



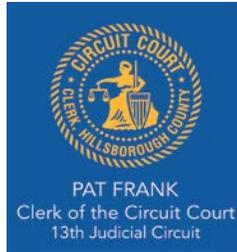
PAT FRANK
Clerk of the Circuit Court
13th Judicial Circuit

County Audit Department

**Quarterly Status Report of Audit Recommendations and
Board of County Commissioners' Management Action Plans**

Report # 277

December 31, 2014



Date: February 19, 2015

To: The Honorable Sandra L. Murman, Chairman
The Honorable Kevin Beckner
The Honorable Victor D. Crist
The Honorable Ken Hagan
The Honorable Al Higginbotham
The Honorable Lesley "Les" Miller
The Honorable Stacy White

From: Peggy Caskey, CIA, CISA, CFE, Director of County Audit

Subject: Quarterly status report of audit recommendations and Board of County Commissioners' management action plans

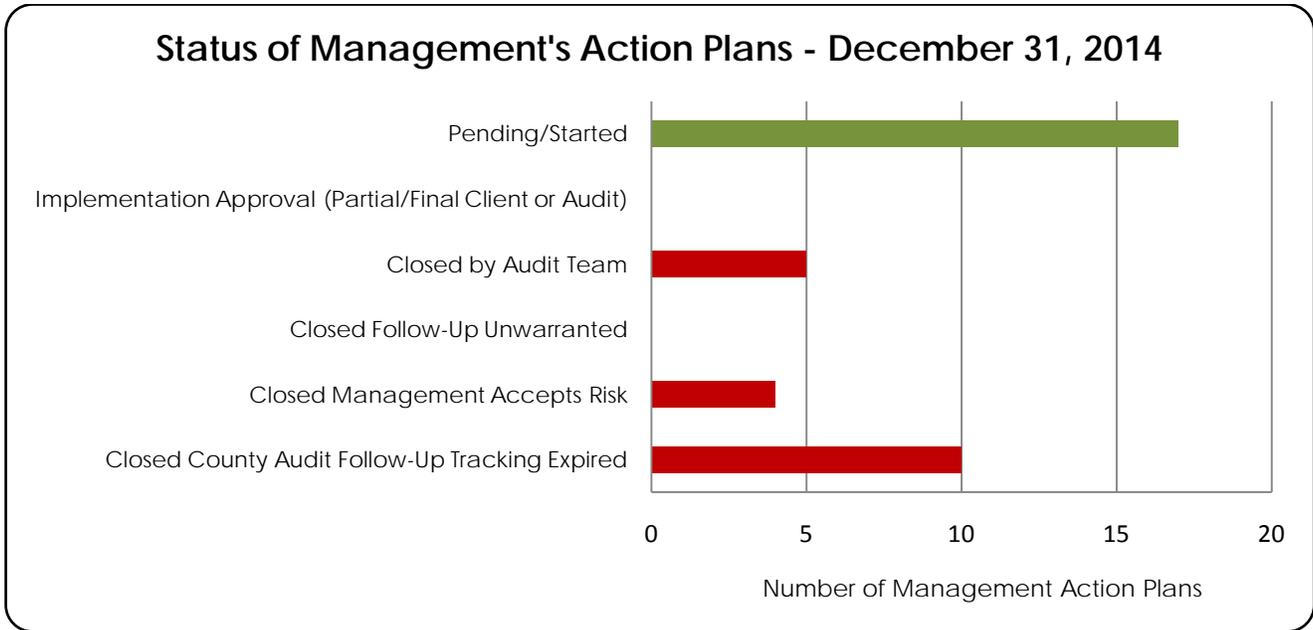
Dear Chairman Murman and Commissioners:

The County Audit Department prepared the attached quarterly report on the status of audit recommendations and management action plans. Implementing the management action plans will enhance the Board of County Commissioners' overall operations and mitigate risks to the organization.

As a result of audit testing, it is common practice for the County Audit Department to make a recommendation based on the auditor's observations and conclusions. The recommendation calls for action to correct an existing condition or improve operations. The recommendation may suggest an approach to correct or enhance performance as a guide for management in achieving a desired result.

In compliance with the Institute of Internal Auditors Standard 2500, the County Audit Department monitors management's action plans for up to 12 months after the audit report issuance date (or longer if authorized by the Director of County Audit). At the end of the monitoring time period, any management action plan whose implementation has not yet reached the "audit approved" step in the monitoring life cycle is reported to the County Internal Auditor.

During the fourth quarter ending December 31, 2014, the County Audit Department monitored 36 management action plans. The County Audit Department closed 19 of these plans (4 of which client management accepted the risk exposure and is not implementing the recommendation). The remaining 17 plans that are in the pending/started or implementation stage of the monitoring life cycle are being carrying forward to the first quarter 2015. The table below shows a status summary as of December 31, 2014. The attached *Status of Audit Recommendations and Management Action Plans* report contains specific information about each of the 36 management action plans.



