



# PRINCE WILLIAM COUNTY

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## Prince William County, Virginia Internal Audit Report: Commercial Site Inspections and Recordkeeping

November 10, 2025

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TRANSMITTAL LETTER

November 10, 2025

The Board Audit Committee of  
Prince William County, Virginia  
1 County Complex Court  
Prince William, Virginia 22192

Pursuant to the internal audit plan for calendar year ("CY") 2025 for Prince William County, Virginia ("County" / "PWC"), approved by the Board of County Supervisors ("BOCS"), we hereby present the internal audit of commercial site inspections and recordkeeping. We will be presenting this report to the Board Audit Committee of Prince William County at the next scheduled meeting on December 9, 2025.

Our report is organized into the following sections:

Executive Summary	This provides a high-level overview and summary of the observations noted in our internal audit of the commercial site inspections and recordkeeping process(es).
Background	This provides an overview of the function, as well as relevant background information.
Objectives and Approach	The internal audit objectives are expanded upon in this section, as well as a review of the various phases of our approach.
Observations Matrix	This section includes a description of the observations noted during our internal audit, recommended actions, and Management response, including the responsible party and estimated completion date.

We would like to thank the staff and all those involved in assisting our firm with this internal audit.

Respectfully Submitted,

*RSM US LLP*

RSM US LLP

## EXECUTIVE SUMMARY

### Background

The County's commercial site inspections process is a collaborative effort between the Department of Public Works ("DPW") and the Department of Transportation ("DOT"). DOT focuses on transportation and infrastructure related aspects, and DPW plays a broader role, overseeing a wide range of environmental and regulatory components essential to commercial project development. Inspectors are assigned based on their geographical location and manage the inspections process from pre-construction through final occupancy and bond release. The DPW and DOT inspections teams are tasked with facilitating compliance with a complex framework of local, state, and federal regulations. The Department of Development Services ("DDS") supports these efforts by reviewing site plans, initiating permits, and managing project documentation in the EnerGov system, while inspectors rely on the Site Inspections Application ("SIA") system to track inspections and day-to-day activities.

Regulatory changes at the state level, including the adoption and implementation of the Virginia Erosion and Stormwater Management Act ("VESMA") and the Virginia Stormwater Management Program ("VSMP"), have shifted responsibilities for stormwater and erosion control from the Virginia Department of Environmental Quality ("DEQ") to local governments. As a result, County inspection teams are tasked with managing additional responsibilities and an increase in inspection activities – a 113% increase between 2017 and 2024. This growth has required inspectors and supervisors to adapt quickly and pursue ongoing training to keep pace with evolving standards.

The County's inspection process is further shaped by requirements for inspection frequency, documentation, and cross-departmental collaboration. Inspectors must adhere to predetermined schedules and document all activities in accordance with state and local guidelines. In 2024, 18,595 inspections<sup>1</sup> were performed by fourteen (14) inspectors (within both DPW and DOT) across 531 project sites.

<sup>1</sup>This figure contains inspections performed for both commercial and residential sites.

### Overall Summary / Highlights

Internal audits provide insight into an organization's culture, policies, and procedures and aids the Board and Management in oversight by verifying internal controls are operating effectively, and adequately mitigating risk, and are in compliance with relevant laws, regulations, and policies.

The observations detailed in the pages that follow represent only the instances where exceptions were noted, and do not detail the instances where testing resulted in no reportable observations. For each observation, we discuss the relevant risks, which may include financial, operational, and/or compliance, as well as public perception or 'brand' risks.

### Objectives and Scope

The objective of this internal audit was to assess whether the system of internal controls over inspections for commercial sites is adequate and appropriate for compliance with County policies and regulations. The audit evaluated the sufficiency of oversight mechanisms, accuracy of commercial inspection reporting/timekeeping when applicable, and effectiveness of internal controls for commercial projects. Procedures performed included the following:

- Interviewed and performed walkthroughs with key stakeholders, including the Department of Transportation and the Public Works Department.
- Obtained a listing of completed commercial projects and, for a sample, evaluated the frequency and distribution of inspection activities across Public Works and Transportation inspectors. For any variances in workload distribution, understand and document the additional roles and functions that each team may be responsible for.
- For a sample of commercial projects, assessed inspection records, including time logs, reports, and supporting documentation to verify accuracy, completeness, legitimacy, and adherence to inspection requirements.
- Evaluated whether inspections and enforcement actions adhere to DEQ requirements and County policies.
- Evaluated the training mechanisms for both Public Works and Transportation personnel.

Our audit period covered commercial projects active between May 1, 2024 and April 30, 2025. Additional data from 2017 to 2024 was utilized for data analysis purposes.

Fieldwork was performed from August through November 2025.

### Summary of Observation Ratings

(See page 3 for definitions)

	High	Moderate	Low
Commercial Site Inspections	3	2	-

***We would like to thank all County team members who assisted us throughout this internal audit.***

## EXECUTIVE SUMMARY (CONTINUED)

### Observations Summary

Below is a summary listing of the observations that were identified during this internal audit. Detailed observations are included in the observations matrix section of the report. In addition, an improvement opportunity has been provided following the detailed observations section.

Summary of Observations	
Observations	Rating
1. Inspection Cadence, Documentation, and Review	High
2. Violations Escalation, Categorization, and Documentation	High
3. Inspection Data Management and System Functionality	High
4. Project Documentation	Moderate
5. Pre-Construction Meeting Attendance	Moderate
Process Improvement Opportunity	
1. Client Experience	

Provided below are the observation risk rating definitions for the detailed observations.

