

Status of Audit Activity

As of June 30, 2019



August 29, 2019

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Executive Summary

2nd Quarter Activity

Audit	Issued	Implemented
Physical Security Management Audit (2019)	3	
Cybersecurity Response & Recovery Audit (2019)		1
Med-Act Transition Audit (2018)		4
Sheriff's Transition Audit (2017)		2
Election Office Transition Audit (2016)		2
Total	3	9

Aging of Recommendations`

Recommendation Activity				Number Months Past Original Comp Date					
Open as of 3-31-2019	Issued 2nd Quarter	Implemented	Open as of 6-30-19	Not Due	1-6 Months	7-12 Months	13-18 Months	19-24 Months	Over 2 Years
28	3	9	22	10	9	3	0	0	0

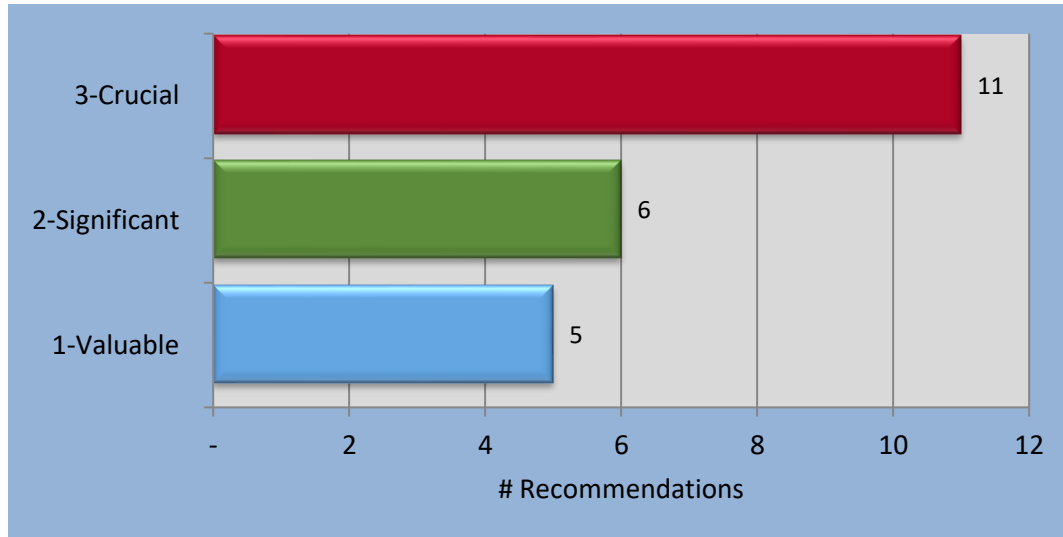
Executive Summary

Open Audit Recommendations as of June 30, 2019

Audit	Issued Recommendations	Open Recommendations	% Complete
Physical Security Management Audit (2019)	3	3	0%
Cybersecurity Response & Recovery Audit (2019)	7	5	29%
Med-Act Transition Audit (2018)	18	10	44%
Sheriff's Revenue Audit (2018)	7	1	86%
Airport Commission Transition Audit (2017)	19	1	95%
HUD-OIG - City of Olathe (2016)	2	2	0%
Total	56	22	61%

Executive Summary

Criticality Impact of Open Audit Recommendations – June 30, 2019



Rating	Implementing a recommendation with the designated rating may improve...
3- Crucial	...operations, resulting in significant program outcomes and cost efficiencies; strengthen internal controls and/or reduce the potential for liability and/or loss.
2- Significant	...efficiencies and effectiveness in a process resulting in enhanced program outcomes, cost efficiencies, strengthened internal controls and/or compliance.
1- Valuable	...efficiencies and effectiveness in a process leading to enhanced operations.

Recommendations Implemented or Closed During 2nd Quarter 2019

Audit	Responsible Party	Rec #	Recommendation	Rating	Status
Cybersecurity Incident Response & Recovery Planning	Sean Casserly	1.7	This audit and corresponding recommendations are confidential under K.S.A. 45-221(a)(12) and (45).	3	Implemented
Johnson County Election Office Transition Audit	Ronnie Metsker	1.1	Request assistance from the Director, Treasury and Financial Management, in concert with Audit Services, to assist with the design and implementation of an effective system of internal control and convey its requirements to all Election Office personnel. This system of internal control should follow the COSO model and address the five interrelated components: Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring.	3	Implemented
Johnson County Election Office Transition Audit	Ronnie Metsker	9.3	Develop written procedures for procurement and contract management practices to ensure the Election Office complies with the County's purchasing policies. Written procedures would be based, in part, from the assessment performed by the Purchasing Manager.	2	Implemented
Med-Act Transition Audit	J. Paul Davis	3.1	Develop and implement a plan to transfer all current fleet management responsibilities from Med-Act to the County's Fleet Services Division.	2	Implemented
Med-Act Transition Audit	Chris Butler	3.4	Assume responsibility for managing all Med-Act fleet vehicles in accordance with Johnson County fleet management guidelines.	2	Implemented
Med-Act Transition Audit	Chris Butler	3.5	Administer and provide oversight for the current Med-Act vehicle maintenance and repair contract with the local vendor (for the near term) to ensure compliance with Kansas Board of Emergency Medical Services (KBEMS) regulations.	2	Implemented
Med-Act Transition Audit	J. Paul Davis	4.1	Develop and maintain a reliable inventory tracking system of items required by EMS regulations and those categories of supplies dictated by the financial manager.	3	Implemented
Johnson County Sheriff's Office Transition Audit	Sheriff Hayden	1.1	Train personnel with purchasing authority in the JCSO Purchasing Policies and Procedures.	2	Implemented
Johnson County Sheriff's Office Transition Audit	Sheriff Hayden	3.3	Establish written procedures to periodically verify contractor performance based on JCSO documentation and observation.	3	Implemented

