



AUDIT REPORT

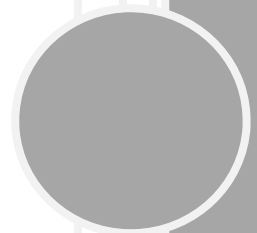
DALLAS COUNTY

HHS Human Services and Environmental - FY2019 (Part II of II)

Darryl D. Thomas
Dallas County Auditor

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HHS Human Services and Environmental - FY2019 (Part II of II)

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This report is intended for the information and use of the agency/department. While we have reviewed internal controls and financial reports, this review will not necessarily disclose all matters of a material weakness. It is the responsibility of the department to establish and maintain effective internal control over compliance with the requirements of laws, regulations, and contracts applicable to the department



DALLAS COUNTY
COUNTY AUDITOR

MANAGEMENT LETTER

Dr. Philip Huang
HHS Director
Dallas, Texas

Attached is the County Auditor's final report entitled "HHS Human Services and Environmental - FY2019 (Part II of II)" Report. In order to reduce paper usage, a hard copy will not be sent through in house mail except to the auditee.

In you prefer that released reports be emailed to a different (or additional) recipient, please inform me of the name and the change will be made.

Respectfully,

Darryl D. Thomas

Darryl D. Thomas
County Auditor

EXECUTIVE SUMMARY

A review of HHS Environment Services for fiscal year 2019 revealed the significant observations listed below:

Summary of Significant Observations

- Cash receipts reflected tendered amounts and denomination quantities that far exceeded the amount due for receipted services (Ex.A receipt with an amount of \$20 due for services indicates that customer paid \$320 cash and \$300 in change was returned.)
- Department did not maintain a segregation of change funds and collections between assigned tills.
- Foreign Travel Vaccine till was \$303 under the drawer control total.
- Central Cashier Booth till was \$505 over the drawer control total.

Status: Funds in the amount of \$303 belonged to the Foreign Travel Vaccine till and \$175 were unreceipted funds received from the five satellite HHS clinics.

- HHS issued manual receipts that were not obtained from the Dallas County Supply Room
- 3,750 manual receipts from 25 manual receipt books were not located.
- Immunizations clinics not located in the HHS building only issue manual receipts.
- Computer receipts with price adjustments do not have a corresponding DCHHHS Fee/Price Override Authorization form with an explanation for the adjustment.
 - Payer field in the receipt was noted as a period (.) with no customer names listed.
- 34 computer receipts were voided by a non-supervisory employee.
- 241 computer receipts were issued and voided by the same user.

Repeat Observations from Previous Audits

- Lack of segregation of cashiering duties.

Only those weaknesses which have come to our attention as a result of the audit have been reported. It is the responsibility of the department management to establish and maintain effective internal control over compliance with the requirement of laws, regulations, and contracts applicable to the department.

INTRODUCTION

Dallas County Auditor's Office mission is to provide responsible, progressive leadership by accomplishing the following:

- Comply with applicable laws and regulations
- Safeguard and monitor the assets of the County utilizing sound fiscal policies
- Assess risk and establish and administer adequate internal controls
- Accurately record and report financial transactions of the County
- Ensure accurate and timely processing of amounts due to County employees and vendors
- Set an example of honesty, fairness and professionalism for Dallas County government
- Provide services with integrity
- Work in partnership with all departments to resolve all issues of the County
- Strive to utilize the latest efficient and effective technology in the performance of tasks
- Provide technical support and training in the development, implementation, and maintenance of information systems
- Hold ourselves accountable to the citizens of the County at all times
- Be responsive to the elected officials and department heads of Dallas County

The objectives of this audit are to:

1. Ensure compliance with statutory requirements
2. Evaluate internal controls
3. Verification of accuracy and completeness of reporting
4. Review controls over safeguarding of assets

This audit covered the period of October 1, 2018 through September 30, 2019.

The audit procedures will include interviews with key process owners, observation of transactions processing, data analysis and sample testing of transactions. The main system used will also be reviewed and incorporated as part of the testing of transactions.



