

**External Audit Review Oversight Committee Minutes
December 19, 2017 – 6:00 P.M.**

The meeting was called to order at 6:00 p.m. by David Frohling in Room 4C – Fourth Floor of the Administration Building.

Members present: David Frohling, Russell Kottke, Mary Bobholz, and Donna Maly. Excused absence Stephanie Justmann.

Also present were: Monica Hooper Fiscal and Support Services Division Manager, Finance Director Julie Kolp, and Human Services and Health Board Director Becky Bell.

Frohling certified that public notice was given for this meeting and complies with the requirements of Wisconsin's open meetings law.

There were no public comments.

A motion was made by Maly and seconded by Bobholz to approve the minutes of the November 14, 2017 meeting as presented. The motion carried.

At this time, Ms. M. Hooper provided an update on NetSmart. The billing is complete and closed through June.

January 3 and 4, 2018 Ms. M. Hooper will be in discussions with NetSmart regarding the billing process. NetSmart will be on site on January 5, 2018. It is anticipated by January 12th an answer to how NetSmart will proceed will be made.

Ms. M. Hooper distributed a new Baker Tilly Operational Review chart dated December 19, 2017. Ms. Hooper reported progress is being made on the open items.

The Committee discussed the Johnson & Block findings as they relate to the Baker Tilly recommendations. It was reported by Ms. M. Hooper that items are being worked on and she is trying to correct any issues.

Next meeting is scheduled for Tuesday, February 21, 2017, at 6:00 p.m. in meeting room 4C, fourth floor of the Dodge County Administration Building.

With no further business on the agenda, Chair Frohling declared the meeting adjourned at 6:34 p.m.

Russell Kottke, Secretary

Completed Items

Finding Number	Condition	Effect	Recommendation	Priority	Staff Identified for Process Improvement	Additional County Staff Needed	Steps Taken as of November 10, 2017	Steps Taken as of December 19, 2017	Next Steps to Be Taken for Improvement
2015-001 Clinical Services Billing and Receivables	During the audit we noted various deficiencies and weaknesses in the internal controls and financial reporting over the billing and collections of the Human Services Clinical Services. The following weaknesses were noted: <ul style="list-style-type: none"> The County's billing software is limited in its ability to provide relevant financial data and reports. Time consuming manual processes are required to generate useful financial data. The County's billing system is not integrated with the County's financial general ledger. This requires regular journal entries be made limits the likelihood that the billing system and general ledger are in agreement on a continuous basis. The billing, collection and data entry department was significantly behind in recording revenues and receivables, which resulted in delayed recording of revenues and receivables as well as delays in accrual financial reporting. 	The accuracy of financial information may not be reliable. Adjustments were proposed to adjust recognition of revenues.	We recommend the county commit time and resources to understanding the deficiencies, catching up on billing and collection data entry and developing standard procedures to ensure that accounts are reconciled, proper cutoff is established and that the financial information that ultimately gets reported is accurate based on creditable documentation.	HIGH	Becky Bell Director, Monica Hooper Division Manager; Anne Connors Fiscal Support Supervisor; Account Clerk Billing Staff - Carrie Bunker, Lisa Zimmer, Deb Grady, Kayla Larson		Human Services is making every effort to get caught up on billing in Netsmart. We will be going through a month end process with Kyle from Netsmart next week. Once this is completed, we will work on closing months as well can.	The months of March through July have been closed in Netsmart.	The department will work on closing all of 2017 in Netsmart and recording the entries in JDE.
2015-002 Reconciliation procedures of Schedule of Federal and State Awards	The County is responsible for the preparation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance. The information in the schedule of awards should be derived from the accounting records used to prepare the financial statements.	During our testing of the schedule of federal awards it was noted that expenditures reported in the general ledger did not, in some instances, reconcile with the expenditures reported in the schedule of awards. This resulted in a variance between the financial statements and the schedule of awards. We also noted allocations between the federal and state awards schedules that required adjustments/reclassifications.	We continue to recommend the County implement procedures to reconcile the schedule of federal and state awards to the general ledger. We also recommend these procedures include a review by individuals other than those preparing the schedules.	HIGH	Monica Hooper, Division Manager; Anne Connors Fiscal Support Supervisor;		Policy 17-2 has been created.	No further steps have been taken	The department will work on more formalized documentation that will be created to walk one through the steps taken to complete the SEFA.
2015-003 Department of health Services Audit Guid - 2.8.2 Purchase of Care and Services and Department of Children and Family audit Guid - 2.4 Subrecipient Monitoring	Federal and state rules require the County to monitor subrecipient activities and to ensure that required audits are performed in accordance with federal standards and that corrective action is taken. At the date of the audit, the County had not properly documented review of an audit report for 2015 to ensure compliance with federal and state rules.	Subrecipient audit reports could have questioned costs and internal control deficiencies that may affect Dodge County	The County should review provider audits to ensure all audits were properly completed in compliance with federal and state rules	HIGH	Becky Bell-Director Monica Hooper - Fiscal Division Manager Steve Edwards - Audit and Compliance Officer Shella Drays - Community Support Division Manager Alyssa Schultz - Clinical Division Manager		The contract expenses from the internal worksheet are given to the Fiscal Division Manager. The Fiscal Division Manager then runs a report from JDE and verifies the numbers. In addition, on the internal worksheet, conditional formatting has been added for targeted percentages for a better handling of if a contract is or is getting close to going over the contract amount. This is then reviewed on a monthly basis with Becky Bell, Shella Drays, Alyssa Schultz, Steve Edwards, and Monica Hooper and amendments are sent out as necessary.	The internal spreadsheet that the department uses has a column for Audit report. This spreadsheet will continued to be monitored to make sure all audit reports are received.	The department will continue to monitor this spreadsheet and contracts as a whole.
2016-001 Clinical Services Billing and Receivables	We had previously noted various deficiencies and weaknesses in the internal controls and financial reporting over the billing and collections of the Human Services Clinical Services that still should be addressed. The following weaknesses were noted: <ul style="list-style-type: none"> The County's Human Services billing software utilized during 2016 was limited in its ability to provide relevant financial data and reports. Time consuming manual processes are required to generate useful financial data. The billing system is not integrated with the County's financial general ledger. This requires regular journal entries be made which limits the likelihood that the billing system and general ledger are in agreement on a continuous basis. The billing, collection and data entry department process improved during the year but there were still limitations related to the level of relevant financial information available from the billing system. The County, in 2016, did get caught up with client billing and receivables through year-end. 	The accuracy of financial information may not be reliable or timely.	We recommend the County commit time and resources to understanding the deficiencies, completing the migration to the new billing software and developing standard procedures to ensure that accounts are reconciled, proper cutoff is established and that the financial information that ultimately gets reported is accurate based on creditable documentation. Management appears to be committed to implementing improved procedures and compensating controls. Management has already started documenting and implementing procedures but the process is not finalized and in 2017, the County has started running billings through the new software but the impact on improved financial reporting is yet to be determined. We recommend procedures be updated on a regular basis to ensure they are up to date with changes in new software systems and personnel.	HIGH	Becky Bell Director, Monica Hooper Division Manager; Anne Connors Fiscal Support Supervisor; Account Clerk Billing Staff - Carrie Bunker, Lisa Zimmer, Deb Grady, Kayla Larson		Human Services is making every effort to get caught up on billing in Netsmart. We will be going through a month end process with Kyle from Netsmart next week. Once this is completed, we will work on closing months as well can.	The months of March through July have been closed in Netsmart.	The department will work on closing all of 2017 in Netsmart and recording the entries in JDE.