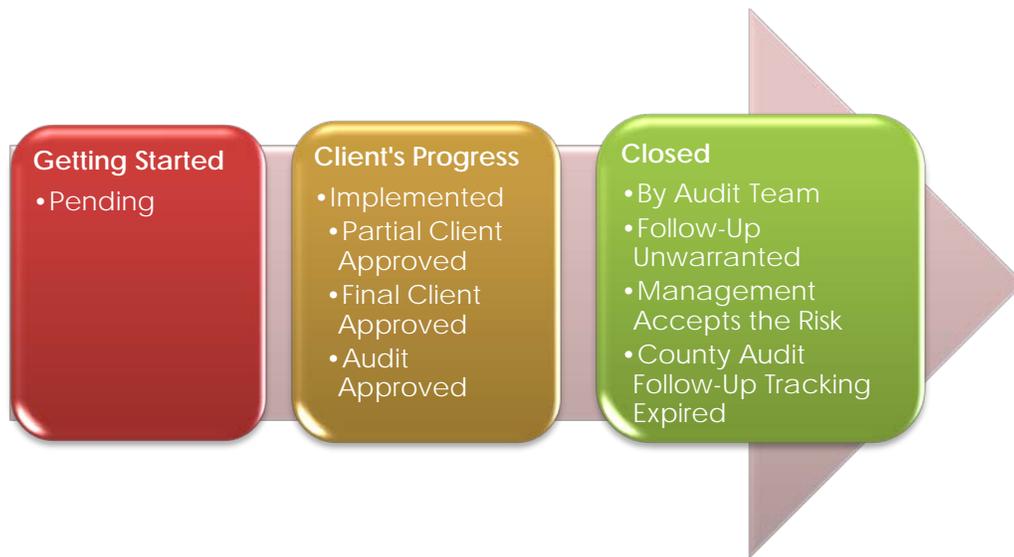
I appreciate this opportunity to be of service to the Board of County Commissioners. I will be pleased to respond to any questions that you may have concerning the attached report and to furnish you with any desired information.

- CC:
- Mike Merrill, County Administrator
 - Greg Horwedel, Deputy County Administrator
 - Liana Lopez, Chief Communications Administrator
 - Lucia Garsys, Chief Development & Infrastructure Services Administrator
 - Bonnie Wise, Chief Financial Administrator
 - Carl Harness, Chief Human Services Administrator
 - Ramin Kouzehkanani, Chief Information & Innovation Officer
 - Tom Fass, Assistant County Administrator
 - Dexter Barge, Assistant County Administrator
 - Ron Barton, Assistant County Administrator
 - Sharon Subadan, Assistant County Administrator
 - Bruce Dangremond, Performance Mgmt, Business and Support Services
 - Michelle Leonhardt, County Internal Auditor
 - Pat Frank, Clerk of the Circuit Court
 - Dan Klein, Chief of Staff
 - Rick Van Arsdall, Chief Deputy – Finance & Budget

Table of Contents

SECTION	PAGE
Steps in the Management Action Plan Monitoring Process	1
Status of Audit Recommendations and Management Action Plans December 31, 2014:	
<u>Chief Communications Administrator</u>	
None	NA
<u>Chief Development & Infrastructure Services Administrator</u>	
Report #247, The Center for Development Services	2
Report #251, Consultant Competitive Negotiation Act Procurement Process	12
<u>Chief Financial Administrator</u>	
None	NA
<u>Chief Human Services Administrator</u>	
Report #258, Crisis Center Baker Act Transportation Services	13
Report #261, DACCO Deliverables Contract Compliance	21
<u>Chief Information and Innovations Officer</u>	
Report #268, Information and Technology Services Department's Physical and Environmental Security Controls	26
<u>Deputy County Administrator</u>	
Report #259, Fuel Procurement and Inventory Process	16
Report #260, Facilities Inventory and Supplies Control Environment	17
Report #264, Code Compliance Inspections	22
Report #265, Parks, Recreation & Conservation Services Maintenance Inventory and Supplies Control Environment	23
<u>Clerk to the Board</u>	
None	NA

Steps in the Management Action Plan Monitoring Process



DEFINITIONS:

Pending = Indicates that the recommendation was recently sent to TeamCentral and client management has not yet started implementation.

Implemented = Indicates that the recommendation was implemented but the recommendation has not yet been approved by the client and the Audit Team.

Partial Client Approval = Indicates that the recommendation received one or more client approvals, but not yet final client management approval.

Final Client Approval = Indicates that the recommendation received final client management approval and is now ready for the Audit Team to approve or reject the implementation.

Audit Approval = Indicates that the recommendation received the Audit Team's approval and is now ready to be tested and closed.

Closed = Indicates that the County Audit Department stopped monitoring.

By Audit Team = Indicates that the Audit Team reviewed or verified the actions taken to implement the recommendation and the recommendation is closed.

Follow-Up Unwarranted = Indicates that the recommendation closed by the Audit Team because the concern is no longer applicable or no corrective action is needed.

Management Accepts Risk = Indicates that the recommendation was closed by the Audit Team because client management accepted the risk exposure and is not implementing the recommendation.

County Audit Follow-Up Tracking Expired = Indicates that the target completion date for implementing the recommendation has passed and no actions have been taken by client management during the monitoring period.

Project Code	<u>247</u>
Entity	<u>Development Services</u>
Project Name	<u>The Center for Development Services</u>
Status	Closed - County Audit Follow-Up Tracking Expired
Actual Issue Date	5/30/2013
Recommendation	Consideration should be given to taking measures to reduce the average number of permit inspections per inspector per day. This may include increasing the inspector staffing level and/or using outside private providers to assist when there is a high volume of inspection activities.
Response	The County's current contract that allows for the use of private providers for building inspections has been expanded to add three additional vendors. The department is also filling two vacant inspector positions and transferring and re-classifying three more positions within the Infrastructure and Development Team to supplement the increasing demand for building inspections. However, while the Insurance Services Office (ISO) figure is a potential benchmark, the number of inspections that can be effectively performed varies greatly by the type of construction and development activity being inspected. It should also be noted that a short survey of some of our neighbors found that the average was 15-20 inspections per day. With the current volume of requests (>900/day), reducing to a level of 10 inspections per inspector per day, may be an unattainable goal.
Estimated Implementation	2/5/2014
Revised Implementation	0
Days from report issue date	580
Close Date	12/31/2014