DETAILS

Cash Management

Cash counts of HHS Environmental deposits received at the Treasurer' Office and unannounced cash counts performed at the department during fiscal year 2019 revealed the department did not maintain a segregation of change funds and collections between assigned tills. An unannounced cash count on August 07, 2020 identified that the Foreign Travel Vaccine till was \$303 under the drawer control total and the Central Cashier Booth till was \$505 over the drawer control total. **Status: Funds in the amount of \$303 belonged to the Foreign Travel Vaccine till and \$175 were unreceipted funds received from the five satellite HHS clinics.**

Other deposit/till variances included one cash deposit was \$2.00 over the deposit control total; two deposits were \$55 under the deposit control total due to the department receiving checks for the numeric amount instead of the written legal amount and one deposit required an adjustment at the Treasurer's Office due to the HHS Financial Division receipting a third-party check for the amount of \$16.73. The Foreign Travel Vaccine till was \$10 over the drawer control total. **Status: Per the department, \$5 was change due to a customer, which was later refunded and \$5 belong to the Central Cashier Booth change fund.** Additional cash count observations included that the change fund was not securely stored; two cashiers used the same till to receipt; and funds from the five satellite clinics were not receipted in a timely manner.

Specific controls related to cash management procedures indicate that all monies received should be verified for accuracy, including the amount, tender type, transaction date and payer name fields before issuing to a customer. Funds should be receipted and deposited daily in accordance with V.T.C.A., L.G.C. § 113.02 Clerks should perform receipting and cashiering duties in separate tills. Inconsistent management oversight and training related to cash management procedures combined with a lack of access to a computerized receipting system resulted in delayed revenue recognition and increased the potential that funds may be lost or misappropriated.

Recommendation

Cash Management

Management should:

- Request access to the County Wide Receipting system (CWR) for the satellite HHS clinics.
- Re-train staff on cash handling procedures, including but not limited to, receipting checks for the written legal amount and verifying checks are made out to Dallas County prior to acceptance for payment.
- Maintain separate tills for cashiers performing cash handling duties.
- Ensure change funds and collections remain segregated in the till in which the transaction was receipted.

Management Action Plan

- HHS satellite clinic Clerks will continue to dropoff daily collections and receipts to the central office Cashier's booth on a timely basis to maintain a centralized process for depositing. Additionally, HHS will continue to ensure timely entry of clinic receipts into the POS/CWR system. HHS receipts all funds through computerized or manual receipts immediately as received. Manual receipts from the satellite clinics are dropped off on a daily basis and typically receipted into the POS/CWR the same day.



- Receipts and collections received at 4:30 p.m.(COB) and afterwards are securely stored and receipted the next business day. Our priority is to serve Dallas County residents therefore, there are special instances, such as back to school and influenza seasons where there are significant increases in amounts of daily collections and receipts, when receipts will be receipted into the POS/CWR after duly serving clients.
- Controls in the form of a spreadsheet was implemented to address that the numeric amount equals to the written legal amount. Additionally, staff have been retrained on proper receipting and depositing procedures. Training is conducted twice a year. This year's training was conducted July 15, 2021.
- HHS is addressing the segregation of till assignments. The cashier's booth in the lobby will have two (2) terminals, each with its own tills. The first terminal will be assigned specifically to Chief Cashier and the second terminal will be assigned to Cashier II.
- HHS is addressing the segregation of change funds and till assignments. The addition of the second terminal at the cashier booth will improve the receipting process. Additionally, the Financial Administration (FA) Monitoring and Compliance section has initiated the process to monitor and periodically perform a review to ensure the change fund is securely stored.

Auditors Response

- It is understandable that there are peak seasons at the satellite clinics, however a receipt has to be prepared and provided to customers regardless. Therefore one type of receipt, which is computer receipts, will be in the best interest of the department in order to save time. This will save time by only generating one receipt a day instead of two (one manual and one computerized) which is currently the process.

System and Security

A review of the Health Human Services Department's authorized users and the assigned rights and roles in County Wide Receipting System (CWR) revealed one current user with cashier capabilities was also assigned price adjustments and Super No reset responsibilities and two non-supervisory employees have supervisor responsibilities.

The County-Wide Receipting (CWR) Administration manual as of June 29, 2010 defines the function and appropriate assignment of Inquiry, Cashier and Supervisor user roles in CWR: the Inquiry role supports on-line inquiry, which is limited to reporting capabilities; the Cashier role issues receipts and accepts payments. A cashier can be assigned multiple deposit source but should not also be assigned the Supervisor role; the Supervisor role allows an individual to close out receipting periods, adjust fee amounts, cancel receipts and prepare deposits. The Super No Reset role allows all the same capabilities as the Supervisor role with the exception of the capability to reset the deposit. While a person assigned the role of Supervisor may also be assigned the role of Cashier, it is expected that they will only create transactions infrequently. This same expectation exists for the Supervisor No Reset role.

