

JOHNSON COUNTY
KANSAS
Audit Services

Status of Audit Activity
As of December 31, 2019

Release Date: February 27, 2020

Report No. QR-2019-04

3rd and 4th Quarter Activity

Audit Title	Issued	Implemented
Physical Security Management (2019)	0	1
Cybersecurity Incident Response & Recovery Planning (2019)	0	4
Med-Act Transition Audit (2018)	0	6
Johnson County Sheriff's Office Revenue Audit (2018)	0	1
Johnson County Airport Commission Transition Audit (2017)	0	1
HUD-OIG Joint Audit (2016)	0	1
Total	0	14

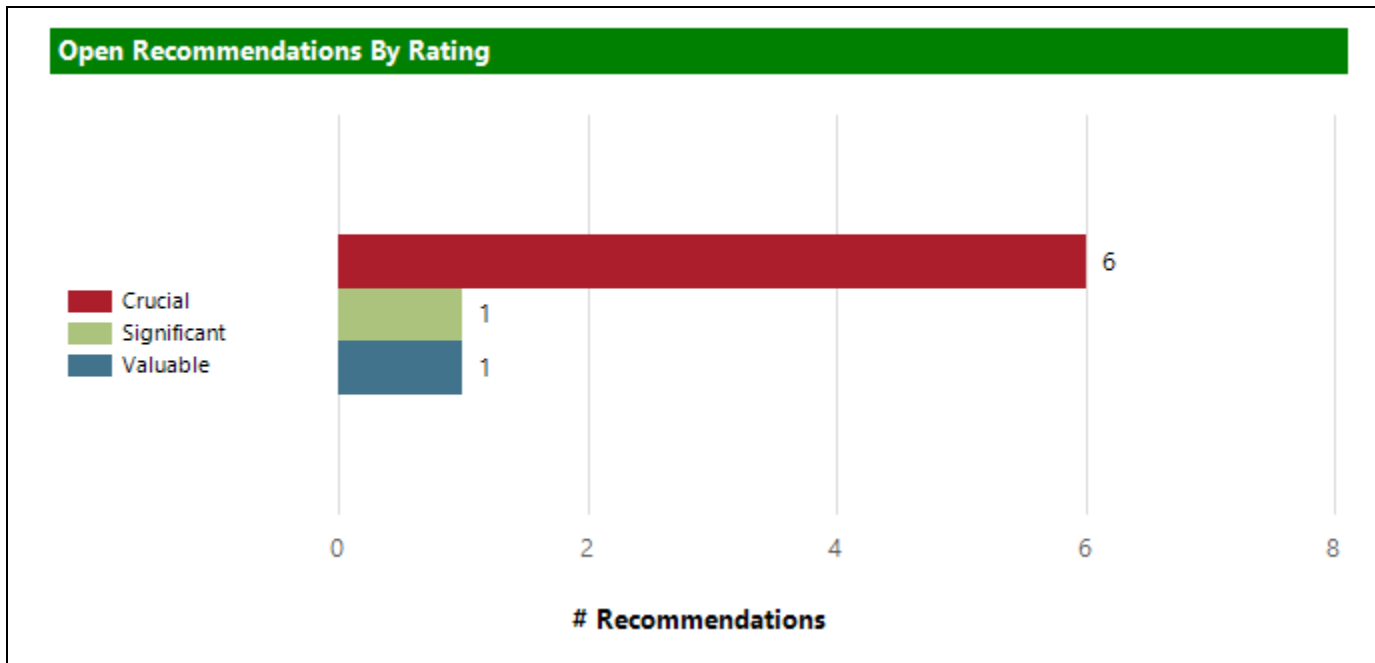
Aging of Recommendations

Recommendation Activity				Months Past Proposed Completion Date					
Open 7/1/2019	Issued	Implemented	Open 12/31/2019	Not Due	1-6 months	7-12 months	13-18 months	19-24 months	OVER 24 months
22	0	14	8	2	1	3	2	0	0

