



Internal Audit Services
Third Quarter 2001
Audit Resolution Update

Audit Services Findings Resolution Matrix
Status as of Third Quarter, 2001
Table of Contents

1999 External Audit Management Letter Comments	1
Self-Insured Health Care Audit	2
Progress Report on Cash Weaknesses Identified Within the Treasurer’s Department.....	3
Progress Report on Cash Weaknesses Identified Within the District Court.....	4
Progress Report on Appraiser’s Exempt Property Review.....	5
Progress Report on Register of Deeds Internal Control Audit	6

**Audit Services Findings Resolution Matrix
Status as of Third Quarter, 2001**

1999 External Audit Management Letter Comments
Status Report

Management Letter Comment	Department	Date Comment Appeared	Responsible	Management Action Plan & Management Comments	Resolution Date
Accounting personnel should become familiar with GASB Statement 34 through the attendance of seminars & implement a plan should be established including the consideration of funding needs.	Office of Financial Management	1999	Susan Dougan or Stewart Brown	Staff has attended numerous training seminars on the new reporting model. Staff is also working on a detailed analysis and a proposed implementation plan for Statement 34. During the process, staff will meet with various affected agencies and departments of the County to determine steps and resources necessary for a transition to the new model.	12/31/02
A central grant administrator to ensure proper grant accounting.	Office of Financial Management	1999	Mike Press	An additional full-time position, a Grant Compliance Administrator, could be created to monitor grant activity within the County.	09/30/01 12/31/01 ¹
Policy implementation whereby all County departments are required to utilize separate organizations for recording and reporting grant activity.	Office of Financial Management	1999	Mike Press	The CFO recommends that the current policy be rewritten to address all facets of grant management, including but not limited to: grant applications; grant approvals; grant renewals; accounting for grant activity; grant documentation and any reports as required by the granting agency.	09/30/01 12/31/01 ¹
Review of effectiveness & controls of purchasing card.	Office of Financial Management	1998	Pat Raney	The County engaged DMKJ to audit the County's purchasing card program. The purchasing card policy will be revised to address all issues identified in the audit report.	08/31/01 11/30/01 ¹

When updating this document quarterly, all items noted as resolved on the prior matrix will be dropped Completed comments are the representations of management. Updated information will be obtained each quarter from the responsible party within the applicable department

¹ Auditor's Note: Revised timelines determined by Management.

**Audit Services Findings Resolution Matrix
Status as of Third Quarter, 2001**

Self-Insured Health Care Audit
Report Number 2001-01

Audit Comment	Department	Date Comment Appeared	Responsible	Management Action Plan & Management Comments	Resolution Date
Budget for the Health Care Fund within the normal budget process.	County Administrator	2/15/01	Mike Press	Budget included in the Commissioner's Budget material and as an attachment to the Budget Resolution. It was not included in the State budget material.	No further action expected.
Establish written policies and procedures that delineate budgetary authority and establish departmental responsibilities.	County Administrator	2/15/01	Mike Press	The County Administrator indicated that the preparation of these policies was underway.	12/01/01
Document all budgetary and accounting assumptions.	County Administrator	2/15/01	Mike Press	Under Review.	12/01/01
OFM representatives should initial all unusual transactions	County Administrator	2/15/01	Mike Press	Under Review.	12/01/01
OFM record Health Care Revenue on the accrual basis.	County Administrator	2/15/01	Mike Press	The County Administrator agrees to the adjustment to the accrual basis.	12/31/01
Establish written policies and procedures establishing and maintaining an unencumbered cash balance at year end.	County Administrator	2/15/01	Mike Press	The County Administrator indicated that the preparation of these policies was underway.	12/01/01

**Audit Services Findings Resolution Matrix
Status as of Third Quarter, 2001**

Progress Report on Cash Weaknesses Identified Within the Treasurer's Department
Report Number 2001-03

Audit Comment	Department	Date Comment Appeared	Responsible	Management Action Plan & Management Comments	Resolution Date
Treasurer prepare a monthly reconciliation of the bank statement balances, the Treasurer's records balances, and the LGFS outstanding balances.	Treasurer	2001	William O'Brien	Treasurer's representatives concurred. In progress.	Done
Treasurer ensure that void check listings are provided to UMB bank monthly, prompt resolution of bank errors, and bank information in usable format.	Treasurer/ OFM	2001	William O'Brien	Treasurer's representatives concurred.	Done
Correction of outstanding warrants list for checks that have cleared the bank.	Treasurer/ OFM	2001	William O'Brien	Treasurer's representatives concurred. Close to complete.	Done
Establish written policies and procedures for bank reconciliations.	Treasurer	2001	William O'Brien	Treasurer's representatives concurred. (95% complete. One account to finish.)	8/01/01 10/05/01 ²

² Auditor's Note: Revised timelines determined by Management.

Audit Services Findings Resolution Matrix
Status as of Third Quarter, 2001

Progress Report on Cash Weaknesses Identified Within the District Court
 Report Number 2001-04

Audit Comment	Department	Date Comment Appeared	Responsible	Management Action Plan & Management Comments	Resolution Date
The District Court prepare a monthly listing of outstanding checks for all accounts.	District Court	2001	Patrick McAnany	An accurate list of outstanding checks will be available after the receipt of the final bank statement for the old account and investigation of the stale checks.	Done
The District Court transfer all processing to the JIMS system.	District Court	2001	Patrick McAnany	This will be completed by June 1, 2001.	8/01/01 12/31/01 ³
The District Court establish written procedures for resolving or voiding long-term outstanding checks.	District Court	2001	Patrick McAnany	The Clerk of the Court will prepare and have approved a written policies and procedures manual.	9/01/01 12/31/01 ³
The District Court comply with Unclaimed Property Procedures.	District Court	2001	Patrick McAnany	We will include all Unclaimed Property amounts in the report due November 2001.	11/01/01
The District Court establish written policies and procedures for signing checks.	District Court	2001	Patrick McAnany	The Clerk of the Court will prepare and have approved a written policies and procedures manual.	9/01/01 12/31/01 ³

³ Auditor's Note: Revised timelines determined by Management.

**Audit Services Findings Resolution Matrix
Status as of Third Quarter, 2001**

Progress Report on Appraiser's Exempt Property Review
Report Number 2001-05

Audit Comment	Department	Date Comment Appeared	Responsible	Management Action Plan & Management Comments	Resolution Date
Periodic Review of Exempt Property Status	Appraiser	2001	Paul Welcome	Implement new procedures to annually review the exempt status of Real property.	Done
Maintenance of Exempt Property Files	Appraiser	2001	Paul Welcome	All real estate exemption orders to be scanned and filed by parcel number.	12/31/01

**Audit Services Findings Resolution Matrix
Status as of Third Quarter, 2001**

Progress Report on Register of Deeds Internal Control Audit

Audit Comment	Department	Date Comment Appeared	Responsible	Management Action Plan & Management Comments	Resolution Date
Failure to sufficiently segregate duties.	Register of Deeds	2001	Becky Davis	Restructure department job functions to adequately segregate duties.	12/31/01
Failure to provide sufficient physical controls over assets.	Register of Deeds	2001	Becky Davis	Restructure department to provide more adequate controls.	12/31/01
Failure to provide sufficient controls in Information Processing Systems.	Register of Deeds	2001	Becky Davis	Work with ITS to correct deficiencies.	12/31/01