Finding Number	Condition	Effect	Recommendation	Priority	Staff Identified for Process Improvement	Additional County Staff Needed	Steps Taken as of November 10, 2017	Steps Taken as of December 19, 2017	Next Steps to Be Taken for Improvement
2016-003 Reconciliation procedures of Schedule of Federal and State Awards	The County is responsible for the preparation of the schedules of expenditures of federal and state awards in accordance with the Uniform Guidance and State Single Audit Guidelines. The information in the schedules of awards should be derived from the accounting records used to prepare the financial statements.	During our testing of the schedules of federal and state awards it was noted that expenditures reported in the general ledger did not, in some instances, reconcile with the expenditures reported in the schedules of awards. This resulted in a variance between the financial statements and the schedules of awards. We also noted allocations between the federal and state awards schedules that required adjustments/reclassifications	We continue to recommend the County implement procedures to reconcile the schedules of federal and state awards to the general ledger. We also recommend these procedures include a review by individuals other than those preparing the schedules.	HIGH	Monica Hooper, Division Manager; Anne Connors Fiscal Support Supervisor;		Policy 17-2 has been created.	No further steps have been taken	The department will work on more formalized documentation that will be created to walk one through the steps taken to complete the SEFA.
2016-004 Department of health Services Audit Guide - 2.7 Subrecipient Monitoring and Department of Children and Family Audit Guide - 2.4	Federal and state rules require the County to monitor subrecipient activities and to ensure that required audits are performed in accordance with federal standards and that corrective action is taken. At the date of the audit, the County had not properly documented review of an audit report for 2016 to ensure compliance with federal and state rules	Subrecipient audit reports could have questioned costs and internal control deficiencies that may affect Dodge County	The County should review provider audits to ensure all audits were properly completed in compliance with federal and state rules	HIGH	Becky Bell-Director Monica Hooper - Fiscal Division Manager Steve Edwards - Audit and Compliance Officer Sheila Drays - Community Support Division Manager Alyssa Schultz - Clinical Division Manager		The contract expenses from the internal worksheet are given to the Fiscal Division Manager. The Fiscal Division Manager then runs a report from JDE and verifies the numbers. In addition, on the internal worksheet, conditional formatting has been added for targeted percentages for a better handling of if a contract is or is getting close to going over the contract amount. This is then reviewed on a monthly basis with Becky Bell, Sheila Drays, Alyssa Schultz, Steve Edwards, and Monica Hooper and amendments are sent out as necessary. The department has a reminder set to review what audit reports have come in. If an audit report is missing, a letter will be sent to the provider.	No further steps have been taken	The department will continue to monitor this spreadsheet and contracts as a whole.

Completed Items

NUMBER/OBSERVATION	RECOMMENDATION	PRIORITY	STAFF IDENTIFIED FOR PROCESS IMPROVEMENT	ADDITIONAL STAFF, COUNTY, OTHER RESOURCES NEEDED	INITIAL STEPS IDENTIFIED FOR PROCESS IMPROVEMENT	UPDATE ON STEPS TAKEN as of July 18, 2016/ November 2, 2016	UPDATE ON STEPS TAKEN as of March 16, 2017	UPDATE ON STEPS TAKEN as of June 16, 2017	UPDATE ON STEPS TAKEN as of October 11, 2017	UPDATE ON STEPS TAKEN as of November 10, 2017	UPDATE ON STEPS TAKEN as of December 19, 2017	NEXT STEPS IN PROCESS IMPROVEMENT
THIRD PARTY BILLING												
2. Clinical Services Billing: The Department is significantly behind on third party billing which has resulted in delayed recording of revenue and receivables. The current year general ledger activity to date contains revenues related to 2014. Additionally, at the time of the site visits, the current year billing was only completed through February 2015. (#2, Pg 4)	We recommend the Department commit the resources to catch up on billing so that the County does not miss deadlines for billing Medicare and Medicaid within the allowed timeframe and collects private payments timely, ensuring the Department is maximizing its revenues for services provided.	HIGH	Monica Hooper, Division Manager; Vacant, Fiscal Support Supervisor; Account Clerk Billing Staff - Carrie Bunker, Lisa Zimmer, Deb Grady		1. Review job tasks and duties of current Account Clerk staff to place priority on billing activities; 2. Re-assign duties as from Account Clerks as necessary to allow for priority on billing; 3. Develop ongoing review and status update process to oversee billing processes; 4. Draft and implement policy and procedures needed to ensure process improvement to meet recommendation; 5. Develop ongoing evaluation, revision and ongoing process improvement	Billing statements for March have been sent. Payments received in April are being entered - this needs to be completed before the April billing statements are sent. Billing Statements for September have been sent. The departure of a Fiscal Supervisor at the beginning of August was a set back with this project (we are in the process of refilling this position) and in the meantime Makenzie Dray from Finance is providing assistance with gathering the data for revenue and receivable entries needed prior to 2016 year end.	Billing is completed for 2016. The department is also all caught up with billing through the end of February with the exception of Centpatco which will be completed by the end of this week.	Billing is completed for March. Netsmart was onsite May 31-June 2nd to assist HSHD in getting all claims completed.	The agency is waiting for the Private Pay customization to be validated & tested in development before moving to Production. Once this is done, month end process for March can begin and the remaining months to follow.	The agency has been provided with the self-pay customization that we were waiting on from Netsmart. Kyle from Netsmart will be walking us through the month end process early next week. Once this has been completed, we will move forward with closing months in Netsmart.	The months of March through July have been closed in Netsmart.	Continue closing the months in Netsmart as soon as possible.
3. Rates for services are entered into the Clinical Services billing software by the Division Manager and are reviewed by the Account Clerk III. However, this review has not been historically documented. We understand that typically changes to the rates are required by the state, and that the rates set by the County have not changed for several years. (#3, Pg 4)	We recommend the Account Clerk III document the review of rates entered to authorized rates (either from the state or the County) to reduce the risk that incorrect rates are entered into the Clinical Services billing system. We also recommend that the rates set by the County are reviewed regularly for appropriateness which will ensure that the Department is maximizing its revenue potential.	MED	Becky Bell, Director; Alyssa Schultz, Division Manager; Monica, Division Manager; Vacant, Fiscal Support Supervisor		1. Review process needed for review and revision of service rates on an ongoing basis; 2. Complete revision of rates following resource review and data collection; 3. Draft and implement policy and procedures needed to ensure process improvement to meet recommendation; 4. Develop ongoing evaluation and revision within policy/procedures to ensure ongoing process improvement and compliance with recommendation	Following the review of rates and discussion of questions/issues, the new rates were implemented. There have been no further rates changes. / Netsmart My Evolv contains a rate history field which tracks rates and dates when rates change for specific services.	All rates were verified that they were setup correctly in Netsmart. Rates will be reviewed on a yearly basis around mid-October going forward.	No further action has been taken since the last meeting. This will be looked at around mid-October.	No further action has been taken since the last meeting. This will be looked at around mid-October.	No further action has been taken since the last meeting.	No further action has been taken since the last meeting.	The rates will be reviewed in early March for the next year and after that will be reviewed on a yearly basis.