Project Code	<u>247</u>
Entity	<u>Development Services</u>
Project Name	<u>The Center for Development Services</u>
Status	Closed - County Audit Follow-Up Tracking Expired
Actual Issue Date	5/30/2013
Recommendation	Consideration should be given to implementing a written policy that denotes the acceptable number of days allowed to process residential and commercial building permit applications. Once established, management should implement monitoring controls to ensure productivity meets the standards.
Response	<p>Since this audit concluded in June 2012, many of these delays have been addressed and the issuance time for permits has been reduced significantly. The BOCC recently received a staff report on permit process time and a subsequent policy will be implemented.</p> <p>In April of 2013 the department brought on board a Center manager to specifically focus on services at The Center including the turnaround time for permits. This manager will be supported by a dedicated business analyst to improve business processes and data reporting of this information to ensure timely and efficient services.</p> <p>A survey of Orange, Manatee and Pasco counties found that the average turnaround times for permit issuance in those jurisdictions is between two and four weeks. In FY2011 Hillsborough County's average turnaround was 15.82 days, so far in FY2013 that number has been reduced to just over 9 days (in neither instance are we able to subtract the amount of time staff spent waiting for client corrections). Pending the Accela Automation software and procedural improvements will further speed the department's effectiveness in turning these products out.</p>
Estimated Implementation	2/5/2014
Revised Implementation	0
Days from report issue date	580
Close Date	12/31/2014

Project Code	<u>247</u>
Entity	<u>Development Services</u>
Project Name	<u>The Center for Development Services</u>
Status	Closed - County Audit Follow-Up Tracking Expired
Actual Issue Date	5/30/2013
Recommendation	As part of the software selection process, consideration should be given to ensuring that the new software's reporting capabilities can accurately calculate permit processing times.
Response	The department is currently using an outdated software called Permit Plus, this program has proven woefully inadequate to meet the needs of the County, as such staff began, prior to the conclusion of this audit, the process of replacing this software with a program called Accela Automation. Procurement has been completed and the Implementation of Accela Automation software is already underway with an expected roll out date in December 2013. This software will allow for enhanced reporting and accurate accounting of workflow procedures.
Estimated Implementation	2/5/2014
Revised Implementation	0
Days from report issue date	580
Close Date	12/31/2014

Project Code	<u>247</u>
Entity	<u>Development Services</u>
Project Name	<u>The Center for Development Services</u>
Status	Closed - County Audit Follow-Up Tracking Expired
Actual Issue Date	5/30/2013
Recommendation	Consideration should be given to designing and implementing controls to ensure that only the fees that have been approved by the BOCC are charged to customers.
Response	It was discovered that a \$4 fee was being charged for paint on new single family construction, and a \$5 fee for the submittal of notice of commencement. All fees currently being charged can be found on the BOCC approved fee schedule and staff has been provided with the approved BOCC fee schedule for building services.
Estimated Implementation	2/5/2014
Revised Implementation	0
Days from report issue date	580
Close Date	12/31/2014

Project Code	<u>247</u>
Entity	<u>Development Services</u>
Project Name	<u>The Center for Development Services</u>
Status	Closed - County Audit Follow-Up Tracking Expired
Actual Issue Date	5/30/2013
Recommendation	Consideration should be given to implementing an automated preventative control that verifies the active status of contractor licenses prior to issuance of a building permit.
Response	<p>Effective immediately the department will be running periodic reports to identify any contractors whose State license has expired as indicated in the department's records. Any records found where this date has passed will be flagged in the system and their ability to pull a permit through Hillsborough County will be placed on hold until such time as they have updated their information with proof of State licensure renewal.</p> <p>It should also be noted that any person who falsely holds themselves out as a licensed contractor violates State law and is subject to fines and or criminal prosecution.</p>
Estimated Implementation	2/5/2014
Revised Implementation	0
Days from report issue date	580
Close Date	12/31/2014

Project Code	<u>247</u>
Entity	<u>Development Services</u>
Project Name	<u>The Center for Development Services</u>
Status	Closed - County Audit Follow-Up Tracking Expired
Actual Issue Date	5/30/2013
Recommendation	Consideration should be given to implementing a control that detects expired permits and monitors for their resolution.
Response	<p>The Department's software is able to easily identify expired permits, however resolving these defaulted permits would require considerable resources for minimal benefit. While some efforts are being made to resolve expired permits the department accepts the minimal risk associated with these unresolved issues.</p> <p>A permit may expire where no work was performed and could logically be cancelled, however a permit may also expire because inspections were not requested on the work performed. In the latter case this permit should not be cancelled, however determining which case would require an inspection of the site to determine if the permit should be cancelled or continued. Staff is currently unable to meet the full demand for inspections with current staffing; performing several thousand additional inspections for expired permits does not provide additional information useful to the permitting process.</p> <p>There is however a mechanism in place to resolve some expired permits; as new permits are applied for a check is done to see if the contractor has any outstanding expired permits, if records show multiple expired permits the contractor is required to submit an action plan to address the expired permits. Additionally, as tips are reported to the department, enforcement action is taken to ensure the permitting process is completed.</p>
Estimated Implementation	2/5/2014
Revised Implementation	0
Days from report issue date	580
Close Date	12/31/2014