Observation Risk Rating Definitions	
Rating	Definition
Low	Observation presents a low risk (i.e., impact on financial statements, internal control environment, or business operations) to the organization for the topic reviewed and/or is of low importance to business success/achievement of goals. Action should be taken within 12 months (if related to external financial reporting, must mitigate financial risk within two months unless otherwise agreed upon).
Moderate	Observation presents a moderate risk (i.e., impact on financial statements, internal control environment, or business operations) to the organization for the topic reviewed and/or is of moderate importance to business success/achievement of goals. Action should be taken within nine months (if related to external financial reporting, must mitigate financial risk within two months).
High	Observation presents a high risk (i.e., impact on financial statements, internal control environment, or business operations) to the organization for the topic reviewed and/or is of high importance to business success/achievement of goals. Action should be taken immediately, but in no case should implementation exceed six months (if related to external financial reporting, must mitigate financial risk within two months).

## BACKGROUND

### Overview

The County's commercial site inspections process plays a critical role in facilitating compliance with local, state, and federal regulations throughout the lifecycle of land development projects and is a collaborative effort between the Department of Public Works ("DPW") and the Department of Transportation ("DOT"). DOT focuses on transportation and infrastructure related aspects, and DPW plays a broader role, overseeing a wide range of environmental and regulatory components essential to commercial project development. DPW inspectors have historically specialized in erosion and sediment control, stormwater management, and compliance with Virginia Department of Environmental Quality ("DEQ") regulations. Transportation inspectors have traditionally specialized in infrastructure-related elements such as roadways, sidewalks, and stormwater systems, and facilitating compliance with Virginia Department of Transportation ("VDOT") requirements. Site permits typically encompass both transportation and environmental scopes, requiring coordination across departments. Inspectors are assigned geographically according to where each commercial site is located and are expected to manage projects from pre-construction through final occupancy and bond release.

### Key Roles and Responsibilities

The key roles and responsibilities related to the commercial site inspections process are detailed below.

- **Developers:** Also referred to as the "client", these individuals are responsible for submitting site plans, obtaining required permits, and coordinating with County staff throughout the project. Developers must schedule and attend pre-construction meetings, confirm compliance with all regulatory requirements, and provide timely notifications for inspections. They are accountable for addressing deficiencies, maintaining project documentation, and completing all site improvements necessary for occupancy and bond release.
- **Department of Development Services ("DDS"):** Reviews and approves commercial site plans, initiates permitting process, and manages project setup in the EnerGov system. DDS coordinates the transition from plan approval to inspection, administers performance bonds, and supports enforcement actions when violations are issued by DOT and DPW inspectors and supervisors.
- **DOT and DPW Site Inspectors:** Collaborate and coordinate with developers, conduct inspections, generate inspection reports and supporting documentation, issue inspection violations if needed, review commercial sites for compliance with relevant local, state, and federal requirements.
- **DOT and DPW Supervisors:** Provide oversight, review procedures, and assist inspectors with complex projects and challenges.

### Department of Transportation

As it relates to commercial site inspections, and as mentioned above, the DOT is primarily tasked with inspecting infrastructure-related elements, like roadways, sidewalks, and stormwater systems, while the DPW is primarily tasked with erosion and sediment control, stormwater management, and DEQ requirements. Commercial projects typically require the specialty of both DOT and DPW professionals due to their complexity, size, and potential logistical and environmental impact. *It is important to note that this internal audit reviewed the commercial site inspection process. DOT and DPW teams are also responsible for performing residential site inspections.*

In addition to supporting commercial site inspections, County DOT personnel play a vital role in managing transportation-related Capital Improvement Projects, coordinating efforts across local, regional, and state agencies to enhance mobility, implementing safety measures for both drivers and pedestrians, and overseeing the development and updates to the transportation element of the County Comprehensive Plan. Under the Transportation Roadway Improvement Program ("TRIP") program guidelines, they also manage transportation and roadway improvement plans. DOT also manages signage, striping, percent of grade, handicap spaces, and access routes in accordance with the Americans with Disabilities Act ("ADA"), and is tasked with street acceptance paperwork and procedures for applicable commercial projects.

VDOT is responsible for maintenance of the majority of public streets within the County. The remaining streets are maintained by the County in the Lake Jackson and Mountain Road tax districts. This includes snow removal, pothole repairs, road resurfacing, clearing drainage ditches, servicing storm drain outlets, mowing along roadsides and medians, and confirming new roads meet all requirements for inclusion in the State roadway system. Additionally, VDOT maintains traffic signals and traffic control signage to facilitate safe and efficient travel throughout the County.

## BACKGROUND (CONTINUED)

### Key Roles and Responsibilities (Continued)

#### Department of Public Works

As noted above, the DPW plays a critical role in the commercial site inspections process. The DPW is also charged with protecting and enhancing the community's natural resources and infrastructure. Their work spans a wide range of environmental management functions, including flood control, drainage maintenance and improvement, watershed management, and stream monitoring. The team also leads efforts in stormwater pollution prevention and oversees site and land development activities to confirm compliance with local, state, and federal regulations. Key responsibilities include inspecting and maintaining a system of drains, culverts, pipes, and ponds to prevent flooding and reduce pollution runoff. DPW undertakes stream restoration and reforestation projects to improve water quality in local waterways, including the Chesapeake Bay and Potomac River. Staff also confirm the safety and functionality of county-owned and state-regulated dams. The DPW team is also tasked with inspecting all single-family homes within the County and issuing occupancy for residential site inspections, and the management and maintenance of undeveloped County-owned parcels and the upcoming Purchasing of Development Right ("PDR") program.