Best practices for internal control include adequate segregation of duties between personnel authorized to receipt payments, void payments and prepare the deposit. No one user should have capabilities to perform two or more business process that could result in a compromise of the integrity of the process allowing that person to commit and conceal fraud. Inconsistent management oversight related to the assignment of rights/roles in the CWR system has resulted in an inadequate segregation of duties such that it has increased the potential that funds may be misappropriated.



Recommendation

System and Security

Management should review assigned Health and Human Services system rights and roles to ensure users have only the rights necessary to perform their core job functions.

Management Action Plan

- HHS has reviewed the CWR system rights and roles and has removed the supervisory capabilities from the Cashier II position. The user in the Clerk II position is no longer with DCHHS and has been removed from the system. The Cashier III position requires the Super no Reset and Price Adjustment capabilities since payment adjustments in real time may be necessary to continue servicing our clients who have been waiting.

Auditors Response

None

Employee Services - Manual Receipts

A review Employee Services manual receipt book issuance log and 12,751 manual receipts issued by HHS satellite locations during fiscal year 2019 revealed 3,750 manual receipts from 25 manual receipt books were not located; immunization clinics not located in the HHS building only issue manual receipts; 83 manual receipts were altered instead of issuing a new receipt including 80 manual receipts that were tendered in cash; three altered manual receipts were not located in CWR due to manual receipt numbers not being recorded in the receipting system; one manual receipt was altered from \$10 to \$5, however, \$10 was receipted in CWR; 52 cash manual receipts were altered to amounts totaling \$328 less than the original receipt amounts (24 manual receipts were altered to higher amounts totaling \$143 more than the original receipt amounts); and all manual receipts issued did not have a computer receipt attach.

A sample review of 30 manual receipts posted to CWR system during fiscal year 2019 revealed nine manual receipts were recorded in CWR from two to 65 days after the manual receipt dates; and six manual receipts were not located in CWR system.

A review of 198 voided manual receipts revealed 37 of 198 (18.69%) of the manual receipts voided did not have a reason for the void; nine of 198 (4.55%) of the manual receipts were not marked "Void" of which two receipts that were skipped; five voided manual receipts did not have the white customer copy attached; and two voided manual receipts had dates that were out of range.

Per HHS Chapter 5.3 Receipting procedures, in the event an error is made while writing the receipt please void the receipt and issue a new receipt. A voided receipt should be clearly marked "VOID" on the receipt and indicate reason for voiding and initial. Unused receipts must be clearly marked "VOID" and remain attached to the receipt book.

Internal control procedures indicate all manual receipts should be accounted for, issue in numeric order, have the corresponding computer receipt, posted and deposited daily and timely in accordance with Local Government Code, §



113.022 and reviewed by the supervisor. Manual receipts should be verified for accuracy, including the amount, tender type, transaction date, and payer name fields before issuing to a customer. All copies of a voided receipt should be retained, clearly marked "void", and affixed with a reason for the void. Manual receipts should not be altered; instead, receipts should be voided and re-issued. Inconsistent employee training and supervisory review related to the manual receipt process has resulted in inaccurate and incomplete financial records and increased the potential for a loss of Dallas County revenue through the misappropriation of funds. The lack of access to a computerized receipting system and the lack of an audit trail of manual receipts to a computer receipt has resulted in the inability to verify records and increases the potential for loss and/or misappropriation of funds.

Recommendation

Employee Services - Manual Receipts

Management should:

- Implement and request access to the County Wide Receipting system (CWR) for all locations that receive money.
- Limit the use of manual receipts to when computer system is down.
- Train new and current employees on manual receipting procedures including that manual receipts should not be altered but instead voided and a new receipt issued.
- Review manual receipts books daily for completeness and accuracy.

