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## **Audit Report Highlights of the Nebraska Department of Roads**

**July 1, 1999 through June 30, 2000**

# **Report Highlights**

### **Comments & Recommendations**

- Fixed Assets
- State Property Damage
- Travel Expenses
- Controls Over Receipts
- Interest Paid to Contractors
- Vehicle and Equipment Usage Logs
- Coding Error

The Department of Roads is responsible for the construction and maintenance of Nebraska's roads and highways. The Department is also involved in the planning of transportation in the State and in assisting rural and urban public transportation systems. Highway maintenance and construction operations are administered from eight district offices located in Omaha, Lincoln, Norfolk, North Platte, Grand Island, Bridgeport, McCook, and Ainsworth.

Our audit report included seven Comments and Recommendations outlining various concerns relating to internal controls and compliance with State and Federal laws. Specific areas of concern included:

- Controls were not adequate to ensure mobile radio equipment and computer equipment were properly accounted for.
- Procedures over State property damage were not adequate to ensure costs were accurate, adequately supported, and charged in a timely manner.
- Unreasonable lodging expenses totaling \$1,319 were paid, and \$65 of questionable meals and travel expenses were reimbursed.
- Segregation of duties was not adequate in the Highway Safety division, and receipts

were not deposited timely in accordance with statute.

- The Department paid \$173,348 in interest to contractors because of delays in making final contract payments.
- Vehicle usage was not adequately recorded. For ten of ten vehicles tested, a total of 22,984 miles were unaccounted for.
- A journal entry to correct a \$24,142 miscoding was completed in the Roads Payment System; however, a corresponding journal entry was not completed for the Nebraska Accounting System.

We have detailed our findings and the Department's responses in the Comments and Recommendations section of the report. See the report at [www.auditors.state.ne.us](http://www.auditors.state.ne.us).