### Inspection Lifecycle

The inspection lifecycle typically follows the following phases:

- **Plan Approval:** Commercial project plans are first reviewed and approved by the Department of Development Services ("DDS"). After DDS approval, DPW and DOT supervisors are notified to begin plan review. Inspectors are assigned new projects based on geography.
- **Pre-Construction Meeting:** Inspectors meet with developers and key client personnel (i.e., emergency site contacts, engineers, etc.) to review requirements, permits, and milestones. These meetings are critical for setting expectations and facilitating compliance.
- **Active Construction:** Inspectors conduct field visits to verify installation of infrastructure, erosion controls, and other elements. Inspections are documented in the SIA, a separate system from EnerGov.
- **Occupancy Inspection:** Prior to issuing a Certificate of Occupancy, inspectors verify that all site conditions meet County and state requirements.
- **Bond Release:** Final inspections are conducted to confirm completion of all bonded improvements. Violations must be resolved before release is approved.

### Training and Certification

Individuals on the DPW and DOT teams undergo extensive training in order to perform the inspections assigned to them in the commercial site inspections process. Individuals must complete DEQ-approved training and pass a certification exam in Erosion and Sediment Control and Stormwater Management to perform those related inspections. Individuals must also be trained and well versed in the Design and Construction Standards Manual ("DCSM"), which details site development plans and plats, construction standards, review and approval processes, and inspection requirements.

The County has taken steps to broaden the skill sets of its inspection staff by offering cross-training opportunities. This approach allows the County to assign inspection duties more flexibly and helps maintain coverage when staffing needs change or vacancies arise. Supervisors are tasked with actively monitoring certification status and encouraging staff to pursue additional credentials, with annual performance reviews serving as a checkpoint for progress.

## BACKGROUND (CONTINUED)

### Regulatory Framework

The County's inspection process is guided by a combination of local and state regulations. Key among these are the Virginia Erosion and Sediment Control Law, the Virginia Stormwater Management Program ("VSMP"), and the County's Design and Construction Standards Manual ("DCSM"). Inspectors also confirm compliance with Virginia Department of Transportation ("VDOT") specifications, particularly for roadway-related work. Projects must meet permitting and documentation requirements from both the County and the Department of Environmental Quality ("DEQ"). Non-compliance can result in enforcement actions such as violation notices, fines, and/or delays in bond release, reinforcing the importance of regulatory adherence throughout the development lifecycle.

Inspection frequency and documentation requirements are outlined in the Virginia Stormwater Management Handbook and related regulations. For sites discharging to impaired, surface, or exceptional waters, inspections must occur at least once every four (4) business days, or at least once every five (5) business days with an additional inspection within 48 hours following a measurable storm event. Standard sites require inspections at least once every five (5) business days, or at least once every ten (10) business days with an additional inspection within 48 hours following a measurable storm event.

### Systems Used

The commercial site inspections process primarily relies on two (2) systems to manage inspection workflows:

- **EnerGov:** This refers to the internal, County-facing application used for tracking plan approvals and major project milestones. The external-facing component of EnerGov is called "E-Portal" (see below). While individuals within DPW and DOT may have access to EnerGov, it is primarily used by DDS. Documentation related to permits, bond release, and occupancy are stored here.
- **E-Portal:** This refers to the external, client-facing web-based system that manages permit applications, plan submissions, inspection scheduling, and payments for residents, contractors, and developers. The e-portal supports major development processes and allows users to access records, track project status, and receive automatic updates from any device.
- **Site Inspections Application ("SIA"):** A non-integrated system used by the site inspectors and supervisors for day-to-day inspection activities. It functions as a construction diary and compliance log, and documentation related to inspections, work assignments, and violations are stored here.

Additional tools may be utilized for technical work, such as geotechnical testing, material and soil quality verification.



## BACKGROUND (CONTINUED)

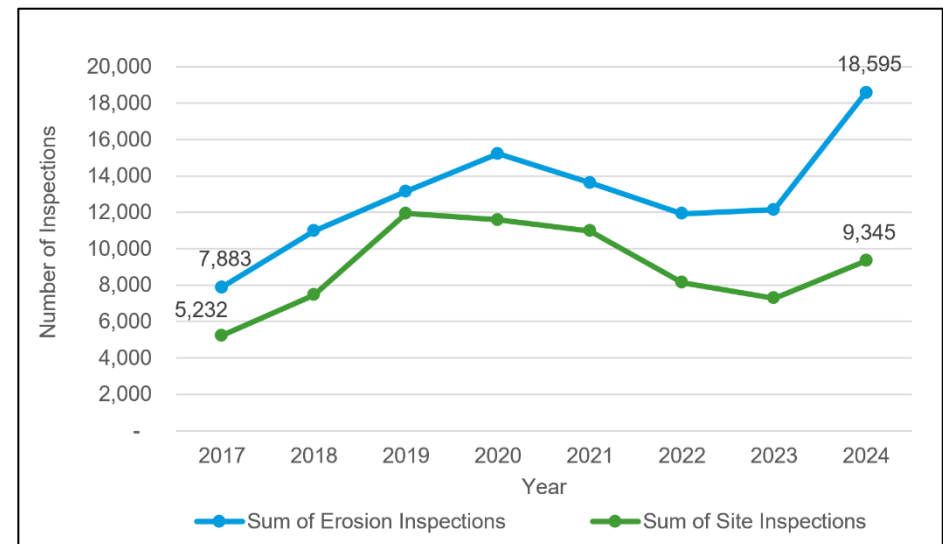
### PWC Commercial Site Inspections Trends

In 2015, the Commonwealth of Virginia began implementing regulatory changes that shifted responsibilities for stormwater and erosion control from the state to local governments. These changes were initiated through amendments to the Virginia Stormwater Management Program ("VSMP") and the Erosion and Sediment Control Regulations, culminating in the adoption of the Virginia Erosion and Stormwater Management Act ("VESMA") in 2016. VESMA consolidated the state's stormwater and erosion control programs into the Virginia Erosion and Stormwater Management Program ("VESMP"), which was fully implemented in 2024. This regulatory evolution was designed to improve local oversight, streamline permitting, and enhance environmental protection at the community level.

