

El Dorado County Grand Jury 2011-2012

Department of Transportation – Financial Management Case Number GJ-11-004

Reason for Report

The Grand Jury is charged by law to identify inefficiencies in government. A water and sewer invoice was submitted to the County Department of Transportation (DOT), in the amount of \$208,759.57, which was extremely high for a 60 day billing cycle.

Background

The El Dorado County Government Center is located within the City of Placerville. The billing for water and sewer service is routed from Eldorado Irrigation District through the City of Placerville. DOT reviews and approves the billing, then forwards it to the County Auditor/Controller's Office for payment.

Methodology

Documents Reviewed:

City of Placerville Utility Bills (2/16/09 - 2/15/11)
Department of Transportation Invoice Processing Flowchart ([Attachment 1](#))
Department of Transportation Memos

Interviews:

El Dorado County Auditor-Controller and Staff
Eldorado Irrigation District Accounting Staff
Eldorado Irrigation District Director
Placerville Accounting Supervisor
Placerville City Manager

Facts/Findings

1. EID misread El Dorado County's Government Center water meter, forwarding a \$208,759.57 bill for payment.
2. DOT worked with EID and the City of Placerville to check the consumption of each account. The meter was electronically verified on several occasions and alleged to be accurate.
3. On May 2, 2011, the DOT Director signed and submitted the above claim for payment. This claim represented an 800% increase in services from the previous year.
4. As a result of the Auditor/Controller's persistence, the meters were read manually. Due to the discovery of an error this resulted in a \$130,000 credit to the county.
5. The acting DOT Director is in the process of modifying the department's Invoice Processing Flowchart.

Recommendations

1. The Grand Jury recommends that the El Dorado County Department of Transportation continue their efforts to modify the DOT Invoice Processing Flowchart.
2. The Grand Jury recommends that the DOT Director submit the modified Invoice Processing Flowchart to the Grand Jury and the Auditor/Controller upon completion.

Responses

Responses to both numbered findings and recommendations in this report are required in accordance with California Penal Code §933 and §933.05. Address responses to: The Honorable Suzanne N. Kingsbury, Presiding Judge of the El Dorado County Superior Court, 1354 Johnson Boulevard, South Lake Tahoe, CA. 96150

This report has been provided to:

El Dorado County Auditor/Controller
El Dorado County Chief Administrative Office
El Dorado County Department of Transportation
Eldorado Irrigation District
Placerville City Manager

(Attachment 1)

DOT Invoice Processing Flowchart