Project Code	<u>247</u>
Entity	<u>Development Services</u>
Project Name	<u>The Center for Development Services</u>
Status	Closed - County Audit Follow-Up Tracking Expired
Actual Issue Date	5/30/2013
Recommendation	Consideration should be given to partnering with law enforcement to implement a proactive approach to detect unlicensed contractors.
Response	The County has entered into an arrangement with the Hillsborough County Sheriff's Department to utilize environmental deputies to aid in the enforcement of construction by unlicensed contractors.
Estimated Implementation	2/5/2014
Revised Implementation	0
Days from report issue date	580
Close Date	12/31/2014

Project Code	<u>247</u>
Entity	<u>Development Services</u>
Project Name	<u>The Center for Development Services</u>
Status	Closed - County Audit Follow-Up Tracking Expired
Actual Issue Date	5/30/2013
Recommendation	To ensure complete and accurate records, and confidentiality of sensitive personal information, consideration should be given to implementing policies and processes for retaining contractor license application documents.
Response	<p>These records are now stored in a secure area until they are shipped out to the records warehouse for retention. When they have reached their retention period, as defined by the State, these records will be disposed.</p> <p>A written policy will be developed and provided to staff, regarding the storage and retention of this information.</p>
Estimated Implementation	2/5/2014
Revised Implementation	0
Days from report issue date	580
Close Date	12/31/2014

Project Code	<u>247</u>
Entity	<u>Development Services</u>
Project Name	<u>The Center for Development Services</u>
Status	Closed - County Audit Follow-Up Tracking Expired
Actual Issue Date	5/30/2013
Recommendation	Consideration should be given to adopting a policy that prohibits driver distractions while operating a County owned vehicle.
Response	The County Executive Team will assign staff to review possible approaches to minimizing driver distractions while operating county vehicles and consider whether implementing a formal policy is appropriate.
Estimated Implementation	2/5/2014
Revised Implementation	0
Days from report issue date	580
Close Date	12/31/2014

Project Code	<u>247</u>
Entity	<u>Development Services</u>
Project Name	<u>The Center for Development Services</u>
Status	Closed - County Audit Follow-Up Tracking Expired
Actual Issue Date	5/30/2013
Recommendation	Consideration should be given to complying with Administrative Directive MS-15, Responsibilities and Procedures for Implementing the Fraudulent Misconduct Policy , by providing all employees training on the BOCC Fraudulent Misconduct Policy, and the procedures for reporting and addressing fraudulent behavior.
Response	Staff will coordinate with Human Resources and the executive team to expand the availability of this mandatory training, employees and managers will be scheduled for training as it becomes available.
Estimated Implementation	2/5/2014
Revised Implementation	0
Days from report issue date	580
Close Date	12/31/2014

Project Code	<u>251</u>
Entity	<u>CCNA</u>
Project Name	<u>Consultant Competitive Negotiation Act (CCNA) Procurement Process Audit</u>
Status	Closed - By Audit Team
Actual Issue Date	4/16/2014
Recommendation	<p>Consideration should be given to:</p> <ol style="list-style-type: none"> 1. Converting the guide sheet into a checklist where each required document is marked off or initialed when the document is placed in the file. 2. Implementing a review policy whereby a manager, supervisor, or other Procurement employee reviews CCNA contract binders for completeness. This review procedure could be applied on a department wide basis to other County documentation files .
Response	<ol style="list-style-type: none"> 1. Business and Support Services - Procurement will convert the current guide sheet into a checklist where each required document is marked off or initialed by the analyst when the document is placed in file. 2. Procurement will create a department wide contract file review procedure and develop a new memorandum whereby each contract binder reviewed will be documented as it occurs.
Estimated Implementation	1/31/2014
Revised Implementation	0
Days from report issue date	259
Close Date	12/31/2014

Project Code	<u>258</u>
Entity	<u>Family and Aging Services</u>
Project Name	<u>Crisis Center Baker Act Transportation Services</u>
Status	Closed - By Audit Team
Actual Issue Date	4/23/2014
Recommendation	<p>Consideration should be given to:</p> <ul style="list-style-type: none"> · Monitoring the Crisis Center's performance on all services provided in conjunction with the Agreement. · Continuing to implement the annual monitoring plan developed by the Department to periodically test the Crisis Center's compliance with contract requirements. · Ensuring that the Crisis Center is collecting and submitting the appropriate documentation in accordance with the Agreement. · Clarifying the contract language to ensure that the requirements of the Agreement align with the desired process or procedure.
Response	<p>Annual monitoring will test the Crisis Center's compliance with the contract requirements and verify that the Crisis Center is collecting and submitting the appropriate documentation in accordance with the Agreement. Monitoring is performed annually, at a minimum.</p> <p>The Crisis Center's success in meeting the performance standard is monitored on a monthly basis with submission of the monthly invoice. Performance standards will also be verified during the annual monitoring visits.</p> <p>Contract modifications have been requested as follows:</p> <ol style="list-style-type: none"> 1) Change the language on page TS-3, 7. Performance Standard, 7.1.1 (and any other references to this performance standard) to read: In each month, 80% of transports billed to the County will have a response time 2) Change the language on page TS-4, 8. Reports, 8.2 (and any other references to a Baker Act form requirement) to read:The CONTRACTOR shall retain all run reports generated by the CONTRACTOR and copies of any completed Baker Act Form, including but not limited to CF-MH 3100, CF-MH 3052a, CF-MH 3052b, CF-MH 3032 or any other Baker Act Form mandatory or recommended as shown Florida Department of Children and Families website at http://myflfamilies.com/service-programs/mental-health/baker-act-forms 3) Change any references to 'call receipt time' in relation to calculating the performance standard to read 'dispatch time' .
Estimated Implementation	8/30/2014
Revised Implementation	11/30/2014
Days from report issue date	252
Close Date	12/11/2014