Previously, the Virginia Department of Environmental Quality ("DEQ") was responsible for reviewing stormwater management plans, issuing permits, and conducting inspections. With the implementation of "VESMP", these duties now fall to localities such as Prince William County. As a result, county inspection teams and their supervisors have experienced a substantial increase in workload, as they must now manage more complex permitting processes, conduct additional site inspections, and validate compliance with both erosion and stormwater regulations under the unified VESMP framework. The transition has required counties to adapt quickly, updating internal procedures, training staff, and investing in new systems to meet the expanded regulatory requirements.

Between 2017 and 2024, the number of inspections performed by County staff increased significantly, while staffing levels within the DPW remained consistent at nine (9) inspectors, and staffing levels within DOT dropped from six (6) inspectors to five (5) inspectors in 2020. In 2017, each DPW inspector conducted 1,457 inspections; by 2024, this number had risen to 3,104 inspections per inspector - a 113% increase. This increase in inspection volume has placed additional demands for both field staff and management, requiring greater coordination and enhanced communication with developers and contractors. The increased workload has also highlighted the importance of ongoing training and certification, as inspectors must remain current with evolving standards and best practices.

The Virginia Department of Environmental Quality ("DEQ") does not prescribe a specific number of inspectors for local stormwater and erosion control programs. Instead, DEQ requires that each locality maintain a sufficient number of certified inspectors to effectively monitor and enforce compliance with environmental regulations. This flexible approach allows counties to tailor their staffing to the size of their jurisdiction and the volume of construction activity, but it also places the responsibility on local leadership to assess needs and allocate resources appropriately. As regulatory requirements continue to evolve and development activity increases, localities must remain proactive in evaluating their inspection capacity and confirming that teams are equipped to uphold high standards of safety, compliance, and environmental stewardship.



## OBJECTIVES AND APPROACH

### Objectives

The objective of this internal audit was to assess whether the system of internal controls over inspections for commercial sites is adequate and appropriate for compliance with County policies and regulations. The audit evaluated the sufficiency of oversight mechanisms, accuracy of commercial site inspection reporting/timekeeping (if applicable), and effectiveness of internal controls in promoting accountability, operational efficiency, and resource management specifically for the inspections performed by Public Works and Department of Transportation for commercial projects. Our audit period covered commercial site projects active between May 1, 2024 and April 30, 2025. Additional data from 2017 to 2024 was utilized for data analytics purposes.

### Approach

Our audit approach consisted of the following phases:

#### Understanding and Documentation of the Process

This phase consisted primarily of inquiry and walkthroughs to obtain an understanding of the current operating policies and procedures, monitoring functions, and control structures as they relate to the processes within our scope. The following were performed as part of this phase:

- Obtained and reviewed key documents, including policies and procedures related to the function, as well as relevant reporting, and any other relevant information as deemed necessary.
- Conducted interviews and walkthroughs with key personnel to obtain a detailed understanding of applicable policies and procedures, and roles/responsibilities related to the processes within the scope.
- Gained an understanding of procedures as they relate to the processes within scope.
- Developed a work plan to evaluate the operating effectiveness of key processes and controls based on the information obtained through interviews, walkthroughs, and preliminary review of documentation.

#### Evaluation of the Process and Controls Design and Testing of Operating Effectiveness

The purpose of this phase was to evaluate the design of key processes and controls and test compliance and internal controls for operating effectiveness based on our understanding of the processes obtained during the first phase. We utilized sampling and other auditing techniques to meet our audit objectives outlined above. Our testing procedures included, but were not limited to:

- Obtained a listing of completed commercial projects and, for a sample, performed the following:
  - Evaluated the frequency and distribution of inspection activities across Public Works and Transportation inspectors. For any variances in workload distribution, we documented the additional roles and functions that each team may be responsible for;
  - Assessed the project timeline, identifying any delays in bond release and completion of inspections performed by both Public Works' Environmental Services Division ("DPW") and the Department of Transportation ("DOT");
  - Reviewed associated inspection records, including time logs, reports, and supporting documentation (e.g., photos), to verify accuracy, completeness, legitimacy, and adherence to inspection requirements;
  - Evaluated whether inspections and enforcement actions adhere to DEQ requirements and County policies; and
  - Inspected time records from both ES and DOT teams and compare them to a listing of commercial projects and the project's completion dates to identify any anomalies.
- Evaluated the training mechanisms for both ES and DOT personnel.

### Reporting

At the conclusion of this internal audit, we summarized our findings into this report. We have reviewed the results with the appropriate Management personnel and have incorporated Management responses into this report.