OPERATIONAL REVIEW

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5. As previously mentioned, the Clinical Services billing is currently completed by Department staff in a software system called TCM. A journal entry is prepared monthly to record the billing activity from TCM into the County's general ledger system, which issued for external and internal financial reporting. The Department's billing procedures and controls currently lack reconciliation procedures between the Clinical Services billing system and the general ledger (receivables or revenues). This is due in large part to timing issues associated with the billing system previously discussed. (#5, Pg 5)	We recommend that another employee without the ability to modify the billing system or collect funds should reconcile the subsidiary ledger to the general ledger to ensure accuracy	HIGH	Monica Hooper, Division Manager; Vacant, Fiscal Support Supervisor; Account Clerk Billing Staff - Carrie Bunker, Lisa Zimmer, Deb Grady				Netsmart will be here the week of April 17-20th to go through the month end process. This process will create a csv file which will then be imported into JD Edwards.	Netsmart was here May 31-June 2 and created a Macro to format the file from Netsmart into the format that JDE requires. This file still required manual intervention and we wanted the file to directly produce and drop into a secure location so manual manipulation is not possible. As of last week, IT requested this from Netsmart. As of today, I do not have an ETA for completion. Another note to mention is that there are reports to run and verify the upload from Netsmart to the GL that posted in JDE. These reports will be used to validate the upload to JDE before it is finalized and posted. This will also be saved in a binder for reconciliation purposes to refer back to.	A manual journal entry will need to be done until Netsmart has the custom import job completed. Netsmart has given us an estimate of completion to be end of November/early December of this year.	Netsmart has put the JDE custom output in our Dev environment. We are looking to have a discussion early next week Tuesday or Wednesday. After the discussion, testing will begin. Until testing is complete, a manual journal entry will be done in JDE.	The JDE custom output has been tested in Dev and then was put into Production. We have used the new custom output after closing March-July and imported the numbers from Netsmart into JDE.	The JDE custom output will continue to be used going forward.
6. Clients seen in Clinical Services are assessed for their ability to pay before services are provided. Some clients are determined to have no ability to pay and therefore, the full charges for services are written off. However, in a group session, all clients regardless of their ability to pay are required to pay a specified amount for each session. Due to system limitations, the amount required to be paid has to be adjusted manually each month for those clients with no ability to pay. (#6, Pg 6)	The future billing software should be able to account for variables in the ability to pay to prevent manual billing adjustments	MED	Monica Hooper, Division Manager; Vacant, Fiscal Support Supervisor					Netsmart is able to handle this past limitation. This is handled through the ability to pay workflow for Netsmart. This is setup as an auth and will be reviewed by fiscal on a yearly basis.	The agency is waiting for the Private Pay customization to be validated & tested in development before moving to Production. The system is setup to accommodate the Uniform Fee Schedule provided by the State of WI.	The agency has been provided with the self-pay customization that we were waiting on from Netsmart. Dodge now needs to run an AR report and complete the write-off process for patients with no ability to pay, as well as, for clients that have made their monthly ability to pay amounts. I will need to work with Netsmart on the exact process for how this is done.	I am still awaiting further training from Netsmart. Once I know how to write off collections and the reports to use, this will be done on a monthly basis.	This will now be done on a monthly basis. A procedure will need to be documented as well.
8. Currently the write-offs for Clinical Services third party billing are an estimate recorded in the general ledger. No write-offs, including insurance contractual write-offs, have been entered into the Clinical Services billing system. This also contributes to the difficulties in reconciling the Clinical Services billing system to the general ledger (see Third Party billing recommendation number five). Aging reports are not able to be run from the Clinical Services billing system. While the Department does have a write-off policy, the Department's billing procedures are currently silent in relation to procedures on if, how, or when the have approval for amounts written off. (#8, Pg 7)	We recommend that the Department formalize a process for the approval of write-offs for inclusion in the Department's current write-off policy. We also recommend that aging reports be run periodically and write-offs completed on a regular basis, which will improve accuracy of the Department's Clinical Services' receivable and revenue balances. The reason for the write-off should be identified, documented, and approved by someone other than the employee determining the write-off in order to enhance internal controls. Write-offs should also be included as part of the reconciliation between the general ledger and the billing software.	HIGH	Becky Bell, Director; Monica Hooper, Division Manager; Vacant, Fiscal Support Supervisor Account Clerk Billing Staff - Carrie Bunker, Lisa Zimmer, Deb Grady	Julie Kolp, Finance Director - Consultation needed to support any process improvement policies and procedures to ensure they meet GFOA and other applicable accounting standards	Write offs in TCM are caught up as of March 1, 2016 to the limits of staff awareness. Write offs in the general ledger are behind, but we anticipate that all known write offs for 2015 will be recorded in the general ledger before year end close. This issue will also be addressed with implementation of Netsmart.		All TCM AR write offs have been posted for 2016. The Finance Department has been working closely with the DCHS staff to get this in control. The new system will have an aging report that can be used to ensure that write offs are done on a timely basis. Once an aging is available, an estimate can be used for doubtful accounts and will be incorporated.	Now that March claims have been ran, Fiscal will be able to utilize the Netsmart reports to keep on top of write offs. I will be working with Bill Wiley to use the same process and methodology that he does for Clearview to stay consistent. Once I have this completed, a policy and procedure will be created and utilized going forward.	HSHD as created policy F17-12 (Client Billing Month and Collection Process). As soon as a month has been able to be closed in Netsmart, HSHD will move forward with collections.	No further steps have been taken since the last meeting.	No further steps have been taken since the last meeting.	Aging reports will be run monthly. The aging reports will be used to aid in the write-off process. The write-offs will need to be done on a monthly basis. The department is devoted to making sure that this is done.