Project Code	<u>258</u>
Entity	<u>Family and Aging Services</u>
Project Name	<u>Crisis Center Baker Act Transportation Services</u>
Status	Closed - By Audit Team
Actual Issue Date	4/23/2014
Recommendation	<p>Consideration should be given to :</p> <ul style="list-style-type: none"> · Including steps in the annual monitoring plan to ensure that the County is the payor of last resort and that any credits due the County were appropriately applied. · Clarifying the contract language to ensure that the requirements of the Agreement align with the desired process and procedure.
Response	<p>Adequate controls are in place consistent with healthcare industry standards. Government and commercial health care plans depend upon the provider due to the complexity of medical billing to ensure accuracy and accountability of their health care provider claims and for ensuring that they bill the appropriate provider.</p> <p>Although the County is dependent upon the receipt of credits and the Crisis Center's self reporting of the receipt of third party payments, it is important to note that providers would be subject to fines and penalties (up to and including the loss of their license to operate) for retaining any overpayments made by Hillsborough County - due to Medicaid or Medicare payments received. The Crisis Center is diligent in providing credits to the County to clear any credit balance accounts due to third party payments received after the County has paid, which ensures full compliance with federal law and statutes.</p> <p>Steps are included in the annual monitoring plan to verify that any available third party payors are billed/or considered and the County is the payor of last resort. Additionally, the monitoring plan will review and verify that any credits due the County were appropriately applied.</p>
Estimated Implementation	8/30/2014
Revised Implementation	11/30/2014
Days from report issue date	252
Close Date	12/11/2014

Project Code	258
Entity	Family and Aging Services
Project Name	Crisis Center Baker Act Transportation Services
Status	Closed - By Audit Team
Actual Issue Date	4/23/2014
Recommendation	<p>Consideration should be given to:</p> <ul style="list-style-type: none"> · Establishing an additional method to verify the accuracy and appropriateness of the information provided by the Crisis Center prior to payment. · Continue implementing an annual monitoring plan to periodically test the Crisis Center's compliance with contract requirements. · Clarifying the contract language to ensure that the requirements of the Agreement align with the desired process and procedure.
Response	Accuracy and appropriateness of the information provided by the Crisis Center with the monthly billing will be verified during the annual monitoring visits.
Estimated Implementation	8/30/2014
Revised Implementation	11/30/2014
Days from report issue date	252
Close Date	12/11/2014

Project Code	<u>259</u>
Entity	<u>Fleet Management</u>
Project Name	<u>Fuel Management and Inventory Process</u>
Status	Started
Actual Issue Date	4/23/2014
Recommendation	Consideration should be given to monitoring the driver's spreadsheet data entries and observing the driver's physical inventory measurements to ensure they are properly recorded and measured.
Response	Fleet Management has a requirement in its Fuel Duties Procedure to monitor all fuel inventory spreadsheets, the Fleet Fuel Manager will increase reviews of the inventory spreadsheets to help ensure omissions and errors are corrected. Additionally, Fleet Management is in the process of procuring a new truck, which will be equipped with an automatic tank gauge for improved accuracy and safety.
Estimated Implementation	10/31/2014
Revised Implementation	0
Days from report issue date	252
Close Date	0

Project Code	<u>260</u>
Entity	<u>Facilities Management Services</u>
Project Name	<u>Facilities Inventory and Supplies Control Environment</u>
Status	Pending
Actual Issue Date	4/23/2014
Recommendation	1. To mitigate segregation of duties risks, consideration should be given to assigning the MP2 system's continuous monitoring and reporting capabilities to a non storeroom employee. For example, the MP2 system is capable of reporting data entry errors (unusual inventory amounts or values), inventory overages and shortages, changes in perpetual inventory records, comparing materials checked out of inventory on a work order to materials installed, and identifying inventory write-offs and adjustments.
Response	<p>The Corrective Action planned for each part of the recommendations, follows:</p> <ol style="list-style-type: none"> 1. Quality Control Checking — Understanding that this recommendation is made up of two (2) components: <ol style="list-style-type: none"> a. Assigning of a non-storeroom person to carry out verification and double-checking of data integrity and, b. Codifying and establishing error checking reports and processes to provide quality assurance and control. <p>A resource has been included in the FY15 budget request to hire a person to serve in a larger capacity for work management and reporting. It is intended that a percentage of that person's time will be devoted to conducting non-storeroom data verification. Facilities recognizes the importance of putting into place several of the suggested error reporting processes, and includes these in the Corrective Action Plan below. Detailed procedures will be developed to periodically (either daily or weekly) generate various "double check" reports and validate the report contents against source documents (procurement/invoice documents), Work Orders (WO's), or inventory transaction data. Daily Cycle counts will be considered part of this QA/QC process, though discussed separately in #2 below.</p>
Estimated Implementation	1/1/2015
Revised Implementation	2/15/2015
Days from report issue date	252
Close Date	0