## OBSERVATIONS MATRIX

Observation	1. Inspection Cadence, Documentation, and Review
High	<p>Virginia Administrative Code 9VAC 25-875-140 requires that site inspections for land-disturbing activities occur at least once every two (2) weeks, and that the initial inspection take place within 48 hours after installation of erosion and sediment controls. These requirements are intended to confirm ongoing compliance with environmental regulations and to promptly identify and address any issues on active construction sites. Each inspection is required to be documented within the SIA system to track inspection activity and project progress. During our review, we noted the following:</p> <p><u>Inspection Frequency</u> Twenty (20) of twenty-six (26) sampled inspection records within the SIA system indicated that site visits did not consistently occur once every two (2) weeks as required (for DPW), with gaps between visits ranging from one (1) month to fourteen (14) months. Further, for four (4) of the twenty-six (26) sampled projects, the first inspection did not occur within 48 hours of erosion and sediment control installation. Additionally, for twenty (20) samples, there was no documentation indicating the date(s) when erosion and sediment controls were installed. Without this information, supervisors cannot determine whether the corresponding inspections were conducted in a timely manner.</p> <p><u>Inspection Reports</u> Inspection documentation lacked standardized detail describing the work performed during each visit. While basic information such as inspector name and the approximate number of hours spent on site is recorded, there is no clear expectation from County Management regarding the level of detail required in inspection notes, or when inspection reports are to be generated. Some inspectors list detailed notes regarding the individual(s) they met with onsite, the specific activities performed, and confirmation that there were no issues noted. Others, however, provided notes like, “status check” without further detail regarding work performed or individual(s) met. Other individuals do not create inspection documentation at all. One (1) of the twenty-six (26) sampled projects did not have a record of the final DOT inspection occurring. While the SIA allows inspectors to select the types of activities performed during an inspection, like “Grading”, “Punchlist”, upload photo evidence, and provide detailed comments, these functions are not consistently used to document inspection activity.</p> <p>We also noted that, in some instances, a formal inspection may not have occurred, but a discussion with the developer may have taken place regarding project status or next steps. While the SIA allows users to select an activity called, “Email / Phone Call”, these communications are not consistently documented in the system, creating gaps in the project audit trail.</p> <p><u>Supervisor Review</u> While Management indicated that supervisors perform a weekly review of work performed, we noted that this review is not documented and there is no formal guidance outlining the scope, frequency, or criteria of the review performed. The absence of review documentation and a formal supervisor review process limits the County’s ability to monitor inspector work, assess performance, and confirm compliance with regulatory requirements.</p> <p>These gaps may impact the County’s ability to demonstrate regulatory compliance, manage inspector workloads, and provide reliable documentation in the event of a dispute or inquiry. Should a project dispute occur, the County may not be able to readily provide documentation supporting work performed or discussions held. Through discussion with Management, we noted that lack of documentation may be attributed to limitations within the SIA system – see <b>Observation 3</b> for more detail.</p>

## OBSERVATIONS MATRIX (CONTINUED)

Observation	1. Inspection Cadence, Documentation, and Review (Continued)
<b>Recommendation</b>	<p>The following is recommended:</p> <ul style="list-style-type: none"> <li>• <u>Inspection Frequency</u>: Develop and implement clear procedures to confirm that site visits occur in accordance with Virginia Administrative Code requirements, or explore alternative inspection program options under 9VAC 25-875-140(B)(2) that may offer varied inspection deadlines as approved by DEQ. If inspection frequency challenges stem from staffing limitations, the County should conduct a comprehensive review of inspections current staffing levels, recent regulatory changes, and inspection workload trends to identify viable solutions to increase capacity/staffing. Consider additional cross-training to enable more inspectors to perform erosion-related inspections to help address any gaps in coverage. Create a methodology to document when erosion and sediment controls were installed, regardless of if this is accomplished on multiple dates. This may be best accomplished by creating a specific activity category in the SIA to be used once installation is complete.</li> <li>• <u>Inspection Reports</u>: Establish a standardized inspection documentation protocol specifying the required level of detail for each site visit, including descriptive notes of work performed and supporting evidence, such as photographs, where appropriate. The written protocol should also specify when inspection documentation is expected to be created and should provide template(s) to be used for both DPW and DOT. Further, consider incorporating documentation of informal communications with clients regarding project status or next steps into the SIA system to maintain a complete project audit trail.</li> <li>• <u>Supervisor Review</u>: Create written guidance for supervisor review of inspection records, defining review frequency, documentation requirements, and criteria for oversight. Periodically review inspection documentation practices to confirm consistency, support performance management, and strengthen the County's ability to respond to regulatory inquiries or disputes.</li> </ul>
<b>Management Action Plan</b>	<p><b>Response:</b> We acknowledge the findings and recommendations. A detailed management action plan will be provided within the next 60-90 days. We have already begun implementing steps to address the identified issues and we are actively coordinating with DOIT staff and the SIA developer to resolve software limitations related to inspection-frequency tracking, reporting, and standardization of data entry and documentation processes. In addition, we will incorporate supervisor and management guidance protocols for oversight and review.</p> <p>We realize that the volume of work and inspection, in particular, has increased significantly since the shift of inspection responsibility from DEQ to localities. We will evaluate staffing levels in line with improved technologies to make recommendations and share that with the commercial industry and our management for further action if necessary.</p> <p><b>Responsible Party:</b> Director of Public Works, Director of Transportation</p> <p><b>Estimated Completion Date:</b> 60-90 days</p>