Management Action Plan

- Receipt books in question were under custodianship of the Senior Secretary of Employee Services division. Books were not located since the employee vacated the position without proper handover. HHS has established procedures for proper handover of receipt books and has implemented a system to store all receipt books under the custodianship of the Chief Accountant of Financial Administration (FA) division.
- HHS has addressed proper receipting in training. Additionally, procedures have been implemented to ensure manual receipts books are reviewed by Chief Accountant.
- On a daily basis, receipting clerks from each satellite clinic drop off their daily collections and receipts (pink copy). Computer-generated receipts are attached to respective receipt (pink copy) when collections are entered into the CLASS CWR system and maintained with the department as supporting documentation for daily deposits. Receipt books are maintained with the assigned clinic until completion of all receipts in the book.
- The addition of the second terminal in the Cashier booth will aid in improve in daily receipting of collections from the five (5) satellite clinics.
- Training to HHS receipting staff has been conducted to address proper receipting procedures. The Monitoring and Compliance section has initiated trainings on receipting twice a year and to periodically review manual receipt books to ensure compliance. Voided receipts may not have the white (customer) copy of the receipt for reasons including, but not limited to, if the customer misplaced the receipt, disposed of the receipt, etc. Training to address proper voiding procedures is scheduled for all HHS receipting staff. Additionally, clinic Clerks will attempt to obtain the white (customer) copy, however, reason will be documented if attempt is unsuccessful.

Auditors Response

None



Environmental Health Division - Manual Receipts

The Environmental Health Division strives to protect the citizens of Dallas County from diseases associated with food, animals, vectors, water, and hazardous waste. The services the division offers are animal control, approval of septic systems, food service sanitation and education, investigation of public health complaints, licensed facility sanitation, and vector control. The Environmental Division issues manual receipts for payments received by mail or in person. At the end of business day, payments are taken to the Central Cashier on the first floor of the HHS building to be receipted in the County-wide Receipting System (CWR). A review of 479 manual receipts issued during fiscal year 2019 and the related procedures revealed that Environmental Health continues to issue non-official manual receipt books, which were not issued by the Dallas County Supply Room. Update **Status: Per HHS, Environmental Health will use the stock on hand until depleted.** Additionally, the Environmental Division does not have access to a computerized receipting system, manual receipts are taken to the Central Cashier for receipting at the end of the business day. A review of all 34 manual receipts voided during fiscal year 2019 revealed one manual receipt void did not contain an explanation and three voided manual receipts were missing the white customer copy. **Status: Per HHS, all three white copies were given to clients before the department was aware that the checks payments needed to be voided.**

Internal Control procedures related to voids and proper cash handling indicate that manual receipts should be verified for accuracy, including the amount, tender type, transaction date, and payer name fields before issuing to a customer. Per Dallas County Code and DCHHS Financial Administration Policy, Procedures, and Best Practices, Chapter 5.3

Receipting department should utilize official receipt books, which are issued through the Dallas County Supply Room. Clerical error and lack of access to a computerized receipting system delayed revenue recognition and increased the potential that funds may be lost, misplaced, or misappropriated.

Recommendation

Environmental Health Division - Manual Receipts

Management should:

- Discontinue use of unofficial manual receipts and use only Dallas County approved manual and electronic receipts.
- Request access to the County Wide Receipting system (CWR) to receipt monies received by the division in order to properly track payments and automate receipts.
- Check payments should be reviewed for accuracy and completeness before a manual receipt is issued to the client.

Management Action Plan

- As has been the practice for several years, the Environmental Health division maintains receipt books specifically designed for their program. These receipt books were purchased through a Dallas County vendor and deemed official by the department. Following this audit, the "non-official" Dallas County receipt books have been removed and are no longer in use.
- The Monitoring and Compliance section of FA has implemented training, to address proper receipting of check payments, twice a year.

Auditors Response

None



Financial Admin, Nutrition, and Grants Computer Receipts

During fiscal year 2019, HHS Financial Administration, Nutrition, and Grants County-wide receipting (CWR) terminals issued 1,549 computer receipts totaling \$43,551,869. A review of all HHS computer receipts voided during this time period revealed internal control weaknesses related to the entry and voiding of computer receipts.

Financial Administration Terminal in CWR

- A total of eight computer receipts associated with check payments totaling \$1,941.02 were voided through the Financial Admin terminal.
- Eight computer receipts voids were issued and voided by the same user.
- Seven of the computer receipt voids were not processed timely:
 - One receipt was voided two hours after the original receipt was issued.
 - Six receipts were voided between 13 and 29 minutes after the original receipt was issued.
- Three receipts voided by non-supervisory employee.

Nutrition Terminal in CWR

- A total of 13 computer receipts associated with cash payments totaling \$2,491.83 and check payments totaling \$1,269.34 were voided through the Nutrition Terminal:
 - 11 were cash receipts
 - Two were check receipts
- Seven computer receipts (53.84%) were issued and voided by same user.
- Five computer receipts voids were not processed timely:
 - Two cash receipts were voided a day later the original receipt was issued.
 - Three cash receipts were voided between 52 and an hour after the original receipt was issued.
- One voided cash computer receipt for \$95.25 with void reason "incorrect amount" noted was not re-issued.