Project Code	<u>260</u>
Entity	<u>Facilities Management Services</u>
Project Name	<u>Facilities Inventory and Supplies Control Environment</u>
Status	Started
Actual Issue Date	4/23/2014
Recommendation	2. To mitigate segregation of duties risks, consideration should be given to assigning the MP2 system's continuous monitoring and reporting capabilities to a non storeroom employee. For example, the MP2 system is capable of reporting data entry errors (unusual inventory amounts or values), inventory overages and shortages, changes in perpetual inventory records, comparing materials checked out of inventory on a work order to materials installed, and identifying inventory write-offs and adjustments.
Response	2. Cycle Counts — At the time of the audit, management was "made aware of" the capabilities mentioned. However, upon further investigation, the reported capability may not exist in the current implementation of MP2. The software provider, Infor has offered to explore this need and internally confer on the possibility of such a capability being provided as a customized modification. Pending a positive and cost-effective response from Infor, Facilities will implement other means to meet this objective (see Corrective Action Plan). Processes for auto-generating random selections outside of MP2 will be implemented and used to generate regular lists of items (part numbers) for daily cycle counts. Facilities anticipates that the use of Excel ® or Access ® will make this possible, allowing both the categorization and cycle count sheets for the randomly selected items.
Estimated Implementation	9/30/2014
Revised Implementation	1/20/2015
Days from report issue date	252
Close Date	0

Project Code	<u>260</u>
Entity	<u>Facilities Management Services</u>
Project Name	<u>Facilities Inventory and Supplies Control Environment</u>
Status	Pending
Actual Issue Date	4/23/2014
Recommendation	3. Consideration should be given to updating standard operating procedures to provide guidance on how to investigate and handle inventory count non reconciling differences.
Response	3. Updating SOP's — The need to update Standard Operating Procedures (SOP's) for storeroom activities was previously identified by management and begun prior to the Audit. Facilities will codify all of the processes addressed in the Finding and add them to the Storeroom SOP, including investigation of non reconciling differences in inventory counts.
Estimated Implementation	9/30/2014
Revised Implementation	3/1/2015
Days from report issue date	252
Close Date	0

Project Code	<u>260</u>
Entity	<u>Facilities Management Services</u>
Project Name	<u>Facilities Inventory and Supplies Control Environment</u>
Status	Started
Actual Issue Date	4/23/2014
Recommendation	4. Consideration should be given to conducting a formal review to identify and dispose of obsolete inventory.
Response	4. Obsolete Inventory — The current SOP addresses the process for formally approving obsolete items for removal from the inventory. The methodology for regularly identifying such items and actually removing from the inventory is not addressed within the SOP. Facilities will develop one, or more, procedures and to add them to the updated SOP (3., above).
Estimated Implementation	9/30/2014
Revised Implementation	3/1/2015
Days from report issue date	252
Close Date	0

Project Code	261
Entity	Health Care Services
Project Name	DACCO Deliverables Contract Compliance
Status	Closed - Management Accepts Risk
Actual Issue Date	5/13/2014
Recommendation	Consideration should be given to monitoring the accuracy of the client treatment days billed on monthly invoices; and conducting physical monitoring visits at DACCO, with a procedure to test a sample of invoices for accuracy and client eligibility.
Response	Verifying the accuracy of client treatment days will be done with the annual monitoring. DACCO is currently scheduled for a monitoring visit in September 2014. The annual monitoring will include a random sampling from the client's invoices to test for accuracy and client eligibility.
Estimated Implementation	9/30/2014
Revised Implementation	0
Days from report issue date	232
Close Date	12/29/2014

Project Code	264
Entity	Code Compliance Inspection /Burglar Alarm
Project Name	Code Compliance Inspections
Status	Closed - By Audit Team
Actual Issue Date	7/17/2014
Recommendation	Consideration should be given to developing and implementing a procedure where the receipting of payments and bank deposits are safeguarded by dual controls and utilizing a new scanner that is capable of handling various document sizes.
Response	A new scanner that is capable of handling various document sizes has been purchased and will be online on 07/07/14. In addition a "dual control" plan has been developed and implemented for the purpose of safeguarding the receipting of payments and bank deposits. A policy establishing guidelines and procedures will be completed by 08/01/14.
Estimated Implementation	8/1/2014
Revised Implementation	0
Days from report issue date	167
Close Date	12/18/2014

Project Code	<u>265</u>
Entity	<u>Construction & Maintenance</u>
Project Name	<u>PRCD Maintenance Inventory & Supplies Control Environment</u>
Status	Started
Actual Issue Date	9/18/2014
Recommendation	<p>Management at both storeroom locations has the following opportunities to improve overall inventory operations. Consideration should be given to:</p> <ol style="list-style-type: none"> 1. Developing written procedures. In the procedures , define the inventory management process and steps to be performed to help ensure that physical inventory and perpetual inventory records are managed properly including procedures to address identification and disposal of obsolete inventory. 2. Segregating incompatible duties or adding additional monitoring controls to provide assurance that work is being properly performed. Currently, the storekeepers are responsible for ordering, receiving, recording, stocking, and issuing inventory as well as maintaining the perpetual inventory records and reconciling physical inventory counts. 3. Improving the storerooms' procedures for tracking inventory usage. Manual forms are used to record items taken from inventory. The current process does not provide assurance that all removed items are recorded or that the information is timely and completely entered into the perpetual inventory system's records.
Response	<ol style="list-style-type: none"> 1. Written policies and procedures shall be implemented to ensure compliance with segregated duties and shall include weekly cycle counts, supervisor's responsibilities, store keeper's responsibilities, purchasing guidelines, inventory adds, moves and changes guidelines, and annual inventory guidelines. 2. Training on the new procedures and guidelines shall be conducted with store keepers and supervisors, after the policies and procedures have been written, to ensure everyone is aware and onboard with the changes. 3. Quotes have been received for handheld computer scanners to create a more efficient process of receiving and decrementing parts inventory. Fiscal and Support Services has been contacted to secure the funding for FY15 .
Estimated Implementation	1/1/2015
Revised Implementation	0
Days from report issue date	104
Close Date	0