OPERATIONAL REVIEW

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9. The current process to record the monthly billing produced in Clinical Services into the general ledger is a manual process. The Fiscal and Support Services Supervisor reviews each entry in the billing system to determine the accounts and amounts and records them in the general ledger. This information is summarized in a spreadsheet which is then entered into the general ledger through a journal entry. (#9, Pg 7)	The Department should work with the County IT Department and the new software company to determine if there is an accurate report that can be used for the journal entries into the County's general ledger. This will increase Department efficiency and reduce the risk of errors. The new system should be able to generate a report that provides a summary of the monthly charges and collections by account number.	HIGH	Monica Hooper, Division Manager; Vacant, Fiscal Support Supervisor	Julie Kolp, Finance Director - Consultation needed to support any process improvement policies and procedures to ensure they meet GFOA and other applicable accounting standards	The monthly recording of billing in the general ledger is currently behind, but it is anticipated that all known billing for 2015 will be recorded in the general ledger before year end close.		With Netsmart, the monthly billing produced in Clinical Services can be imported into the general ledger. This was tested and was successfully exported to a CSV file and then imported into the accounting software. The Financial Staff will be walking through this in April when Netsmart is on-site with live transactions.	The file that comes out of Netsmart was initially put into a Macro. It has reached out as of June 14th to develop an automatic file in summary that does not need to be manipulated or touch, and be imported into JDE. I do not have an ETA at this time.	Netsmart has given us an estimated completion date of end of November/early December of this year. HSHD as created policy F17-12 (Client Billing Month and Collection Process). This policy will be followed going forward.	Netsmart has put the JDE custom output in our Dev environment. We are looking to have a discussion early next week Tuesday or Wednesday. After the discussion, testing will begin. Until testing is complete, a manual journal entry will be done in JDE.	The JDE custom output has been tested in Dev and then was put into Production. We have used the new custom output after closing March-July and imported the numbers from Netsmart into JDE.	The JDE custom output will continue to be used going forward.
10. The Department has one primary fiscal staff (Account Clerk III) completing the billing with the assistance of a second Account Clerk III. Due to the Clinical Services billing issues, the two Account Clerks have put in significant overtime to complete the billing tasks. As of June 30, 2015, the two account clerks have been paid \$4,312 for overtime worked and have earned an additional 210 hours in comp time, which will likely get paid out if not used since only 24 comp time hours can be carried over the subsequent year. (#10, Pg 8)	The new software system should increase efficiency of the monthly billing process. Therefore, additional billing clerks may not be needed full-time. However, we recommend that when the new system is in place, the Department consider if additional fiscal staff should be trained on how to complete third party billing. Even if additional full-time billing clerks are not needed, having additional staff trained ensure that the current billing clerks have backup support and will help the Department segregate duties. This will reduce the burden on existing staff, as well as reducing overtime costs to the Department.	LOW	Becky Bell, Director; Monica Hooper, Division Manager; Vacant, Fiscal Support Supervisor				Since the last meeting, the Fiscal staff has filled the position of Division Manager, Fiscal Support Supervisor and Administrative Secretary. The intent is to look into what duties everyone is completing and assign the work appropriately. Also, the billing staff was doing some clinical staff work, and the two Division Managers are working together to separate duties.	Since the last meeting, the Fiscal Support Supervisor was vacated and a new candidate is set to start on June 26th. The Fiscal staff still continues to put in extra time but we are working through some lingering issues with Netsmart, and they are also trying to get caught up with the monthly billing. I work very closely with them to monitor the workload and have set priorities to make sure that we are getting billings completed.	The Department is currently in the process of hiring an additional Account Clerk III.	An additional Account Clerk III was hired on November 6th. We are in the process of training the new employee. Once trained we want to reduce and/or eliminate the need for overtime and comp time.	An additional Account Clerk III was hired on November 6th. We are in the process of training the new employee. Once trained we want to reduce and/or eliminate the need for overtime and comp time.	The department is working on identify the new workflow, as well as, documenting instructions. Cross-training will continue to take place so that we are not dependent on any one person.
1. Clinical Services Billing: We noted internal control segregation of duties concern in the third party billing process for Clinical Services. The same Account Clerk III is preparing the bills, recording payments when received, occasionally determining the client's ability to pay, and preparing deposits to send to the Treasurer's Department. Most payments are made via check and through electronic payments; however, some actual cash is collected. (#1, Pg 3)	We recommend that the Department split duties or add oversight controls to enhance the Department's internal controls and to ensure accuracy and appropriateness of the billing and collections. Most critical is to separate the collection and custody of receipts with responsibility of bill preparation and billing system adjustments.	HIGH	Becky Bell, Director; Monica Hooper, Division Manager; Vacant, Fiscal Support Supervisor; Account Clerk Billing Staff - Carrie Bunker, Lisa Zimmer, Deb Grady	Julie Kolp, Finance Director - Consultation needed to support any process improvement policies and procedures to ensure they meet GFOA and other applicable accounting standards	1. Outline work flow currently in use; 2. Determine necessary segregation of duties and oversight controls needed; 3. Revise work flow to include necessary segregation of duties and oversight controls per recommendation; 4. Draft and implement policy and procedures needed to ensure process improvement to meet recommendation; 5. Develop ongoing evaluation and revision within policy/procedures to ensure ongoing process improvement and compliance with recommendation	There has been some more turnover in this area with one Account Clerk leaving on 4/27. This position was recently refilled with an LTE. / We have added a full time support staff intake position and a full time medical billing specialist position in the Clinical Services area. The intake position is filled and we are in the process of filling the Medical Billing Specialist position.	The department has made a change to the workflow. Three separate people are now part of this process to make sure that there is good internal control for segregation of duties. One individual opens the mail, another codes on the cash log, the third individual actually does the cash application.					
4. The Department is unable to look up the real-time outstanding balance of a patient in the Clinical Services billing system due to current system limitations. In addition, payments received have not been recorded in the Clinical Services billing system since March 2015, and are currently being tracked on an Excel spreadsheet. As a result, new bills have to be manually adjusted for payments received. The Department currently lacks a reconciliation of what is being billed to what is collected, due in part to time constraints. (#4, Pg 5)	We recommend that the new Clinical Services billing system be able to provide current balances upon request, which includes a record of all payments made on an outstanding bill. Payments should be recorded in the billing system as they occur which will ensure the accuracy of patient accounts and will reduce the risk of errors related to manually adjusting bills. Billing should be compared to amounts collected to ensure timely resolution of collection issues.	HIGH	Monica Hooper, Division Manager; Vacant, Fiscal Support Supervisor; Account Clerk Billing Staff - Carrie Bunker, Lisa Zimmer, Deb Grady		1. Outline current workflow to identify areas for process improvements; 2. In the implementation process of the new Netsmart myEvolv software, evaluate current workflow to determine areas of improvement due to new software; 3. Re-write and implement new workflow utilizing new software; 4. Draft and implement policy and procedures needed to ensure process improvement to meet recommendation; 5. Develop ongoing evaluation and revision within policy/procedures to ensure ongoing process improvement and compliance with recommendation		On March 1st, the Department went live with Netsmart for any new services. The Excel spreadsheet will need to be utilized for any payments related prior to March 1st services. Any services from March 1st on, outstanding balances of a patient are visible in Netsmart.	On March 1st, the Department went live with Netsmart for any new services. The Excel spreadsheet will need to be utilized for any payments related prior to March 1st services. Any services from March 1st on, outstanding balances of a patient are visible in Netsmart. All payments are being entered into Netsmart and a receipt will be printed off to give to the client. With Netsmart, you are able to see in real-time outstanding balances of a patient.	No further action has been taken since the last meeting.			

