County Attorney	\$146,604	594	2
Department of Cable and Consumer Services	\$126,658	398	4
Department of Finance	\$108,353	238	5
Office of Public Affairs	\$80,854	286	2
Office of Internal Audit	\$56,731	177	2
Department of Economic Initiatives	\$56,103	243	2
Department of Management and Budget	\$43,843	160	4
Department of Public Safety Communications	\$40,776	202	1
Civil Service Commission	\$12,077	56	1
Office of Financial & Program Audit	\$6,436	34	1
Economic Development Authority	\$1,688	4	1
Total	\$112,014,791	256,058	1,388

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Appendix 4

Top 40 Merchants by Transaction Amounts

May 1, 2022 - April 30, 2024

Merchant Name	Merchant Type	Total Transaction Amount	Number of Transactions
AT&T*	Telecom	\$5,866,589	2,654
COX COMM SERVICE*	Utilities	\$5,181,713	675
AMAZON*	Retail	\$4,900,825	36,861
OVERDRIVE DIST*	Entertainment	\$4,591,310	1,908
INGRAM LIBRARY SERVICE*	Retail	\$3,447,081	1,724
K NEAL TRUCK AND BUS C*	Vehicle Maintenance and Fuel Services	\$3,335,361	6,170
WB MASON*	Office Equipment and Supplies	\$3,140,113	15,000
VERIZON*	Telecom	\$3,085,069	697
DMI DELL K-12/GOVT*	Computer, Hardware, Software and Periph	\$2,436,577	273
HOME DEPOT*	Retail	\$2,066,963	12,364
BOUND TREE MEDICAL LLC*	Healthcare	\$1,856,034	3,855
GRAINGER*	Maintenance Repair Operation	\$1,829,769	3,921
JOHNSON TRUCK CENTER L*	Professional Services	\$1,827,332	3,834
WALMART	Retail	\$1,632,281	10,471
NAPA STORE*	Vehicle Maintenance and Fuel Services	\$1,519,288	11,435
HEAVY FLEET PRODUCTS*	Vehicle Maintenance and Fuel Services	\$1,280,553	3,597
KINGMOR SUPPLY INC*	Vehicle Maintenance and Fuel Services	\$1,259,591	3,046
US FOODS SO*	Retail	\$1,247,744	1,446
DELCOLINE INC*	Vehicle Maintenance and Fuel Services	\$1,183,916	4,028
PENDER VETERINARY CENT*	Other	\$1,180,877	545
PNP DAILY DELIVERIES*	Vehicle Maintenance and Fuel Services	\$1,101,926	5,061
ROAD RUNNER WRECKER SE*	Vehicle Maintenance and Fuel Services	\$1,010,571	317
QUALITY AUTO BODY	Vehicle Maintenance and Fuel Services	\$917,394	247
UNITED AIRLINES	Airline	\$865,272	2,636
BELTWAY INDUSTRIAL SUP	Maintenance Repair Operation	\$816,259	1,797
EQUIPMENT WORKS INC.	Vehicle Maintenance and Fuel Services	\$711,710	504
TRUCKPRO LLC	Vehicle Maintenance and Fuel Services	\$645,172	1,225
QIAGEN LLC	Healthcare	\$638,098	160
JEFFERY'S CATERING COM	Restaurants	\$588,733	37
TFS*FISHER SCI	Healthcare	\$574,867	675
BAKER & TAYLOR - BOOKS	Retail	\$552,563	443
TILLEY LUBRICANTS, LLC	Vehicle Maintenance and Fuel Services	\$545,682	331
BOUND TREE MEDICAL, LLC	Healthcare	\$528,723	1,831
ACCURATE PRINTING	Print and Duplicating Services	\$506,424	215
ATLANTIC EMERGENCY SOL	Vehicle Maintenance and Fuel Services	\$476,819	614
NORTHERN VIRGINIA SUPP	Vehicle Maintenance and Fuel Services	\$433,850	1,759
GIANT	Retail	\$420,914	2,885
S&S WORLDWIDE, INC.	Retail	\$406,293	1,511
UNITED DIESEL INC	Vehicle Maintenance and Fuel Services	\$388,801	317
FERGUSON ENTERPRISES	Maintenance Repair Operation	\$369,077	997
Total		\$65,368,134	148,066

Notes:

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Note: To view the visuals within the report, press and hold Ctrl while clicking on the graph.

P-Card Detailed Data Review Study: Recs

Recommendation 1: Perform periodic monitoring of MCC restrictions

- Management Response

Recommendation 2: Consider regular review of Level 3 data

- Management Response

FCDOT Cash Proffers Follow-up Study: Background

OFPA performed a follow-up study from March to August 2024 on the Fairfax County Department of Transportation (FCDOT) Cash Proffers September 2021 study.

OFPA followed up on the four recommendations from the September 2021 study and considered compliance with a new County finance policy requiring monitoring and reconciliation of cash proffers.

Cash proffers are part of the rezoning process of Fairfax County. Private developers and individual property owners voluntarily proffer funds to mitigate the impact of their proposal for rezoning.

Since 1972, FCDOT has received \$154 million in cash proffers. \$57 million has been used/closed, and \$97 million is open (in 1,159 proffers). \$9 million of \$97 million has been spent, leaving **\$89 million available for FCDOT projects.**

FCDOT Cash Proffers Follow-up Study: Status of Recommendations



2 No Longer
Applicable

- Developer Operating Status
- Escrows Labeled as Proffers



2 Partially
Implemented

- Cash Proffers Tracking and Monitoring (formerly Aged Proffer Analytics)
- Proffer Statements not Available

FCDOT Cash Proffers Follow-up Study

Cash Proffers Tracking and Monitoring – *Partially Implemented*



- Progress made since September 2021 included repurposing \$3.5 million, reconciling FCDOT's proffer tracking sheet to the general ledger, and beginning to validate and update tracking sheet data fields.
- Outstanding items include:
 - Continue to review all open proffers and identify opportunities to use funds. Establish a working group to collaborate with other departments. (See Report, pages 7 and 20.)
 - Continue to validate and update tracking sheet and incorporate spreadsheet controls to improve and ensure data accuracy.
 - Continue to perform monthly reconciliations of the tracking sheet and general ledger (FOCUS).
- Management Response

FCDOT Cash Proffers Follow-up Study

Proffer Statements not Available – *Partially Implemented*



- Progress made since September 2021 includes that FCDOT added columns to the tracking sheet with hyperlinks to proffer statements
- Outstanding items:
 - Continue to add proffer statement links, prioritizing new and open proffers.
 - For older proffers not available on-line, as time and resources allow, locate statements in county records/archives.
- Management Response

AUDIT COMMITTEE: NEXT MEETING

January 28, 2025
3 p.m.
Conference Room 11