Project Code	265 Cont'd
Entity	Construction & Maintenance
Project Name	PRCD Maintenance Inventory & Supplies Control Environment
Status	Started
Actual Issue Date	9/18/2014
Recommendation	<p>4. Improving recordkeeping procedures for items added to inventory or used on a project. The current process requires a worker or storekeeper to manually record the addition of inventory items and the use of items on a project. The current process does not provide assurance that this information is recorded accurately, completely, and timely. The Unit I Storekeeper purchases inventory items on his purchasing card. He is responsible for entering these items into the perpetual inventory system records. The Audit Team and storeroom management reviewed a sample of 157 purchasing card transactions and found that 50 of the 157 items (or 32%) had not been entered into the perpetual inventory system records. The Unit II Storekeeper's purchasing card usage was not tested because the control weakness had already been identified. Additional testing was not necessary.</p> <p>5. Improving the use of technology. Storeroom personnel rely on manual forms and manual inventory counts to monitor the inventory usage and the perpetual inventory amounts. To improve the efficiency and accuracy of the inventory records and inventory counts, storeroom management could make use of electronic bar code scanners. Per Storeroom management the Department's MP2 system has a module available for using scanners. This may require the module to be activated. Consideration should be given to the cost benefit of incurring the cost of purchasing scanners and the costs related to implementing this tool.</p>
Response	See issue response on previous page.
Estimated Implementation	1/1/2015
Revised Implementation	0
Days from report issue date	104
Close Date	0

Project Code	265
Entity	Construction & Maintenance
Project Name	PRCD Maintenance Inventory & Supplies Control Environment
Status	Started
Actual Issue Date	9/18/2014
Recommendation	Consideration should be given to limiting storeroom key access to only those personnel responsible for maintaining the inventory storeroom.
Response	<ol style="list-style-type: none"> 1. Keys have been removed from all non-supervisors and placed in a lock box to be signed out for emergencies. 2. Supervisors will continue to keep their keys due to afterhours and weekend calls for emergency service. 3. Alternative solutions to enhance security are being researched. Solutions may include swipe card entry locks, security cameras inside the store room, or biometric entry solutions.
Estimated Implementation	3/1/2015
Revised Implementation	0
Days from report issue date	104
Close Date	0

Project Code	268
Entity	Information & Technology Services
Project Name	Information and Technology Services Department's (ITS) Physical and Environmental Security Controls
Status	Pending
Actual Issue Date	11/25/2014
Recommendation	<p>To establish the best practice activities into formal management directives, consideration should be given to incorporating the following additional physical and environmental security control objectives into the ITS Information Security Standards:</p> <p>Periodically test and document the preventive, detective and corrective physical security measures to verify the adequacy of their design and the degree of implementation and effectiveness.</p> <p>Define a process for recording, monitoring, managing, reporting and resolving physical security incidents, in line with the overall information technology incident management process.</p> <p>Register all visitors, including contractors and vendors, to information technology sites. Define and implement a policy requiring visitors to be escorted by an ITS staff member when entering and exiting information technology sites and to be periodically monitored by an ITS staff member while on-site.</p> <p>Prohibit storage of stationery and other supplies posing a fire hazard inside server room locations.</p>
Response	<ol style="list-style-type: none"> ITS will test and document the preventative, detective and corrective physical security measures on a semi-annual basis. ITS will include a process for recording, monitoring, managing, reporting and resolving physical security incidents in our existing security incident response plan. For the ITS main computer rooms, visitors are currently required to register in a log book. For the remote sites ITS will inform the site managers of this requirement, provide a logging method for this purpose, and post a reminder sign on the server room entry door. ITS does not have the staffing required to escort visitors at all times while on-site and will accept the risk as additional staffing for this purpose would not be a prudent use of County's financial resources. For the three ITS main computer rooms, storage of stationary and other supplies posing a fire hazard is already prohibited and monitored. For remote server sites, ITS will inform the site managers of this requirement and post a reminder sign on the server room entry door. ITS currently conducts a site inspection of particularly sensitive server locations on a quarterly basis and will begin quarterly evaluation of entry logs (including weekends and holidays) for those sites as well.
Estimated Implementation	1/31/2015
Revised Implementation	0
Days from report issue date	36
Close Date	0

Project Code	268
Entity	Information & Technology Services
Project Name	Information and Technology Services Department's (ITS) Physical and Environmental Security Controls
Status	Pending
Actual Issue Date	11/25/2014
Recommendation	2. Consideration should be given to limiting disclosure of the physical address of the server room locations.
Response	ITS will review documentation published on the County's Intranet site (i.e. COIN) and the County website. Any documentation containing server site addresses will be redacted or removed as appropriate.
Estimated Implementation	1/31/2015
Revised Implementation	0
Days from report issue date	36
Close Date	0

Project Code	268
Entity	Information & Technology Services
Project Name	Information and Technology Services Department's (ITS) Physical and Environmental Security Controls
Status	Pending
Actual Issue Date	11/25/2014
Recommendation	3. Consideration should be given to monitoring all forms of access to the main server room locations.
Response	ITS will research solutions for surveillance cameras to be placed at each main server room entrance and submit a Decision Unit for funding in FY16 or procure in FY15 if funding becomes available.
Estimated Implementation	4/30/2016
Revised Implementation	0
Days from report issue date	36
Close Date	0