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7. Medicaid, Medicare and private insurance bills are submitted electronically online. The current TCM system cannot produce a file that can be electronically uploaded to the online systems for Medicaid, private insurance and certain Medicaid HMO's. The Department prepared the bills in these instances and then manually enters the billing information into the online system, with the exception of mental health and CSP (Community Support Program) services provided under Medicaid. (#7, Pg 6)	We recommend the Department investigate whether the future Clinical Services billing system can export a file that can then be uploaded for all types of insurance billing including Medicaid and Medicare which will remove the duplication of effort and increase efficiency relating to insurance billing. This would also reduce the risk of manual input errors in the online system.	MED	Monica Hooper, Division Manager; Vacant, Fiscal Support Supervisor; Account Clerk Billing Staff - Carrie Bunker, Lisa Zimmer, Deb Grady				Netsmart will be here the week of April 17-20th to go through the month end process. Claims will be submitted electronically for Medicaid/Medicare.	Claims were submitted electronically for Medicaid, Medicare, and PI for the month of March through FH and Zirmed. All claims from Netsmart will continue to be sent electronically and no longer use paper 1500 claim forms nor an online portal to manually enter the information.	No further action has been taken since the last meeting.				
BUDGETING													
1. The 2015 Budget was developed without significant input from program staff, including Division Managers and Supervisors. (#1, Pg 10)	We recommend that the Division Managers and Supervisors be included in the budget creation process of the Department. By including Program Division Managers and Supervisors, the budget will be more collaborative, which will allow both program and fiscal staff to make informed decisions about the programs and services offered.	MED	Becky Bell, Director; Alyssa Schultz, Sheila Drays and Monica Hooper, Division Managers	James Mielke, County Administrator			/Supervisors and Division Managers were again involved in the 2017 budget process as in the 2016 budget process. Supervisors and managers meeting s in the upcoming month will include a time for training and review of budget to actual financial reports.						The process of Integrating Division Managers, Supervisors and staff in the budget process will be expanded in the 2017 budget formulation. Beginning with the budget timeline and instructions provided by the County Administrator, a specific process will be implemented and documented, followed by drafting a policy and procedure to capture the process.
3. Some governments will use a contingency account to allow funding of unexpected costs that arise during the year. The Department does not currently have a contingency budget. The County, however, does have a general contingency available for all departments. (#3, Pg 11)	Dodge County, is not unlike many other Counties that Bake Tilly surveyed in that the Human Services and Health Department does not budget for a contingency account. However, we see some value in this if the county wishes to pursue in future years' budgets. This will help the Department manage unexpected fluctuations in revenues or expenditures in any given year. As a control over the use of funds, a policy could be established requiring Administrator or Human Service Committee approval for use of the funds.	LOW	Becky Bell, Director; Monica Hooper, Division Manager	James Mielke, County Administrator; Julie Kolp, Finance Director; Dodge County Board of Supervisors;			3/21 Per Jim Mielke this will not happen based on the Dodge County Budget. He is aware of this and said that it can be closed out. The County has a contingency account but as a whole not per department.						
4. Currently, the Human Services and Health Department has five (5) accounting departments within JD Edwards. Public Health, Unified, Social Services, Aging, and Nutrition. We understand that because of the County's agreement with the city of Watertown a certain department needs to be maintained separately to record Public Health Activity. We noted that two (2) departments (Social Services and Unified) contain business units of both the Clinical and Family Services Division Manager and the Community Support Services Division Manager. It is our understanding that the other three (3) departments (Public Health, Aging, and Nutrition) are managed by a single Division Manager and there is no overlap of business units within those Departments. (#4, Pg 11)	We recommend that the Social Services and Unified accounting departments be better aligned to the Division Managers responsible for the business units with the departments, which will increase the efficiency of the monthly budget to actual preparation as well as increase the understandability of the financial information presented to Division Managers and Supervisors.	HIGH	Becky Bell, Director; Monica Hooper, Division Manager	Julie Kolp, Finance Director - Consultation needed to support any process improvement policies and procedures to ensure they meet GFOA and other applicable accounting standards			This process is continuing on a monthly basis and Division Managers and Supervisors are expected to review the Actual to Budget reports.						Steps have been taken to realign the monthly actual to budget reports according to Divisions and supervisors areas of responsibility. Further modifications will be made if necessary.

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6. Each month, the Fiscal and Support Services Division Manager runs approximately twenty (20) different budget to actual reports customized to each Division Manager and Supervisor. Currently, Division Managers and Supervisors do not have read-only access to JD Edwards and cannot produce their own budget to actual reports. (#6, Pg 13)	Other Wisconsin Counties surveyed as part of this project only produce one budget to actual report for distribution to program staff monthly or quarterly. We recommend that the fiscal staff concentrate on making one useful budget to actual report that can be distributed to all program Managers and Supervisors, which would result in a substantial time savings for the Fiscal and Support Services Division Manager each month. This may require a reorganization of business units (see budget recommendation under #4) and additional training to ensure Division Managers and Supervisors understand which business units they are responsible for. As an alternative to the Fiscal and Support Services Division Manager running a budget to actual report each month, we recommend that County consider allowing Division Managers and Supervisors read-only access to JD Edwards to produce their own budget to actual reports, as needed. This would result in time savings for fiscal staff and provide more timely information to program staff, which will assist them in making decisions.	MEDIUM	Monica Hooper, Division Manager	Julie Kolp, Finance Director - Consultation needed to support any process improvement policies and procedures to ensure they meet GFOA and other applicable accounting standards								Rearranging reports to meet this and it would be difficult in JD Edwards - It appears to have much greater potential in a new fiscal software. We have already taken steps to produce reports appropriate for program supervisors
7. Budget amendments are approved by the Human Services and Health Department Board, but the original budget for the Human Services Fund is not. Several Wisconsin Counties that Baker Tilly surveyed as part of this project have the Human Services and Health Department Board review and approve/recommend the original budget before being approved by the County Board. Similar to Dodge County, the Human Services Boards or committees of these Counties also approve budget amendments before the County Board as a whole. There also were several Counties that Baker Tilly surveyed that both the original budget and budget amendments go first to the finance or administrative committee before the full board. In one County surveyed, both the original budget and amendments to directly to the full board for approval. (#7 Pg 14)	We recommend that the County consider having the Human Services and Health Department Board review the original budget before it is approved by the County Board.	LOW	James Mielke, County Administrator, Dodge County Board of Supervisors; Human Services and Health Board	Julie Kolp, Finance Director - Consultation needed to support any process improvement policies and procedures to ensure they meet GFOA and other applicable accounting standards			No further updates at this time. 3/21 Per Jim Mielke the Health Department Board reviews and does not approve the budget. This was addressed in the creation/approval of the 2017					This will be initiated with the drafting and implementation of the 2017 budget.
2. The timeframe between when the County Administrator reviews the budget and when the budget is finalized is relatively short. The budget is reviewed by the County Administrator during the course of the months of August and September and presented to the County Board in October. Additionally, we understand that the budget submitted to the County Administrator may reflect all items needed by the Department, prioritized as to their importance. The total budget may exceed the constraints and expenditure limitations communicated by the County Administrator as the start of the budget process. Based on the priority of the Department's budget requests, certain items may get eliminated from the budget. (#2, Pg 10)	We recommend that the original budget prepared by the Department reflect, as closely as possible, the actual budget that is likely to be approved by the County Administrator and County Board, which will improve the understanding of the budget constraints by all employees involved in the budget process, as well as reduce the need for late changes in the budget. We recommend that late changes to the budget be communicated to Department Managers and Supervisors.	LOW	Becky Bell, Director; Alyssa Schultz, Sheila Drays and Monica Hooper, Division Managers	James Mielke, County Administrator		Staff will work closely on creating the 2017 budget.	No further action has been taken since the last meeting.	The Director, Division Managers, and the County Administrator were actively involved in the 2018 budget process.				