Open Recommendations as of June 30, 2019

Audit	Responsible Party	Rec #	Recommendation	Proposed Action	Initial Resolution Date	Days Past Due	Rating
HUD-OIG Joint Audit	Maury Thompson	5a	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.	12/31/2018	180	3
HUD-OIG Joint Audit	Maury Thompson	5b	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	180	3
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.		12/31/2018	180	2
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.	10/01/2018	270	3
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	120	3
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	02/28/2019	120	3

Open Recommendations as of June 30, 2019

Audit	Responsible Party	Rec #	Recommendation	Proposed Action	Initial Resolution Date	Days Past Due	Rating
				present a recommendation to the Board of County Commissioners for its approval.			
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	120	2
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.	03/31/2019	90	1
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 necessary, and the taxation of the personal use of County-owned or leased vehicles by employees.	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.	03/31/2019	90	1
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.	01/31/2019	150	2
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.	09/30/2018	270	1

Open Recommendations as of June 30, 2019

Audit	Responsible Party	Rec #	Recommendation	Proposed Action	Initial Resolution Date	Days Past Due	Rating
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.	06/30/2019	Not Due	1
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.	07/31/2019	Not Due	3
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	240	1
Cybersecurity Incident Response & Recovery Planning	Tim Mulcahey	1.2	Audit Services offered this recommendation to strengthen the County's ability to respond to and recover from cybersecurity incidents. This audit is confidential under K.S.A. 45-221(a)(12) and (45).	Management concurs with this recommendation.	09/30/2019	Not Due	3
Cybersecurity Incident Response & Recovery Planning	Bill Nixon	1.3	Audit Services offered this recommendation to strengthen the County's ability to respond to and recover from cybersecurity incidents. This audit is confidential under K.S.A. 45-221(a)(12) and (45).	Management concurs with this recommendation.	12/31/2019	Not Due	3
Cybersecurity Incident Response & Recovery Planning	Bill Nixon	1.4	Audit Services offered this recommendation to strengthen the County's ability to respond to and recover from cybersecurity incidents. This audit is confidential under K.S.A. 45-221(a)(12) and (45).	Management concurs with this recommendation.	12/31/2019	Not Due	2

Open Recommendations as of June 30, 2019

Audit	Responsible Party	Rec #	Recommendation	Proposed Action	Initial Resolution Date	Days Past Due	Rating
Cybersecurity Incident Response & Recovery Planning	Bill Nixon	1.5	Audit Services offered this recommendation to strengthen the County's ability to respond to and recover from cybersecurity incidents. This audit is confidential under K.S.A. 45-221(a)(12) and (45).	Management concurs with this recommendation.	12/31/2019	Not Due	2
Cybersecurity Incident Response & Recovery Planning	Bill Nixon	1.6	Audit Services offered this recommendation to strengthen the County's ability to respond to and recover from cybersecurity incidents. This audit is confidential under K.S.A. 45-221(a)(12) and (45).	Management concurs with this recommendation.	12/31/2019	Not Due	2
Physical Security Management	Penny Postoak Ferguson Sheriff Hayden	1.0	Audit Services offered this recommendation to strengthen the County's ability to respond to and recover from cybersecurity incidents. This audit is confidential under K.S.A. 45-221(a)(12) and (45).	Management concurs with this recommendation.	06/30/2020	Not Due	3
Physical Security Management	Penny Postoak Ferguson Sheriff Hayden	2.0	Audit Services offered this recommendation to strengthen the County's ability to respond to and recover from cybersecurity incidents. This audit is confidential under K.S.A. 45-221(a)(12) and (45).	Management concurs with this recommendation.	06/30/2020	Not Due	3
Physical Security Management	Penny Postoak Ferguson Sheriff Hayden	3.0	Audit Services offered this recommendation to strengthen the County's ability to respond to and recover from cybersecurity incidents. This audit is confidential under K.S.A. 45-221(a)(12) and (45).	Management concurs with this recommendation.	12/31/2019	Not Due	3