

Agency Name	Transportation
Audit Name	State of NH Highway Fund Management Letter of FY ending 6/30/2016
Audit Period	2016
Status Report Date	April 30, 2024, DOS June 2, 2023, DOT

Summary of Audit Observations/Findings					
Number	Observation Title	Status [place X in status column]			
		Unresolved	Partially Resolved	Substantially Resolved	Fully Resolved
Under Current Status of Prior Audit Finding					
19	Computer Access Controls Should Be Reviewed-DOT		X		
23	Comprehensive Policies and Procedures Manual Should Be Established for ROW Bureau				X
24	Formal Fraud Prevention, Deterrence, and Detection Program Should Be Established				X
Under Current Findings					
1	Strengthen Financial Reporting Protocols	This requires a DAS update, not DOT			
2	Fully Document the Implementation of GASB 54	This requires a DAS update, not DOT			
3	Establish Formal Risk Assessment Processes (also requires response from DOS)				X
4	Establish Strong PW protocols on all Information Systems		X		
5	Comply with Betterment Fund Allocation Provisions of FSA 235:23-a				
6	Adopt Required Administrative Rules-DOS			X	

Observation No. 6: Adopt Required Administrative*Rules Observation:*

The Department of Safety (DOS) has not adopted certain administrative rules required by statute affecting its operation in the Highway Fund.

RSA 21-P:14, III states in part, "The commissioner of safety shall adopt rules, under RSA 541-A and RSA 260:5, relative to motor vehicle registration as follows:

- (c) Maintaining records of motor vehicle certificates of title, as authorized by RSA 261:7.
 - (q) Extension of registration expiration, as authorized by RSA 261:63.
 - (r) Exemption from the registration requirement for certain construction equipment, as authorized by RSA 261:64.
 - (s) Issuing certificates of registration for vehicles owned by diplomats and certain other officials, as authorized by RSA 261:65." [RSA 21-P:14, III (s) was repealed, effective July 26, 2016.]
- At June 30, 2016, DOS had not adopted the above-Mentioned rules.

Recommendation:

The DOS should adopt statutorily-required administrative rules.

If the DOS determines that adopting the rules is not in the interest of the DOS or State, the DOS should request that the statutes be appropriately amended.

Department of Safety Response:

We concur.

Administrative rulemaking is a highly detailed and time consuming process crucial to the administration of programs and services. DOS has struggled to remain current on all administrative rules due to a lack of available personnel resources.

As part of ongoing risk assessment activities during fiscal year 2016, DOS identified a lack of personnel resources to address expiring administrative rules as a risk. In response to this assessment, DOS established and hired a new part-time Rules Coordinator in July 2016 to identify, coordinate, and develop timely administrative rules.

May 2024 Update:

The Rules Coordinator position has been filled and solely dedicated to reviewing and addressing the administrative rules. Both Saf-C 1900 (Title Rules) and Saf-C 500 (Registration Rules) have been readopted in whole, however further review is required to address the remaining item noted in the finding; the Department is actively working to address this.