## OBSERVATIONS MATRIX (CONTINUED)

Observation	2. Violations Escalation, Categorization, and Documentation
High	<p>The County's commercial site inspections procedures establish a standard escalation process for violations identified during inspections, beginning with a verbal notification documented in the SIA, followed by an inspection notice and written violation. Clients are required to remediate the issue within three (3) days and obtain a reinspection. If the issue is not resolved, the violation escalates through a formal "Notice to Comply" and, if necessary, a stop work order. This process is designed to provide a consistent and transparent approach for addressing non-compliance and escalating enforcement actions.</p> <p><u>Escalation Process</u></p> <p>As part of our procedures, we sampled twenty-six (26) projects and identified any with documented violations. We noted that, when violations were noted, the prescribed escalation process was often not executed as outlined in the standard operating procedure. For the fifteen (15) samples with noted violations, fourteen (14) had violations that did not appear to have been escalated to the next category or did not have evidence that follow-up inspections occurred in a timely manner. Delays in follow-up inspections ranged from four (4) to seventeen (17) days. Without consistent adherence to the escalation process, project completion may be delayed, there may be risk of real or perceived bias, and there may be gaps in project documentation that could be used to support project-related inquiries.</p> <p><u>Categorization</u></p> <p>During our review, we noted inspectors use a variety of categories and naming conventions in the SIA, such as "flagged for review," which leads to subjective interpretation of escalation steps. Additionally, projects may be marked as "finale" to indicate that erosion activities are complete, even though DOT activities may still be pending. Because the naming conventions used in the SIA do not align with the prescribed naming conventions in the SOP (i.e., "Notice to Comply, Stop Work Order" etc.), there may be confusion about the true status of a project and whether all required inspections have been completed.</p> <p><u>Documentation</u></p> <p>We observed that projects may be "flagged for review" or otherwise noted as "non-compliant," but a corresponding violation report was not attached. Of the three (3) sampled inspection reports with the "flagged for review" status, two (2) did not have a corresponding violation report available. Violation reports should contain sufficient detail to fully explain the issue and the remediation activities required, with supporting documentation and follow-up timelines clearly recorded. Through discussion with Management, we noted that lack of documentation may be attributed to limitations within the SIA system – see <b>Observation 3</b> for more detail.</p> <p>The absence of formal documentation and consistent nomenclature makes it difficult to confirm whether violations are being tracked, escalated, and resolved appropriately. This lack of consistency and clarity creates challenges in demonstrating that violations are managed in accordance with policy and regulatory requirements. If a dispute arises, the County may not be able to provide adequate documentation to support its actions and work performed. Furthermore, without confirming that violations are issued in a standardized manner, there is a risk of real or perceived bias in enforcement with clients.</p>

## OBSERVATIONS MATRIX (CONTINUED)

Observation	2. Violations Escalation, Categorization, and Documentation (Continued)
<b>Recommendation</b>	<p>The following is recommended:</p> <ul style="list-style-type: none"> <li>• <u>Escalation Process</u>: Using the updated categorizations, reinforce expectations related to follow-up timelines and escalation protocols. If noncompliance with violation protocols is related to staffing limitations, the County should review current staffing levels, recent regulatory changes, and inspection trends to identify potential solutions in staffing levels. Consider additional cross-training to enable more inspectors to perform erosion-related inspections to help address any gaps in coverage.</li> <li>• <u>Categorization</u>: Develop and implement a standardized violation escalation protocol within the SIA system, including clear categories and naming conventions that align with the County's standard operating procedures. Consider updating categorization options to better reflect the possible violation statuses and possible project statuses between both DOT and DPW.</li> <li>• <u>Documentation</u>: Require each violation to be documented with sufficient detail, including the nature of the issue, supporting evidence, and follow-up timelines. Violation documentation should be reviewed as part of the weekly supervisory review process. Periodically audit violation documentation and escalation practices to confirm consistency, support regulatory compliance, and reduce the risk of disputes or perceived bias in enforcement.</li> </ul>
<b>Management Action Plan</b>	<p><b>Response:</b> We have initiated the changes to the SIA application to address the escalation, categorization, and improvements in documentation. The estimated completion date will be provided with the management action plan in 60-90 days.</p> <p><b>Responsible Party:</b> Director of Public Works, Director of Transportation</p> <p><b>Estimated Completion Date:</b> 60-90 days</p>

## OBSERVATIONS MATRIX (CONTINUED)

Observation	3. Inspection Data Management and System Functionality
High	<p>The SIA system serves as the primary platform for managing commercial inspection activities within the County. While it has been in use for over a decade and is relied upon by multiple departments, the system presents several challenges that impact inspection oversight, data management, and operational efficiency. The following limitations were noted:</p> <p><u>System Integration</u> The SIA system does not integrate with other County tools, such as EnerGov, which is used by developers and DDS to manage and track project milestones, permits, and related activities. This lack of integration limits the effectiveness of both systems, as comprehensive, cross-platform project management is not possible, and data may need to be entered in multiple locations by multiple individuals.</p> <p><u>Supporting Documentation</u> The SIA system only allows photos to be uploaded, not files. Therefore, important records may not be uploaded to the system or may not be retained at all, as documents need to be printed, photographed, and uploaded, which creates efficiency challenges. Based on discussions with Management, this limitation may contribute to the lack of inspection and violation documentation noted in <b>Observations 1 and 2</b>.</p> <p><u>Queries and Reports</u> There is currently no functionality to view all related permits or revisions under a single project within the SIA, making data retrieval challenging. Further, reports by inspection status, project type (residential or commercial), due dates, milestones, or “last performed” activity are also not currently available. This limits supervisors’ ability to track inspection status, inspector workloads, and inspector performance.</p> <p><u>Work Assignments</u> While inspectors are assigned projects within the SIA, there is currently no dashboard or oversight tool to inform supervisors of task completion rates, upcoming due dates, targeted follow-up dates, projects that have not been visited in accordance with specified timelines, or other useful managerial oversight metrics. Because inspectors are not required to maintain daily timesheets, an oversight dashboard could provide supervisors with greater visibility into under- or over-assigned resources.</p> <p><u>Completeness of Data Sets</u> Through discussion with Management, we understand County staff has attempted to reconcile SIA inspections data to manual inspections logs and has identified discrepancies that would suggest SIA data was incomplete. It is unclear if the discrepancies were related to user error or system malfunction.</p> <p>These limitations in system functionality and oversight hinder the County’s ability to monitor inspection progress, maintain complete and reliable records, and respond efficiently to audit requests or disputes. The lack of systematic integration, standardized documentation, reporting, and oversight tools increases the risk of noncompliance and minimize oversight and visibility into the inspections process.</p>