Project Code	268
Entity	Information & Technology Services
Project Name	Information and Technology Services Department's (ITS) Physical and Environmental Security Controls
Status	Pending
Actual Issue Date	11/25/2014
Recommendation	4. Consideration should be given to coordinating with the Facilities Department to monitor and test server room location's building generators.
Response	The Facilities Department will be contacted to request that their generator testing schedule for server room locations is provided to ITS.
Estimated Implementation	1/31/2015
Revised Implementation	0
Days from report issue date	36
Close Date	0

Project Code	268
Entity	Information & Technology Services
Project Name	Information and Technology Services Department's (ITS) Physical and Environmental Security Controls
Status	Pending
Actual Issue Date	11/25/2014
Recommendation	5. Consideration should be given to developing, and periodically testing, the process for an emergency shutdown of the main server room locations.
Response	ITS will document the process for an emergency shutdown of the main server room locations. The process will be tested during required shutdown events.
Estimated Implementation	1/31/2015
Revised Implementation	0
Days from report issue date	36
Close Date	0

Project Code	268
Entity	Information & Technology Services
Project Name	Information and Technology Services Department's (ITS) Physical and Environmental Security Controls
Status	Pending
Actual Issue Date	11/25/2014
Recommendation	1. Consideration should be given to requiring and maintaining entry logs at remote server locations.
Response	ITS will inform the site managers of this requirement and provide a logging method for this purpose. Additionally, ITS will provide appropriate signage on server room entry doors.
Estimated Implementation	1/31/2015
Revised Implementation	0
Days from report issue date	36
Close Date	0

Project Code	268
Entity	Information & Technology Services
Project Name	Information and Technology Services Department's (ITS) Physical and Environmental Security Controls
Status	Pending
Actual Issue Date	11/25/2014
Recommendation	2. Consideration should be given to prohibiting eating, drinking and smoking within sensitive areas of remote server locations.
Response	ITS will inform remote site managers that eating, drinking and smoking within sensitive areas of remote server locations is prohibited. Additionally, ITS will provide appropriate signage on server room entry doors.
Estimated Implementation	1/31/2015
Revised Implementation	0
Days from report issue date	36
Close Date	0

Project Code	268
Entity	Information & Technology Services
Project Name	Information and Technology Services Department's (ITS) Physical and Environmental Security Controls
Status	Pending
Actual Issue Date	11/25/2014
Recommendation	5. Consideration should be given to ensuring that fire detection and suppression equipment is present and current at each remote server location.
Response	ITS will inspect each remote server room location to ascertain if fire detection and suppression equipment is present. Any deficiencies will be addressed with the Facilities Department and/or the remote site managers.
Estimated Implementation	3/31/2015
Revised Implementation	0
Days from report issue date	36
Close Date	0

Project Code	268
Entity	Information & Technology Services
Project Name	Information and Technology Services Department's (ITS) Physical and Environmental Security Controls
Status	Pending
Actual Issue Date	11/25/2014
Recommendation	6. Consideration should be given to ensuring that remote server locations are equipped with environmental sensors to alert the ITS of unfavorable conditions.
Response	ITS will ensure that remote server locations are equipped with temperature monitoring equipment.
Estimated Implementation	1/31/2015
Revised Implementation	0
Days from report issue date	36
Close Date	0

Project Code	268
Entity	Information & Technology Services
Project Name	Information and Technology Services Department's (ITS) Physical and Environmental Security Controls
Status	Pending
Actual Issue Date	11/25/2014
Recommendation	4. Consideration should be given to ensuring that server rooms are free of excessive clutter or debris.
Response	ITS will inform remote site managers that server rooms must not be used as a storage area and must remain free of excessive clutter or debris.
Estimated Implementation	1/31/2015
Revised Implementation	0
Days from report issue date	36
Close Date	0

Project Code	268
Entity	Information & Technology Services
Project Name	Information and Technology Services Department's (ITS) Physical and Environmental Security Controls
Status	Closed - Management Accepts Risk
Actual Issue Date	11/25/2014
Recommendation	1. Consideration should be given to implementing intrusion detection controls for the main server room locations.
Response	ITS will rely on existing compensating controls, which reduce the risk of unauthorized entry to main server rooms. Main server rooms are in locations that have multiple layers of physical entry controls. An unauthorized person would have to successfully bypass these controls before reaching the server rooms.
Estimated Implementation	11/13/2014
Revised Implementation	0
Days from report issue date	36
Close Date	11/13/2014

Project Code	268
Entity	Information & Technology Services
Project Name	Information and Technology Services Department's (ITS) Physical and Environmental Security Controls
Status	Closed - Management Accepts Risk
Actual Issue Date	11/25/2014
Recommendation	3. Consideration should be given to ensuring that emergency power switches are installed at remote server locations as deemed necessary.
Response	In consideration of the cost vs benefit, the installation of an emergency power switch would not be a prudent use of the County's financial resources.
Estimated Implementation	11/13/2014
Revised Implementation	0
Days from report issue date	36
Close Date	11/13/2014

Project Code	268
Entity	Information & Technology Services
Project Name	Information and Technology Services Department's (ITS) Physical and Environmental Security Controls
Status	Closed - Management Accepts Risk
Actual Issue Date	11/25/2014
Recommendation	7. Consideration should be given to ensuring that servers are not located directly under water pipes, sprinklers or air units.
Response	Due to physical space constraints at the remote sites and the costs associated with relocation and/or rerouting of space and/or infrastructure, these expenditures would not be a prudent use of the County's financial resources.
Estimated Implementation	11/13/2014
Revised Implementation	0
Days from report issue date	36
Close Date	11/13/2014