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5. All Division Managers and Supervisors receive monthly budget to actual reports for the programs they manage. However, there appear to be different levels of understanding of the reports among the program staff. Also, there are certain revenues that are only received once or twice a year and certain expenditures of the Department that are one-time costs. The Department fiscal staff has offered some training and explanation of the budget, however, opportunities exist for additional training and understanding. (#5, Pg 12)	We recommend that the Department Fiscal staff consider offering additional training to all Division Managers and Supervisors on the budget to actual reports. We also recommend that the Department consider regular monthly or quarterly meetings to discuss budget to actual results, which will assist them in making informed decisions about the care and services provided to clients. These meetings will also aid the fiscal staff in understanding the needs of the program staff.	MED	Monica Hooper, Division Manager			/Supervisors and managers meeting s in the upcoming month will include a time for training and review of budget to actual financial reports.	New Division Manager is working closely with other Division Managers and/or Supervisors to help better the understanding of their budgets.	New Division Manager is working closely with other Division Managers and/or Supervisors to help better understand their budgets. Currently I chose one area to explain during the supervisor/manager meeting that is held bi-weekly. The next meeting, the area that was explained previously reiterates what was explained for me to judge if I feel they understand their budget. I have also had several meetings regarding the budgets with supervisors and given key tips to understanding the JDE reports supplied to them. With the help of Finance, I have also learned how to create individualized reports that have also been shared with supervisors/managers.	New Division Manager is working closely with other Division Managers and/or Supervisors to help better the understanding of their budgets.			Training was provided to Division Managers and Supervisors in the past 6 months and additional training will be provided on the monthly actual to budget reports.
GENERAL TOPICS												
2. There appears to be a general lack of cross-training and formal documentation of job responsibilities for a high percentage of employees, especially after the reorganization that the Department recently experienced. Many fiscal employees in the Department perform complex and multifaceted tasks on a daily basis, these tasks are completed using a variety of different tools and systems such as Word, Excel, JD Edwards, TCM and paper documentation. Most of these tasks need to be completed accurately and timely to comply with various grant requirements as well as to sustain operational activities. (#2, Pg 16)	We recommend a twofold approach to help mitigate the possible impact of an employees absence. First, all employees should formally document their critical day to day activities in enough detail that someone unrelated to their duties would be able to perform them without significant challenges. Second, most positions should have a "back up" employee who is cross-trained to complete the tasks related to that specific position. It should also be noted that this should be a perpetual recommendation for whenever there is either a new procedure that needs to be completed or when employee turnover occurs.	MED	Monica Hooper, Division Manager; Vacant, Fiscal Support Supervisor, Identified fiscal staff	Julie Kolp, Finance Director - Consultation needed to support any process improvement policies and procedures to ensure they meet GFAQ and other applicable accounting standards		/Some cross training has been instituted between the Account Clerks and Clinical Services intake position. The fiscal Supervisor and Audit Compliance Officer have also done cross training. Once we are fully staffed we will proceed with further cross training and documentation of procedures and processes.	Some cross training has begun but this will be an on-going process. The ultimate goal is to have each employees daily tasks documented and saved in one central location for anyone to find.	No change in action since the last meeting. The department has worked on documenting instructions and having them saved for all to use. This is and will be an ongoing process for the agency.	The department continues to work on documenting procedures. This will be an on-going process.	The department continues to work on documenting procedures. This will be an on-going process.		Continuation of documenting procedures for the department. This will be stored in a shared drive for everyone to reference .
3. The relationship between the Human Services and Health Department fiscal division and the program staff is an integral component to the operational efficiency of the Department, and there appears to be an opportunity to increase the communication between the two staff groups. Through discussion with both program staff and fiscal staff, we noted several examples of situations that would benefit from improved communications. Specific examples will not be shared in this report, but this was a consistent theme in many of our interviews. (#3, Pg 17)	We recommend education for both program staff and fiscal staff on the basics of what is important information to the other group. This will help foster communication between the two branches of the Department. There should also be a process in which the cost of a service is balanced with the care of a program participant, and this can be accomplished best through communication between fiscal and program staff to determine treatments and services that are both fiscally responsible and in the best interest of the client.	HIGH	Becly Bell, Director; Alyssa Schultz, Sheila Drays, Monica Hooper Division Managers; Vacant, Fiscal Support Supervisor			Communication is open between the Division Managers and the Fiscal Support. One Weekly meeting also take place with the Director and all three Division Managers. Also bi-monthly there is a supervisor meeting in which the Division Manager for Fiscal Support works with the staff in understanding their needs and also trains them on the fiscal side of the operation.	No change in action since the last meeting.	No change in action since the last meeting.				
5. The Department holds funds for various individuals in banks and general ledger accounts called "rep payee" accounts. These accounts are set up for individuals who are not fully capable of managing their finances, such as Social Security Income and living expenses. The County directly receives the income of these individuals and places them into these accounts. The County is expected to assist the individual with money management, along with providing protection from financial abuse. These bank accounts are created using the County's employer identification number (EIN) and are under the County's control. We noticed that there are some rep payee accounts which are not being recorded on the County's general ledger or audited financial statements. (#5, Pg 18)	We suggest that the Department record the rep payee activity in the general ledger in an agency fund since the accounts are using the County's EIN and are under the Department's control.	LOW	Division Manager Monica Hooper; Vacant, Fiscal Support Supervisor, Staff	Julie Kolp, Finance Director - Consultation needed to support any process improvement policies and procedures to ensure they meet GFAQ and other applicable accounting standards		/This issue will be explored further with the understanding there is a component of the ERP project designed to handle client banking.	Process has been defined and balances will be reported to Finance on a quarterly basis.					We have a good system in place for recording and tracking Representative Payee accounts - there are strict guidelines on commingling client funds with County Funds. We will review controls on these accounts.