Open Audit Recommendations as of December 31, 2019

Audit	Issued	Open	% Complete
Physical Security Management (2019)	3	2	33
Cybersecurity Incident Response & Recovery Planning (2019)	7	1	86
Med-Act Transition Audit (2018)	18	4	78
HUD-OIG Joint Audit (2016)	2	1	50
Total	30	8	73

Criticality Impact of Open Audit Recommendations - December 31, 2019



Crucial	May improve operation, resulting in significant program outcomes and cost efficiencies; strengthen internal controls and/or reduce the potential for liability and/or loss.
Significant	May improve efficiencies and effectiveness in a process resulting in enhanced program outcomes, cost efficiencies, strengthen internal controls and/or compliance.
Valuable	May improve efficiencies and effectiveness leading to enhanced operations.

Recommendations Implemented or Closed During 3rd and 4th Quarter 2019

Audit	Parties	Rec #	Recommendation	Plan of Action	Rating	Status
Johnson County Airport Commission Transition Audit	Aaron Otto	1.2	Develop a management reporting system to ensure proper internal controls are in effect and monitored on a periodic basis.	We concur with the recommendation. JCAC staff will develop the system as described that will validate that internal controls or mitigating controls are in effect and working as designed.	Significant	Implemented
Johnson County Sheriff's Office Revenue Audit	Sheriff Hayden	4.2	Re-engineer remittance processing within the JCSO. Design and implement a systematic, uniform approach which includes sufficient internal controls.	We concur with this recommendation. The CFO will review the current remittance and deposit process and implement changes to streamline the collection, reconciliation and reporting of remittances received. This will be completed by October 1, 2018.	Crucial	Implemented
Med-Act Transition Audit	J. Paul Davis	3.2	Assess mission requirements and prepare a business case analysis regarding take-home vehicle assignments to include considering elimination of take-home vehicle assignments.	Med-Act will assess its mission requirements and review current practices to determine the business need for assigned take-home vehicles.	Valuable	Implemented
Med-Act Transition Audit	J. Paul Davis	3.3	Revise Med-Act internal Policy & Procedure 1201-Vehicles to include language, in addition to operational and maintenance requirements, which ensures compliance with County policy regarding: guidelines for the assignment of vehicles, documentation and approvals	Med-Act is in the process of reviewing and revising department policies and procedures. This work will coincide with the work related to the recommendation 3.2.	Valuable	Implemented

			necessary, and the taxation of the personal use of County-owned or leased vehicles by employees.			
Med-Act Transition Audit	J. Paul Davis	5.1	Develop a report to monitor how crews administer controlled substances to identify potential “red flags” of loss or theft.	We expect to meet this recommendation once we move to a new, more robust, electronic patient care reporting system. We currently have controls in place which meet statutory and federal regulatory standards.	Significant	Implemented
Med-Act Transition Audit	J. Paul Davis	5.3	Revise existing policies and procedures to define responsibilities for reporting any significant loss or theft of controlled substances to the U.S. Drug Enforcement Administration (DEA).	Med-Act will comply with this recommendation.	Valuable	Implemented
Med-Act Transition Audit	J. Paul Davis	6.1	Adopt Department of Technology and Innovation’s (DTI) County-wide IT Hardware Asset Management Practice, and related policies, procedures and standards, for ensuring proper stewardship of County IT resources.	This must be a shared responsibility. Med-Act will work with JIMS to develop and provide an Asset Management practice guide or policy.	Valuable	Implemented
Med-Act Transition Audit	J. Paul Davis	6.2	Develop and implement policy and procedures for inventory management to ensure compliance with the County’s Capital Asset Policy 160.3.	Med-Act has begun a baseline inventory of durable goods and equipment. We will develop a policy that ensures compliance with the County’s Capital Asset policy.	Crucial	Implemented
Cybersecurity Incident Response &	Bill Nixon	1.3	This audit is confidential under K.S.A 45-221(a)(12) and (45),	Management concurs with this recommendation	Crucial	Implemented