## OBSERVATIONS MATRIX (CONTINUED)

Observation	3. Inspection Data Management and System Functionality (Continued)
<b>Recommendation</b>	<p>The following is recommended:</p> <ul style="list-style-type: none"> <li>• <u>System Integration</u>: Consider opportunities to integrate the SIA to EnerGov, to support comprehensive project management and reduce duplicate data entry or explore alternatives.</li> <li>• <u>Supporting Documentation</u>: We understand Management is currently pursuing system enhancements, such as the transition to laptop/hybrid laptop usage to resolve device outages. We recommend these efforts are continued to address usability, reporting, and integration gaps. Namely, the County should consider system enhancements that would allow users to upload files and inspection documentation (versus photos alone).</li> <li>• <u>Queries and Reports</u>: Establish reporting capabilities within the SIA to allow supervisors and management to efficiently track inspection status, project type, milestones, and overdue activities, and to distinguish between residential and commercial projects.</li> <li>• <u>Work Assignments</u>: Create a dashboard or oversight tool for supervisors to monitor work assignments, task completion, and resource allocation, and to identify projects that have not been visited or have missed milestones.</li> <li>• <u>Completeness of Data Sets</u>: Once enhancements have been made, we recommend performing a data reconciliation of work performed to identify additional opportunities to verify data completeness and accuracy.</li> </ul>
<b>Management Action Plan</b>	<p><b>Response:</b> We are currently in discovery phase with the SIA developer to explore the feasibility to integrate EnerGov and SIA, additionally, we will be engaging with EnerGov team for the possibility of implementing compatible module within EnerGov that can produce the same capabilities which could potentially eliminate the need for external integration altogether. We will propose measures to add capabilities to address the comprehensive management of records, documentation, reports, and work assignments. As recommended, the Dashboard oversight tool will be helpful and has been discussed with the SIA developer. Details will be provided with the management action plan.</p> <p><b>Responsible Party:</b> Director of Public Works, Director of Transportation</p> <p><b>Estimated Completion Date:</b> 60-90 Days</p>



## OBSERVATIONS MATRIX (CONTINUED)

Observation	4. Project Documentation
<p><b>Moderate</b></p>	<p>Throughout the commercial site inspections process, certain key documents are created, shared with stakeholders, and retained as part of the complete project file. These documents range from Plan Approval Letters, which memorialize the official approval and inaugurate the start of a commercial project, to final inspection punch lists, which document any deficiencies needing remediation prior to closeout. While the specific set of documents may depend on the scope and complexity of the project, certain key documents are expected to be retained for all. During our review, we noted several instances where key documents were not retained within the SIA or EnerGov systems.</p> <ul style="list-style-type: none"> <li>• Five (5) of the twenty-six (26) sampled projects did not have Pre-Construction meeting attendance sheets available for review. As a result, attendance could not be assessed for adherence to County SOP requirements (see <b>Observation 5</b>). The absence of this documentation limits the County's ability to confirm stakeholder participation in pre-construction coordination efforts.</li> <li>• Six (6) of the twenty-six (26) samples did not include the Plan Approval Letter. This document contains essential details such as project approval and expiration dates, associated bonds and escrow requirements, approval conditions, and listings of permits to be obtained. While DDS typically uploads these letters to EnerGov, we noted these documents were not available in the system at the time of review, which limits visibility into project obligations and timelines.</li> <li>• Four (4) of the twenty-six (26) samples did not have permit documentation available for review. These permits are typically retained in EnerGov by DDS. Missing permit documentation may limit the County's ability to readily demonstrate compliance with permitting requirements and confirm project readiness for construction activities.</li> <li>• One (1) sample did not have a final inspection punchlist on file. Through discussion with Management, we noted that minor projects or those with relatively minor deficiencies may not have a formal punchlist, as issues are often addressed verbally. For punchlists that were available, we observed significant variation in the level of detail provided. Some included photos of deficiencies, detailed notes, and clear action items, while others lacked supporting evidence or comprehensive descriptions.</li> </ul> <p>To promote transparency, facilitate project monitoring, and support compliance with regulatory and contractual requirements, these documents should be retained as part of the final project file. Inconsistent retention of key documentation increases the risk of incomplete project records, limits the County's ability to demonstrate compliance during audits or regulatory reviews, and may hinder timely resolution of disputes or inquiries related to project obligations and closeout activities.</p>
<p><b>Recommendation</b></p>	<p>The following is recommended:</p> <ul style="list-style-type: none"> <li>• Establish clear guidance on the minimum documentation required for all commercial projects, including Pre-Construction attendance sheets, Plan Approval Letters, permits, and final inspection punchlists, taking into account project size or complexity.</li> <li>• Consider system improvements within EnerGov and SIA to facilitate consistent document upload and retention. Enhancements could include prompts or required fields for uploading key documents at defined project milestones.</li> <li>• We understand DPW Management has begun revising its SOP to address punchlist consistency. We recommend these efforts are continued to require punchlists for all projects and define minimum content standards (e.g., photos, detailed notes, and action items) to promote consistency.</li> </ul>

OBSERVATIONS MATRIX (CONTINUED)

Observation	4. Project Documentation (Continued)
Management Action Plan	<p><b>Response:</b> We will work collaboratively with DDS and DOT to improve consistency in retention and management of records. DPW staff have initiated steps to update the pre-construction SOP to be consistent with regulatory requirements including upcoming enhancement to the SIA records management system. Details will be provided with the management action plan.</p> <p><b>Responsible Party:</b> Director of Public Works, Director of Transportation</p> <p><b>Estimated Completion Date:</b> 60-90 days</p>