A review of all payments from outside entities receipted into the general ledger revenue account by Financial Administration in fiscal year 2019 for Health Services contracts revealed two payments totaling \$ 2,535 were receipted to the wrong revenue account.

Internal control procedures related to voids and proper cash handling indicate receipts should be verified for accuracy including amount, tender type, transaction date and payer name fields before being receipted into the CWR system; compensating controls should be implemented for voids performed by supervisory and non-supervisory employees. Corrections should be made such that both good internal control and audit trails are maintained. All payments should be receipted and deposited daily in accordance with V.T.C.A., L.G.C. § 113.02. Inconsistent supervisory oversight of the process for voiding receipts combined with an inadequate segregation of duties resulted in inaccurate financial records and increased the potential that funds may be misappropriated.

Recommendation

Financial Admin, Nutrition, and Grants Computer Receipts

Management should:



- Periodically review system reports and daily work for accuracy and staff compliance to established policies and procedures.
- Update system roles to limit void capabilities to supervisory personnel.
- Periodically review supervisory voids to ensure voids were appropriate.
- Verify correct GL revenue account prior to receipting payments from outside entities.

Management Action Plan

- The referenced deposits were mailed checks/money orders. FA has effected a reorganization of duties through the creation of a Section Accountant position that will ensure supervisory staff complete voids timely.
- The department reviews DC7 Cancelled reports on a monthly basis.

Auditors Response

None

Adjusted Computer Receipts - Central and Nursing Cashier

A sample review of 20 adjusted receipts issued from the HHS POS terminal revealed: all adjusted transactions did not have a reason noted; the payer field in the receipt was noted as a period (.) with no customer names listed; four adjusted transactions were processed by a non-supervisory employee; the DCHHS Fee/Price Override Authorization Form was not provided for 17 adjusted transactions; and the three authorization forms provided did not contain a reason for the adjustment. Per DCHHS Procedural Manual Chapter 5.7 Payment Override, a Fee/Price Override Authorization Form should be filled by the cashier; cashier obtains authorization from the DCHHS Director, Asst. Director of Finance, Budget and Contracts, Grants Management Officer or onsite supervisor prior to overriding price on the cash register; and documentation of approval for the override must be kept on file. Inconsistent management oversight related to the documentation and adjustment of transactions combined with an inadequate segregation of duties and the inability to verify records increased the risk that funds may be lost and/or misappropriated.

Recommendation

Adjusted Computer Receipts - Central and Nursing Cashier

Management should:

- Verify that proper documentation of approval for price overrides is kept on file in accordance with retention schedule.
- Implement procedures to provide a medical patient number or unique client identifier on receipts while still adhering to Health Insurance Portability and Accountability Act (HIPAA) regulations.
- Emphasize receipt adjustment procedures including providing an explanation for the adjustment and limiting receipt adjustments to supervisory employees.



Management Action Plan

- Client name is not identified on receipts to adhere to HIPAA regulations.
- HHS FA is planning to schedule training for all Cashiers to address proper cashing practices and receipting procedures. The Senior Accountant position will ensure adjusted transactions are processed by supervisory staff only.

Auditors Response

- We are aware that adding a client name to a receipt may not be HIPAA compliant. However, HHS should consider adding a unique identifier to the receipt which is compliant with HIPAA Regulations to ensure a proper audit trail.

POS Computer Receipting

The Preventive Health Division at Dallas County Health and Human Services consist of the Central Main location and six satellite clinics located around Dallas County that provide clients with immunizations, international travel, STD, TB, and other health screenings. According to Dallas County Health and Human Services established procedures, prior to receiving services at the Central location in HHS, clients are required to pay for the services requested at the Central or Nursing cashier stations, obtain a receipt, and present the receipt to the program staff for services. The HHS Financial Administration Division has indicated that there are some instances in which the funds paid may be returned to the client including:

- Patient declined the services requested.
- Nurse indicated the patient does not require the services requested.
- The clinic rendering the service was out of supplies/medications, etc. required to provide the service requested.
- Services were not rendered/provided because a fever was detected during patient intake.
- Patient intake and review of medical history including prescribed medications indicated services would have an adverse effect on the patient's well-being.