Recovery Planning						
Cybersecurity Incident Response & Recovery Planning	Bill Nixon	1.4	This audit is confidential under K.S.A 45-221(a)(12) and (45),	Management concurs with this recommendation	Significant	Implemented
Cybersecurity Incident Response & Recovery Planning	Bill Nixon	1.5	This audit is confidential under K.S.A 45-221(a)(12) and (45),	Management concurs with this recommendation	Significant	Implemented
Cybersecurity Incident Response & Recovery Planning	Bill Nixon	1.6	This audit is confidential under K.S.A 45-221(a)(12) and (45),	Management concurs with this recommendation	Significant	Implemented
Physical Security Management	Penny Postoak Ferguson Sheriff Hayden	3.0	This audit is confidential under K.S.A 45-221(a)(12) and (45),	Management concurs with this recommendation	Crucial	Implemented
HUD-OIG Joint Audit	Maury Thompson	5.1	Work with the City to pursue the efficiencies to be gained by consolidating the two entities' HOME programs.	County and City of Olathe have met to discuss efficiencies to be gained by consolidating the two entities' HOME programs.	Crucial	Implemented

Open Recommendations as of December 31, 2019

Audit Title	Parties	Rec #	Recommendation	Plan of Action	Proposed Completion Date	Days Past Due	Rating
HUD-OIG Joint Audit	Maury Thompson	5.2	Amend previous HOME agreements to a 10-year affordability period with 10 percent loan forgiveness each to be aligned with Johnson County's HOME program affordability period and release all loans that have already met the 10-year affordability period.	County and City of Olathe will continue to discuss amending the City's HOME agreements to a 10-year affordability period in conjunction with 5a above.	12/31/2018	365	Crucial
Med-Act Transition Audit	J. Paul Davis	1.1	Develop a fee-setting policy which complies with County Policy 170.150 and adopts a desired level (or range) of cost recovery for the services being provided.	Med-Act will develop a fee setting policy that complies with the County Policy 170.150. Our goal as steward of the public trust is to establish reasonable and customary fees that support the Med-Act operations and ensure response readiness.	02/28/2019	306	Crucial
Med-Act Transition Audit	J. Paul Davis	1.2	Review the current ambulance transport rates to determine if they are set at the appropriate levels.	The Med-Act policy will include an annual review of our ambulance services fees as well as those in the MARC region. We will present a recommendation to the Board of County Commissioners for its approval.	02/28/2019	306	Crucial

Med-Act Transition Audit	J. Paul Davis	2.1	Develop a standby billing procedure which ensures consistency and equity and describes the criteria to consider when waiving fees.	The Med-Act policy will ensure consistency and equity. We will identify circumstances when waiving fees for standbys is appropriate.	02/28/2019	306	Significant
Med-Act Transition Audit	J. Paul Davis	7.1	Adopt industry performance metrics that align with Med-Act's mission and publicly report operational results.	We acknowledge we can improve on providing more public information, generally, with respect to operational performance metrics. We will engage our PIO team to help us address this recommendation.	10/31/2018	426	Valuable
Cybersecurity Incident Response & Recovery Planning	Tim Mulcahy	1.2	This audit is confidential under K.S.A 45-221(a)(12) and (45),	Management concurs with this recommendation	09/30/2019	92	Crucial
Physical Security Management	Penny Postoak Ferguson Sheriff Hayden	1.0	This audit is confidential under K.S.A 45-221(a)(12) and (45),	Management concurs with this recommendation	06/30/2020	Not Due	Crucial
Physical Security Management	Penny Postoak Ferguson Sheriff Hayden	2.0	This audit is confidential under K.S.A 45-221(a)(12) and (45),	Management concurs with this recommendation	06/30/2020	Not Due	Crucial