## OBSERVATIONS MATRIX (CONTINUED)

Observation	5. Pre-Construction Meetings
<p><b>Moderate</b></p>	<p>Prior to work beginning on any commercial project, a pre-construction meeting should be held between County staff and specific client team members. The purpose of this meeting is to review project-specific requirements, discuss regulatory and permit conditions, clarify inspection and testing protocols, and address any questions or concerns before construction begins. This meeting is intended to set clear expectations, facilitate communication, and help prevent compliance issues during the project lifecycle. During our review, we noted the following compliance and operational issues related to the pre-construction meeting.</p> <p><u>Pre-Construction Attendance</u> The Virginia Department of Environmental Quality Handbook states that, “the owner/operator should invite all contractors, property owners, design engineers, and regulators to an on-site pre-construction meeting.” The County’s Standard Operating Procedure (“SOP”) for commercial site development is more specific, and requires the owner or representative, developer or representative, contractor or representative, Responsible Land Disturber (“RLD”), 24-hour emergency contact, civil engineer, and geotechnical engineer, to attend the pre-construction meeting prior to the start of land-disturbing activities. During our review of twenty-six (26) sampled commercial projects and their corresponding pre-construction sign-in sheets, we noted thirteen (13) did not have the required attendees per County SOPs. Missing attendees included the emergency contact, civil engineer, and geotechnical engineer.</p> <p><u>Pre-Construction Documentation</u> Pre-construction requirements, forms, and guidance are distributed across multiple templates and documents, including a large Pre-Construction Package that is emailed to the applicant/developer, with no single, consolidated resource outlining the chronological steps, responsible contacts, or project milestones from the developer’s perspective. When discussing future initiatives for improvement, Management acknowledged that this fragmented approach creates confusion and a potential customer service issue, and cited several instances wherein developers received conflicting or incomplete information, making it difficult to understand expectations, timelines, and who to contact at each stage.</p> <p>The absence of key personnel limits the effectiveness of the pre-construction meeting, as critical information may not be communicated to those responsible for project execution and oversight. When essential parties are not present, there is an increased risk of misunderstandings regarding regulatory requirements, inspection protocols, and emergency procedures. The absence of centralized resources and clear project documentation increases the potential for project delays, non-compliance with regulatory requirements, and a fragmented client experience.</p>
<p><b>Recommendation</b></p>	<p>The following is recommended:</p> <ul style="list-style-type: none"> <li>• <u>Pre-Construction Attendance</u>: Reinforce and document the requirement that all key personnel, including the owner or representative, developer or representative, contractor or representative, RLD, 24-hour emergency contact, civil engineer, and geotechnical engineer, attend pre-construction meetings, with attendance verified and maintained in project records. Establish procedures to reschedule or follow up when required participants are absent and periodically review meeting records to confirm compliance, retention, and address recurring gaps.</li> <li>• <u>Pre-Construction Documentation</u>: Develop and implement a consolidated, user-friendly pre-construction document or resource that clearly outlines the chronological steps, responsible contacts, and project milestones for developers. This document should specify points of contact between DOT and DPW, and which project activities each will be responsible for.</li> </ul>

OBSERVATIONS MATRIX (CONTINUED)

Observation	5. Pre-Construction Meetings (Continued)
Management Action Plan	<p><b>Response:</b> The County’s requirements for participants required to attend the pre-construction meetings are above and beyond State requirements, which can slow down the process. We will revise our requirements for the required participants to be consistent with the State. Staff have already identified other process improvements. More specific details will be provided with the management action plan in next 60-90 days.</p> <p><b>Responsible Party:</b> Director of Public Works, Director of Transportation</p> <p><b>Estimated Completion Date:</b> 60-90 days</p>

## PROCESS IMPROVEMENT OPPORTUNITY

### 1. Client Experience

During our review, we noted several design gaps that may impede the County's ability to efficiently and effectively manage the commercial site inspections process, particularly from a customer service perspective.

#### Plan Approval Letter Process and Communication Gaps

Once the plan is approved by DDS and a Plan Approval Letter is generated, inspectors are tasked with reviewing the plan and determining next steps. Because the inspections team is not involved in the initial approval process, important technical details may need to be clarified or revised after the fact. For example, inspectors may be responsible for additional inspections required by new federal regulations, such as those related to endangered species and habitat protection, which may not have been specified during the plan review stage. This lack of early coordination can result in client confusion, delays in project initiation, and an increased risk of non-compliance with regulatory requirements, as inspectors may need to revisit or amend project plans after approval.

#### Lack of Centralized Administrative Oversight

There is currently no centralized administrative or managerial role within the inspections teams responsible for confirming document consistency, providing process guidance, and facilitating effective communication between DDS, DPW, and DOT. This gap has become more pronounced since the 2015 state regulatory changes, which shifted significant administrative and quality control responsibilities for stormwater and erosion control from the state to local governments. As a result, localities like the County have absorbed additional permitting, documentation, and compliance tasks. These responsibilities are currently managed by inspections supervisors, who are often required to handle administrative tasks that detract from their primary field responsibilities. Furthermore, between 2017 and 2024, there was a 113% increase in inspection activity without a corresponding increase in FTEs or administrative personnel within the inspection teams. This lack of centralization and administrative ownership increases the risk of miscommunication, project delays, and inconsistent service delivery, ultimately impacting both internal efficiency and customer experience for developers.

These factors contribute to a lack of clarity for clients, potentially inconsistent timelines, and unified guidance for developers. The absence of centralized resources and coordinated communication increases the potential for project delays and non-compliance with regulatory requirements.

The following is recommended:

- Plan Approval Letter Process and Communication Gaps: Consider involving the inspections team in the plan approval and documentation process to improve technical accuracy, address regulatory updates, and clarify permit requirements before documents are sent to clients.
- Lack of Centralized Administrative Oversight: Designate or create a centralized administrative or managerial role to oversee document consistency, process guidance, and communication between Development Services, DPW, and DOT inspections teams.



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