A review of all 259 Health and Human Services computer receipts voided during fiscal year 2019 including 221 cash receipts totaling \$16,995 and 38 check receipts totaling \$7,958 revealed internal control weaknesses related to the entry and voiding of computer receipts by the Central and Nursing sections of HHS. The "Payee" field for all receipts was recorded as a period (.) with no customer names listed. Additionally, 34 computer receipts were voided by a non-supervisory employee and 241 computer receipts were issued and voided by the same user.

A review of the time difference between the issuance of original receipts and the voiding of the receipts revealed 225 computer receipt voids were not processed timely: one computer receipt was voided approximately eight hours after the original receipt, 63 computer receipts were voided between four and seven hours after the original receipt was issued, 101 computer receipts were voided between one and less than four hours after the original receipt was issued, and 60 computer receipts were voided less than an hour after the original receipt was issued.

A sample review of 46 computer receipt voids for re-issuance revealed 42 computer receipt voids totaling \$4,810 were voided and not re-issued including 32 cash transactions totaling \$2,625 and 10 check transactions totaling \$2,185.



A review of 10 payments received for Lab Specimens revealed three services provided by Laboratory were incorrectly receipted under fee code 11 Misc GL and fee code 493 Split Tender-Lab.

A review of the computer receipts for the month of September revealed the "Change" field on 66 cash receipts reflected tendered amounts and denomination quantities that far exceeded the amount due for receipted services. For example, one receipt with an amount of \$20 due for services indicates that customer paid \$320 cash and \$300 in change was returned. Review was expanded to include the months of February 2019, March 2021, and April 2021. The same receipting practices were identified in all months with one user being responsible for processing the majority of these receipts: 20 in February 2019, 66 in September 2019, 12 in March 2021 and 4 in April 2021. **Status: Department stated the questioned transactions were due to clients requiring separate receipts for multiple services and clerical errors.**

Internal control procedures related to voids and proper cash handling indicate that receipts are to be properly voided with a reason for the void recorded to the computer system; compensating controls should be implemented for voids performed by supervisor and non-supervisory employees; receipts should be verified for accuracy including amount, tender type, transaction date and payer name fields before issuing to a customer. Corrections should be made such that both good internal control and audit trails are maintained. All payments should be receipted and deposited daily in accordance with V.T.C.A., L.G.C. § 113.02. Per DCHHS procedural manual, approval from management including the Director, Assistant Director, Finance, Budget and Contracts or Grants Management Officer or the onsite supervisor is required prior to voiding a transaction/receipt. Per HHS Financial Administration Operation Instructions for POS terminal, when a customer does not receive the services initially paid for the reason dialog box should be populated with the notation "Refund-SMR" for Refunds -Services Not Rendered.

Inconsistent supervisory oversight and a lack of written procedures related to receipt processing including voided transactions and customer refunds combined with a lack of segregation of duties increased the risk that funds may be lost or misappropriated. Additionally, incomplete receipt information hinders the ability to further research and affix responsibility for modifications to receipts after the initial customer payment.

Recommendation

POS Computer Receipting

Management should:

- Establish written void and refund procedures.
- Periodically review system reports and daily work for accuracy and staff compliance to established policies and procedures. Reports should also be reviewed for instances where tendered amounts and denominations are in excess of amounts due for receipted services.
- Add multiple transactions on one receipt when customer is paying for multiple services and then make multiple copies if needed to show as proof of payment.
- When clerical errors occur such as "key-in errors" the receipt should be voided/deleted and a new receipt should be issued.
- Employees should be counseled/re-trained on cash handling procedures as appropriate.
- Receipts should reflect what has occurred in the actual transaction such as but not limited to tender type, tender amount, and denominations received by cashier and given to customer.
- Update system roles to limit void capabilities to supervisory personnel.
- Segregate duties such that employees receiving and depositing cash and checks do not approve and process refunds.

DCHHS should implement medical patient number or unique identifier for receipting clients' payments to ensure a complete audit trail for financial information while still adhering to the requirements of Health Insurance Portability and Accountability Act (HIPAA) regulations.



Management Action Plan

- HHS has established written procedures for voids and refunds. Cashiers require voiding capability for "real time" receipting since clients may request a refund for the reasons mentioned in the report. Additionally, the Department reviews DC7 Cancelled reports on a monthly basis.
- The transactions in questions were due to transactions with multiple services and a few that had keying errors. HHS FA is planning to schedule training for Cashiers to address proper cashiering practices. Additionally, a daily monitoring process to review and flag instances of keying errors has been implemented.

Auditors Response

None

cc: Darryl Martin, Commissioners Court Administrator