

# Transfer Station Operating Controls Follow-up Audit

## Why this audit is important

The purpose of this audit was to evaluate the status of recommendations from the September 2023 audit, *Transfer Station Operating Controls: Strengthen management practices to reduce risks*. That audit included 20 recommendations to improve internal controls.

Metro’s Waste Prevention and Environmental Services department manages two publicly owned solid waste transfer stations in the region. Transfer station operations present safety, financial, and environmental risks. The September 2023 audit summarized concerns in these areas.

The audit scope included changes made between the release of the audit in 2023 and March 2026.

### Metro Central Transfer Station



Source: Metro 2030 Regional Waste Plan

## What we found

Waste Prevention and Environmental Services made progress implementing recommendations from the 2023 audit. Eleven recommendations were fully implemented and nine were in process.

Status of 2023 Audit recommendations
<b>Strengthen internal controls</b>
<ul style="list-style-type: none"> <li>• 1 Implemented</li> <li>• 6 In process</li> </ul>
<b>Strengthen contract risk management practices</b>
<ul style="list-style-type: none"> <li>• 3 Implemented</li> <li>• 2 In process</li> </ul>
<b>Ensure compliance with internal processes</b>
<ul style="list-style-type: none"> <li>• 2 Implemented</li> </ul>
<b>Reduce gaps and overlaps in oversight</b>
<ul style="list-style-type: none"> <li>• 5 Implemented</li> <li>• 1 In process</li> </ul>

Source: Summary of recommendation status for 2026 follow-up report

The need for stronger monitoring processes was a common theme among the in process recommendations. For instance, annual inspections for one of the department’s safety programs did not take place as required. Safety trainings were not completed by some employees. This meant some employees may not have had the annual training they needed to safely carry out their work. More work was needed to establish consistent training expectations, identify required classes, and ensure employees take required classes.

More work was needed to finalize the Department’s contract risk management procedures. Some contract management activities were not completed, and processes were not in place to manage contractor certificates of insurance. This emphasized the need to incorporate monitoring and oversight responsibilities into policies and procedures.

The Department replaced an outdated point-of-sale system. Most recommendations related to the update were implemented. However, the Department did not finalize some basic controls before implementing the system in May 2025.

The Department also made progress preparing for the future. Metro Council approved the Regional System Facilities Plan in March 2025. It outlined at least \$273 million in facility investments and about \$52 million in ongoing annual costs. Fully implementing the remaining recommendations will strengthen controls and improve oversight as Metro considers changes.