OPERATIONAL REVIEW

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1. Journal entries are an important accounting function as they are used to record transactions and can also be used to adjust the original postings when errors are identified. There are at least four (4) Department employees who have the access right capabilities to post journal entries in the accounting system, and there is no independent review of these entries that are posted. (#1, Pg 15)	In order to obtain adequate segregation of duties, journal entries posted to the general ledger accounting system should be reviewed and approved by someone other than the person preparing the entry. The approval should include a review of this supporting information used to develop the journal entry, and this review should be documented. We recommend that the Fiscal and Support Services Division Manager review all journal entries posted by other employees, and the journal entries posted by the Fiscal and Support Services Division Manager be reviewed by the Finance Department.	HIGH	Monica Hooper, Division Manager; Vacant, Fiscal Support Supervisor; Identified fiscal staff	Julie Kolp, Finance Director - Consultation needed to support any process improvement policies and procedures to ensure they meet GFAO and other applicable accounting standards		/Journal entries are prepared, discussed and reviewed with appropriate documentation to support the entries being scanned into file director.						The process for creating, reviewing, posting and approving journal entries will be modified to increase segregation of duties. Supporting documentation will be scanned into file director.
4. There are currently seven (7) Director signature stamps help by employees in the Department. These signature stamps are used for a variety of reasons to make processes more efficient by allowing employees to stamp the Director's approval on certain documents. Some examples of what the Director's stamp is used for include approving vouchers, purchase orders for medical prescriptions, foster care certification and thank you letters. (#4, Pg 17)	Discontinue all use of the Director's signature stamp to reduce potential risks and lack of controls	MED	Becky Bell, Director; Monica Hooper, Division Manager									All signature stamps have been returned to the Director or destroyed. Actual signature of the Director is not used in all instances.
REVENUES AND ACCOUNTS RECEIVABLE - GRANTS												
1. The Fiscal and Support Services Division Supervisor uses Excel spreadsheets to prepare various calculations used in grant reporting, most notably the AMSO calculation and cost allocations related to the Aging and Disability Resource grants. The calculations in the spreadsheets include many manual inputs and are not generate or integrated with the general ledger. The spreadsheets are also not linked with each other, resulting in multiple manual entries in the various different worksheets. There is also no review of these calculations by someone independent of the person preparing the calculations. (#1, Pg 19)	We recommend that the Fiscal and Support Services Supervisor limit the manual input of information into calculations by utilizing the formula and linking capabilities of the spreadsheets. We also recommend that the Department investigate if the current system, (or future systems) may allow reports to be written to obtain the information needed for grant report calculations rather than using manual calculations. See also grant recommendation number four (4) related to an independent review of the grant reports that are submitted by the Department.	MED	Division Manager Monica Hooper, Vacant, Fiscal Support Supervisor			/ A review and update of this process has yielded some further efficiencies and ERP being proposed will provide further options for grant reporting.	The staff will look into creating efficiencies for 2017.	Any spreadsheets that have been created going forward, all documentation is required to be scanned in and attached. Also all notes/comments have been required for backup and understanding by all.	This is and will be continued to be improved upon and making sure that notes are in the document/spreadsheet as well as instructions created.	This is and will be continued to be improved upon and making sure that notes are in the document/spreadsheet as well as instructions created.	This is and will be continued to be improved upon and making sure that notes are in the document/spreadsheet as well as instructions created.	We are exploring ways to improve the efficiency of the AMSO Calculation. Use of the AR system in JD Edwards is being explored to improve fiscal reporting on grants.
2. The Department is inconsistent with recording grant accruals. Grants reported through CARS/CORe and the TADS grants are not accrued as receivable on a monthly basis, however, other Department grants such as Youth Aids, Alcohol Treatment, Energy Assistance, and Aging are accrued monthly. All grants are accrued at year-end. We noted that several of the other Wisconsin Counties surveyed as a part of this project do not report accruals on a monthly basis. Rather grants are recorded on a cash basis during the year, and accruals are recorded in the general ledger at the end of the year. (#2, Pg 19)	For monthly reporting, we recommend that accruals be recorded consistently among all grants. We also recommend that the Department investigate the use of the JD Edwards accounts receivable module. This may increase efficiency in reconciling accounts on a monthly or annual basis and could reduce the risk of errors due to inconsistent practices.	LOW	Division Manager Monica Hooper, Vacant, Fiscal Support Supervisor	Julie Kolp, Finance Director - Consultation needed to support any process improvement policies and procedures to ensure they meet GFAO and other applicable accounting standards		/Once the Netsmart project is implemented we will move forward with implementation of the AR system in JD Edwards.	Accruals for 2016 were recorded in year end balances. This will process will continue going forward and GAAP accounting principles are being used.	Finance worked to train Human Services on how to create invoices and then how to apply the cash to the invoices. This started for 2017.	No change in action since the last meeting.	No change in action since the last meeting. I would consider this closed.	No change in action since the last meeting. I would consider this closed.	HSDA is and will continue to use the AR system in JD Edwards to improve fiscal reporting on grants.
3. The Department uses approximately 25-30 receivable accounts in the County's general ledger system. Some accounts are used throughout the year, and some are used only at year end. Detailed receivable lists that reconcile to the general ledger are maintained in Excel. Like Dodge County, other Counties surveyed as part of the project use manual process versus a computerized receivable system, but most have a limited number of receivable accounts in the general ledger. (#3, Pg 20)	We recommend that Department consider reducing the number of balance sheet receivable accounts being utilized.	LOW	Division Manager Monica Hooper, Vacant, Fiscal Support Supervisor	Julie Kolp, Finance Director - Consultation needed to support any process improvement policies and procedures to ensure they meet GFAO and other applicable accounting standards				With the implementation of using AR, Human Services will be down to 2 AR accounts (Netsmart and Non-Netsmart)	No change in action since the last meeting.	No change in action since the last meeting. I would consider this closed.	No change in action since the last meeting. I would consider this closed.	
4. The Fiscal and Support Services Division Manager and Supervisor prepare required financial reports and reimbursement requests for state and federal grants. These reports are not reviewed by someone other than the preparer. (#4, Pg 20)	We recommend that someone other than the preparer review fiscal reports and reimbursement requests, as well as supporting documentation, before reports and draws are submitted. The Fiscal and Support Services Division Manager and Supervisor could review the grant requests prepared by the other. The review should be documented in order to evidence the internal control procedure.	HIGH	Division Manager Monica Hooper, Vacant, Fiscal Support Supervisor				The Fiscal Support Supervisor is preparing the financial reports and the Fiscal Support Manager is reviewing the reports for a better internal control process.	With the departure of the fiscal supervisor, the division manager has been review all entries. With the new fiscal supervisor starting on June 26th, the fiscal support supervisor will be preparing the financial reports and the division manager will be reviewing the reports for a better internal control process.	The Fiscal Support Supervisor is preparing the financial reports and the Fiscal Support Manager is reviewing the reports for a better internal control process.			Limited fiscal staff and deadlines for grant claims will make this challenging. We will seek to review and approve grant reimbursement request controls.

OPERATIONAL REVIEW

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5. WIMCR is designed at the state level to bring additional federal funding to the State of Wisconsin. The State of Wisconsin Department of Health Services, (DHS) will make Medicaid payment adjustments to Counties based on the actual costs incurred for specific Medicaid services as reported by Counties on cost reports. The process for compiling the information for WIMCR program reporting is a manual process. The financial portion is not complex as it comes directly from the general ledger. However, the demographic information is more complicated, and the Fiscal and Support Services Division Manager compiles this information from discussions with program staff. The current Department systems are unable to compile the necessary demographic information. (P5, Pg 21)	We recommend that the Department investigate if demographic data can be partially obtained from the Clinical Services billing system or other sources. If the County replaces the current billing system, the new software could be evaluated for tracking demographic information in an efficient manner. Having a system with capabilities to report demographic information will create efficiencies in reporting because the Fiscal and Support Services Division Manager will not have to manually compile demographic data. Also the new federal rules under the Uniform Grant Guidance (UGG) indicate the likelihood of a shift to more performance metrics and performance reporting, so the ability to report demographic and performance data may have increased importance in the future.	LOW	Monica Hooper, Division Manager									
DISBURSEMENTS												
1. The services performed for clients by outside providers are approved via a preauthorization form. Most of the invoices received for these services are going through a detailed review by the Program Supervisor or Division Manager; however, this is not the case for all invoices. An example of a provider invoice that just recently started to go through a detailed review is the monthly invoices related to the State mental health institutions. The Director is now comparing the invoices received for those services at the State mental health institutions to a detailed spreadsheet showing the number of clients they send to these institutions and the amount of days that they stay. However, prior to January 2015, this detailed review was not occurring. There have also been instances of provider invoices containing errors, which are identified after payment. Some examples of these errors identified in the last year include providers allocating their services to the wrong funding streams, such as the Youth Aids Programs where there were errors in the children that were funded by the tax levy instead of Youth Aids, as well as providers improperly charging the Department for individuals who are not Medicaid Assistance eligible. While some provider invoices are going through a detailed review, this is not occurring with all provider invoices, and there appears to be a reasonable likelihood of errors in these invoices as described above. (#1, Pg 22)	We understand that the Department uses pre authorization forms for efficiency, as well as for awareness of the potential expenses relation to provider services. However, a more detailed review of the invoices, including invoices received for services provided under a contract, focused on service units, may save the County costs. Also, the detailed review of the State mental health institutions invoices should be performed by someone other than the Director, preferably either a program or fiscal staff familiar with the services rendered at these institutions.	MED	Becky Bell, Director; Monica Hooper, Division Manager; Vacant, Fiscal Support Supervisor; Other fiscal and program staff as further identified		/ We have requested and received more detailed invoices with individual client names from vendors providing services. Many services are authorized using an authorization form for units and dollar amount of services. Some services are also governed by contracts in place. Program manager and or supervisors are reviewing and signing off on invoices before they are approved for payment.	Invoices are now approved by the Division Manager related to the invoice, the Fiscal Division Manager, and then the Director for final sign off.	No change in action since the last meeting.	No change in action since the last meeting.				We will review the process used for invoice workflow. We currently have multiple levels of approval and tracking to ensure accuracy.

