

**DRAFT**

**The Office of Financial and Program Audit  
March 2020 Audit Committee Report Synopsis**

**Risk Management Division Operations Study Synopsis**

Observations	Recommendations
<b>(1) <u>Third-Party Uncollected Aged Balances:</u></b> Aged external claims remain uncollected.	<b>(1)</b> Enhance claims review and follow-up process through automation in the claims management system.
<b>Management Response:</b> RMD agrees and will continue to enhance through automation available in the claims management system.	
<b>(2) <u>Open Claims Validation:</u></b> Open claims w/ incomplete/unmatched/deceased employee info.	<b>(2)</b> Work with vendors to implement a proactive validation of employee eligibility status.
<b>Management Response:</b> RMD agrees and will request a check of eligibility through CorVel's third-party vendor to be completed at least twice annually.	
<b>(3) <u>Disbursement Oversight - CorVel:</u></b> No detailed reviews performed by RMD on CorVel disbursements.	<b>(3)</b> Develop, document and execute a review process over CorVel workers' compensation disbursements.
<b>Management Response:</b> RMD agrees and is in the process of enhancing this review and will also implement a secondary review by the RMD Claim's Manager of approved payments on at least a quarterly basis.	
<b>(4) <u>Interagency Expense Reimbursements:</u></b> Unreimbursed payments from RMD to agencies for repairs by DVS due to lack of communication.	<b>(4)</b> RMD to realign the interagency reimbursement process whereby RMD pays DVS directly for auto claim repairs.
<b>Management Response:</b> RMD agrees and is currently converting policies which will include this process to ensure agencies are educated on proper handling of claims payments.	
<b>(5) <u>Agency Claim Submissions:</u></b> Claims were submitted to RMD up to 4 months past RMD guidance.	<b>(5)</b> Interim review of agency claims submissions & develop and distribute guidance to County agencies.
<b>Management Response:</b> RMD agrees and will work with agencies when excessively late submissions are noted, will run lag time reports at least annually for review and develop and distribute guidance to county agencies.	

**Stormwater Management Program Study Synopsis**

Observations	Recommendations
<b>(1) <u>STW Offset to the General Fund:</u></b> The offset has remained unchanged for the past three years despite increases in levy revenues & other source funding.	<b>(1)</b> A review of the offset to identify opportunities for adjustments.
<b>Management Response:</b> DMB agrees with the recommendation & will review during the annual budget process.	
<b>(2) <u>Work Order Tracking &amp; Completion Assessment:</u></b> Inability to track/monitor work order closeout due to missing/uncaptured process information and lack of closeout standards.	<b>(2)</b> STW will work with appropriate agency to incorporate the needed tracking data and develop closeout standards.
<b>Management Response:</b> STW agrees and will begin on implementing both the recommendations; tracking and BMP enhancements.	
<b>(3) <u>Backlogged Stormwater Maintenance Requests:</u></b> Work orders were not completed timely or properly prioritized which has an adverse effect on efficiency.	<b>(3)</b> Staff review these work orders to identify systematic gaps for remedies.
<b>Management Response:</b> STW agrees to review work orders to identify systemic gaps for remedies to improve work order prioritization and completion.	
<b>(4) <u>Unreconciled Consumable Inventory:</u></b> Physical inventory count did not reconcile to STW records.	<b>(4)</b> STW develop and implement a standard procedure for recording the inventory picks as soon as they leave and return to the warehouse.
<b>Management Response:</b> STW agrees and will develop and implement standard procedures to track and record all inventories taken from the warehouse.	