



Maricopa County

Internal Audit Department

301 W Jefferson St
Suite 660, Phx, AZ
85003-2148
602-506-1585
maricopa.gov/
internalaudit/

To: Maricopa County Board of Supervisors

From: Mike McGee, County Auditor

Subject: Audit Recommendations Not Implemented Within One Year

Date: January 30, 2019

Our annual “Audit Recommendations Not Implemented Within One Year” report is attached. It identifies 112 open audit recommendations from 18 County agencies.

Our formal follow-up procedures increase the effectiveness of County operations by ensuring that recommendations are implemented. Internal Audit’s follow-up process and County leadership’s support and cooperation have resulted in 98% of audit recommendations being implemented within a three-year period. During the last three years (FY16 – FY18), Internal Audit issued 546 recommendations for improvement.

On occasion, County agencies are not able to implement all audit recommendations within one year. Valid reasons may include: (1) turnover—especially in leadership positions, (2) acquisition of IT systems, and (3) development of comprehensive policies and procedures. On the attached schedule, we note whether, in our judgment, implementation efforts by agencies have been satisfactory.

Please let me know if you have any questions or wish to discuss these items further.

Attachment

C: Board of Supervisors Chiefs of Staff
Joy Rich, County Manager
Valerie Beckett, Special Assistant to the County Manager
Reid Spaulding, Deputy County Manager
Shelby Scharbach, Assistant County Manager
Lee Ann Bohn, Assistant County Manager
Paul Penzone, Sheriff
Diane Cabanillas, Superior Court Finance Manager
Ed Winfield, Chief Information Officer
Eric Meaux, Chief Juvenile Probation Officer
Janet Barton, Presiding Judge of Superior Court
Dr. Jeffrey Johnston, Chief Medical Examiner
Kevin Tyne, Chief Procurement Officer
Timothy Moder, Constable Administrator

**MARICOPA COUNTY INTERNAL AUDIT
RECOMMENDATIONS OUTSTANDING MORE THAN ONE YEAR
as of January 30, 2019**

Report Date	Length of Time Outstanding	Audit	Number of Open Recommendations	Issue/Area	Recommendation	Target Date	Progress
10/8/12	6 Years, 3 Months	Contract: Office Depot - Office of Procurement Services	1 of 1	Contracts	Work with legal counsel to obtain reimbursement in the amount of \$5 million plus interest, due to Office Depot's failure to honor low-price guarantees.	Ongoing (Legal issue)	Satisfactory - In July 2013, the Board of Supervisors authorized the County Attorney's Office to agree to the County's participation in mediation or other appropriate dispute resolution processes; progress is ongoing.
8/7/14	4 Years, 5 Months	DOF Billing for Detention Services (Jail Per Diem)	1 of 10	Policies and System	Consider initiating uncollectable accounts receivable proceedings for the State balance, or formally document the justification for retaining this receivable on the Jail Per Diem subsidiary ledger.	2/28/19	Satisfactory - After the implementation of the CGI ERP system, DOF has established a schedule to update several policies. The uncollectable accounts review policy is awaiting legal review and approval with an estimated issuance date of February 2019.
7/29/15	3 Years, 6 Months	MCSO Support Services	6 of 49	Policies and Procedures	Implement policies and procedures for managing: 1) property and evidence, and 2) records management.	6/30/19	Satisfactory - MCSO has made progress in implementing the recommendations. The remaining recommendations are related to updating procedures for property and evidence, and implementation of the new jail management system and records management systems.
1/26/16	3 Years	Office of the Medical Examiner	8 of 32	Policies and Procedures	Upgrade the case management system to ensure sensitive information is secured.	3/31/19	Satisfactory - Office of the Medical Examiner has implemented most of the audit recommendations. Most of the remaining recommendations will be satisfied with the implementation of the new case management system in March of 2019.
3/14/16	2 Years, 10 Months	MCSO Crime Lab	4 of 20	IT Security & Policies and Procedures	Monitor and report case turnaround time. Implement security features and firearms control policy.	7/1/21	Satisfactory - MCSO has made progress in developing firearms policies. These policy additions are currently in draft form. MCSO is also evaluating the possibility of implementing a system to address open recommendations related to case management. Funding for this system was included in the Crime Lab's budget submission but the system will not be fully functional until the implementation of the new records management system in July 2021.
7/28/16	2 Years, 6 Months	MCSO Inmate Funds and Programs	6 of 54	Policies and System	Implement policies and procedures for: 1) releasing inmate funds, 2) tracking and recording vending machine receipts, 3) managing and evaluating inmate programs, and 4) tracking and recording canteen orders and inventories.	8/15/19	Satisfactory - MCSO has implemented most of the recommendations for managing and evaluating inmate programs. The remaining recommendations related to inmate fund releases, the inmate canteen, and vending machine receipts are in-process.

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Report Date	Length of Time Outstanding	Audit	Number of Open Recommendations	Issue/Area	Recommendation	Target Date	Progress
12/19/16	2 Years, 1 Month	OET Data Center	1 of 20	Policies	Update County policy on virus and malicious code.	6/30/19	Satisfactory - County policy on virus and malicious code is under review for final approval.
2/7/17	1 Year, 11 Months	Constables	1 of 7	Policies and Procedures	Establish written Constable cash handling policies and procedures.	2/28/19	Satisfactory - Constables has implemented nearly all of the audit recommendations and is drafting a cash handling policy to be reviewed and approved by the end of February 2019.
4/11/17	1 Year, 9 Months	MCSO Patrol	20 of 27	Policies and Procedures & IT Security	Implement recommendations regarding patrol resources, calls-for-service, use-of-force, body-worn cameras, off-duty employment, password settings, user access, system backups, and Service Organization Control (SOC) reports.	7/1/21	Satisfactory - MCSO is in the process of implementing the remaining recommendations related to use-of-force and patrol resources. Recommendations related to security over the computer aided dispatch system are contingent upon the implementation of a new system.
6/5/17	1 Year, 7 Months	Superior Court Finance and Technology	3 of 27	Policies and Procedures & IT Security	Implement recommendations regarding purchasing cards (p-cards), contract compliance, fixed asset inventory, password settings, and user access.	6/1/19	Satisfactory - Superior Court is in the process of implementing policy and IT related recommendations. Many policies are under review for final approval.
7/31/17	1 Year, 5 Months	Network Security End-User Security Awareness	2 of 21	Policies	Establish policies and procedures over end-user security.	6/30/19	Satisfactory - OET has developed policies and procedures for areas identified; policies are under review for final approval.
8/8/17	1 Year, 5 Months	Juvenile Probation Detention Services	7 of 23	Policies and Procedures	Implement recommendations regarding suicide prevention, Prison Rape Elimination Act (PREA), and medications.	5/31/19	Satisfactory - JPD is in the process of finalizing their policies and procedures to address the remaining recommendations related to suicide prevention, PREA, and medications.
12/14/17	1 Year, 1 Month	Cellular Devices	52 of 102 Issued to 14 Agencies	Policies and Procedures	Establish and enforce written policies and procedures for cellular devices.	5/31/19	Satisfactory - OET has developed County policies and procedures for cellular devices; policies are under review for final approval. Upon approval, other affected agencies will be developing their procedures accordingly.