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4. There are various program staff in the Department who have designated times during the week outside of normal business hours when they are "on-call." These employees are on-call to respond to potential emergencies that may arise with clients after hours. When an individual works during this on-call period, they must submit to their supervisor an on-call report, similar to the exception report that must be submitted when using vacation time. Per our discussion with fiscal staff, the on-call pay in the Kronos payroll system is included and categorized the same as productive pay. Therefore, fiscal staff do not know how much on-call pay is costing the Department, making it difficult to budget for and to evaluate fiscal impact. (84, Pg 25)	Per our discussion with the IT Director, it is possible to run a report in Kronos showing the amount of on-call pay charged to the Department for any period of time desired. We recommend that the Department work with the IT Department to determine the most efficient way to run this report from the payroll system.	LOW	Alyssa Schultz and Monica Hooper, Division Managers; Supervisors as identified	Ruth Otto, IT Director	Division Manager Kamps has successfully been able to run the report of on-call expenses in Kronos as IT recommended, and provided a summary of this to Division Manager Schultz in early December 2015 for discussion regarding implementation of a new resource in 2016. DM Kamps can run this report at any time it is needed and break down costs into overtime, comp time, and pager time pay per staff for any period of time specified.	After hours on-call coverage for Clinical Services began on May 2, 2016. To date, two months worth of data has been received, including a breakdown of the type of call, the result, the amount of time spent on each call, etc. The results are very promising from both a call volume and a clinical perspective. Clients and staff from DCHS alike are pleased with the collaboration. Staff from DCHS meet monthly with NWC staff to staff cases and discuss any areas in need of clarification or improvement. We have seen a decrease in the number of times a mobile worker has needed to be dispatched to the scene for a more thorough evaluation, demonstrating the effectiveness of the call center in managing these crises effectively. Clinical Services staff no longer manage any after hours on-call, and the response has been overwhelmingly positive. After hours on-call services			Human Services will be reviewing the data and analyzing the data now that this service has a full years worth of data.			The Department will be continuing to us NWC for 2018 as well to eliminate the on-call hours.	An analysis of the cost of on-call, after-hour services is underway, with a review of less-costly options being explored. A new resource is being considered for implementation in the first quarter of 2016.
2. Throughout our observations at the Department and discussions with employees, we noted enhancements that could be made related to credit cards. Three Division Managers and the Director have credit cards to be used for Department purchases. Each cardholder is responsible for coding his/her own expenses, per the chart of accounts, on a monthly basis. The Department Fiscal and Support staff have noticed that some of these credit card purchases are not being coded to the correct expense accounts. Also, the Director is responsible for approving the credit card expenses made by the Division managers. The County Finance Department does ensure that receipts exist for all credit card purchases through sampling, but is not responsible for ensuring the appropriateness of the purchases made by Department Heads. The Audit Committee is responsible for approving Department Head credit card purchases. (82, Pg 23)	We recommend that the Department either appoint one individual who is familiar with the chart of accounts to code all credit card expenditures or help train the Division Managers on how to accurately code expenditures. We also recommend the Audit Committee continue to approve Department Head credit card purchases to ensure that support exists for each purchase and that the purchase is appropriate for the Department.	LOW	Bekky Bell, Director, Monica Hooper, Division Manager; Vacant, Fiscal Support Supervisor										A new process is being explored and implemented similar to one used in another County Department to improve the coding process for credit card transactions.
3. When mileage reimbursement forms are submitted for approval, there are inconsistent descriptions on the purpose of the mileage. Individuals reviewing mileage reimbursement encounter questions on the business purpose of certain requests. For example, if an employee turns in a reimbursement form showing that he went to the City of Beaver Dam and back to the Human Services and Health building twice in one day, and if there is not adequate documentation stating why two separate trips had to be made in the same day, then the reviewer might not know if this is an error, or if the employee actually went to the City of Beaver Dam for client services twice in the same day. Also, there appears to be inconsistency on how to compute miles to be reimbursed by the County in certain situations, such as if an employee goes directly from home to a client location. We noted that the Human Services and Health Department Director's mileage reimbursement forms are approved by the Audit Committee, while other Department mileage requests are approved by the appropriate supervisor. Lastly, there is little guidance for reimbursements for purchasing client incentive gift cards and conference registrations. (83, Pg 24)	We recommend that the Department update its employee expense reimbursement policy on the types of descriptions that need to be included in the mileage reimbursement documentation, how mileage should be calculated for reimbursement, and the most appropriate ways to purchase client incentive gift cards and to pay for conference registrations, and that this policy be distributed to all employees. This policy should include requirements such as the business reason for the mileage being incurred, gift cards being purchased, and conferences attended.	LOW	Bekky Bell, Director, Monica Hooper, Division Manager; Vacant, Fiscal Support Supervisor				Policy number 2017-01, Mileage Reimbursement and Expense Claims Process was put into effect on January 1, 2017. See attached policy						

RECEIPTING

OPERATIONAL REVIEW

NUMBER/OBSERVATION	RECOMMENDATION	PRIORITY	STAFF IDENTIFIED FOR PROCESS IMPROVEMENT	ADDITIONAL STAFF, COUNTY, OTHER RESOURCES NEEDED	INITIAL STEPS IDENTIFIED FOR PROCESS IMPROVEMENT	UPDATE ON STEPS TAKEN as of July 18, 2016/ November 2, 2016	UPDATE ON STEPS TAKEN as of March 16, 2017	UPDATE ON STEPS TAKEN as of June 16, 2017	UPDATE ON STEPS TAKEN as of October 11, 2017	UPDATE ON STEPS TAKEN as of November 10, 2017	UPDATE ON STEPS TAKEN as of December 19, 2017	NEXT STEPS IN PROCESS IMPROVEMENT
1. Deposits, excluding those related to Public Health and Clinical Services, are generally recorded on a bi-monthly basis. Deposits remain locked up at various collection sites before being deposited with the Treasurer. (#1, Pg 26)	We recommend that deposits be made at least on a weekly basis and even more frequently if there are large amounts of money received, such as grant reimbursement checks or large sums of cash.	MED	Monica Hooper, Division Manager; Vacant, Fiscal Support Supervisor, Supervisor, identified fiscal staff									Deposits are now being made on a weekly basis.
2. When cash and checks are received, excluding those related to Public Health and Clinical Services, they are accumulated by Fiscal and Support Staff Supervisor and kept in a binder in a locked cabinet. Bi-monthly, an Administrative Secretary creates a cash log using a notebook that lists all the cash and checks received and the total for the two (2) weeks. This log, as well as all the cash and checks is then passed on to an Account Clerk. The Account Clerk then creates an Excel spreadsheet listing all the cash and checks and the account code they should be deposited to. This Excel spreadsheet total is then compared to the total from the notebook log. The Excel spreadsheet, cash and checks are then brought to the Treasurers office to be deposited. (#2, Pg 27)	We recommend that the Department consider eliminating the Administrative Secretary's role since it is also being performed by the Account Clerk and has very little internal control benefit.	LOW	Monica Hooper, Division Manager; Vacant, Fiscal Support Supervisor, identified fiscal staff									There is very little duplication of effort in this area and the number of receipts is minimal - we will review the process for improved efficiency.