HEALTH & HUMAN SERVICES COMPLIANCE & PROCEDURES AUDIT REPORT

FOR THE PERIODS OF
JULY 1 THROUGH DECEMBER 31, 2016, AND
OCTOBER 1 THROUGH DECEMBER 31, 2017

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Doña Ana County

Health & Human Services
Compliance & Procedures Audit Report
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EXECUTIVE SUMMARY

Doña Ana County is unique in the state because it addresses residents' health and human service needs. The Health and Human Services Department employs more than 45, engages 35 volunteers and administers nearly 40 service contracts. The Doña Ana Board of County Commissioners created the Department in 2001. HHS divisions are supported by the administrative section and the HHS Alliance, an advisory body. The administrative section includes a director, manager, alliance facilitator, administrative assistant, three secretaries and one document technician. More details about the department can be found by accessing the following link: Health & Human Services | Doña Ana County, NM (donaanacounty.org)

The internal auditor started an internal audit of the Health & Human Services' cash handling procedures on January 26, 2018. The audit expanded beyond cash handling to include client-facing procedures utilized by the Court Compliance Division. The fieldwork was completed on March 2, 2018. The audit focused upon functional areas impacted to include the Local Driving While Intoxicated (LDWI) program within HHS, the Waste Disposal Ticket program of the Utilities Department, and the Accounting section of the Treasurer's Office. The audit period covered the first and second quarters of Fiscal Year 2017, and the second quarter of Fiscal Year 2018.

While reviewing procedures pertaining to the LDWI and Waste Disposal Ticket programs, we found that Standard Operating Procedures (SOPs) that govern these programs were consistently lacking important guidance and duty-specific details that are necessary to ensure the existence of strong internal controls, which can prevent and/or detect inaccuracies. In addition, we found that recordkeeping functions had not been consistent. SOPs exist to give guidance to staff, current and future, and establish the standards to which management expects certain tasks to be performed. When policies and procedures lack necessary details, a written standard may not exist to which staff may be held accountable. Without such standards, correction of similar deficiencies among staff may not be handled in like manner, opening the County up to perceived or actual discriminatory practices. In addition, recordkeeping verifies actions taken by staff, and serve as support for those actions. Thus, the overall recommendation is two-fold: We recommend that management (HHS and where applicable, in cooperation with Utilities) establish the level of detail necessary to give clear guidance to staff when conducting LDWI program and waste disposal ticket distribution duties, as well as place more of an emphasis on proper and consistent recordkeeping. The internal auditor is appreciative of the cooperation and assistance provided by the Health & Human Services Department during the course of the audit.

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AUDIT SCOPE

The purpose of the audit was to determine if controls associated with the following LDWI Program functions were in place and operating effectively to mitigate risks in the following areas:

- Cashiering/Monies Collection
- Accountability of Monies received
- Safeguarding of Monies received
- Segregation of Duties
- Client-facing Procedures

NOTE: During the course of the audit, we were informed that HHS would take on the additional income producing area of overseeing the rental of Community Centers. However, HHS has yet to put into place the policies and procedures needed to govern this program. Thus, this functional area is one to be visited in a future audit, as it is currently unauditable.

OPERATING & INTERNAL CONTROL FINDINGS

This report contains eleven (11) risks/findings and eighteen (18) recommendations. This report contains six (6) Low-level risks and five (5) Moderate-level risks, and no (0) High-level risks. This report also includes the auditor's Recommendations, Management Responses, and Auditor Comments (as applicable).

DETAIL OF AUDIT FINDINGS

Risk ratings are based on professional judgment to assess the extent to which deficiencies could adversely affect the performance of systems and controls of a process. More details about the risk rating in this report can be found by accessing this link:
Audit Risk Ratings | Doña Ana County, NM (donaanacounty.org)

FINDINGS, RECOMMENDATIONS, MANAGEMENT RESPONSES AND AUDITOR COMMENTS

The evidence obtained provides a reasonable basis for the findings and conclusions below, based on audit objectives. As a result of interviews, observations, reviews of Health & Human Services SOPs, Utilities SOPs, and tests performed, the following results were recorded. While management responses are included within this report, the Audit takes no responsibility for the sufficiency of said responses, nor for the effective execution of corrective actions taken or to be taken by management. **NOTE:** Manager Responses below are written in *italics*.

1. **Recordkeeping Deficiencies.** ***Moderate.***
   Condition: For waste disposal ticket sales and the LDWI Program, the internal auditor tested

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supporting documentation for 31 of the 122 workdays from July 1 – December 31, 2016. This represents a sample size of 25% of the 6-month period tested, or approximately 12% of calendar year 2016 workdays. The sample days were randomly selected from each month within the 6-month period indicated.

We noted the occurrence of discrepancies for a majority of days tested. In some cases, the necessary reports were not consistently completed, while in other cases records were not maintained to substantiate the duties purportedly performed. Necessary details, which would provide a clear audit trail are missing, preventing the auditor from tracking monies of waste disposal ticket sales from receipt at the Community Centers to deposit within the Utilities Department. Within the LDWI program, supporting documentation accounting for LDWI transactions were not always completed to current standards.

Effect: When no audit trail exists of said activities, it can allow for a lack of accountability of public funds as an audit trail (which exists due to proper recordkeeping functions) allows details to substantiate actions that were taken.

Criteria: When standards are developed, they should be followed and enforced so that purported activities can be substantiated. Proper recordkeeping not only validates the information purported, but also allows for the detection of errors or inconsistencies. The overall result is often more public confidence.

Cause: At community centers, audits/reviews indicated a lack of consistency. However, a review of the DWI Deposit Verification SOP indicated that HHS put this policy in place in May of 2016. The auditor cannot dismiss the possibility that a number of discrepancies could have been the result of a lack of familiarity by staff, with the newly implemented policy. Herein, there is often an inherent learning curve attached to newly developed or updated processes. However, the onus is upon management to train and impress upon staff the importance of proper recordkeeping.

Recommendation: The auditor notes that a January 2010 Internal Audit cites the need for DWI Staff training as a finding, which indicates a pattern. We recommend that management not only provide each Community Center which sells waste disposal tickets, with a copy of the applicable SOPs from Utilities, but also enforce these SOPs which require the use and storage of Daily Sales Reports along with Weekly Deposit Reports.

We also recommend that management periodically conduct a random review/audit of LDWI Deposit Verification documentation to ensure thoroughness. Management should ensure that staff is thoroughly trained in handling these functions.

HHS management is to understand that this recommendation does not place all training responsibilities on the HHS Department. Herein, the distribution of waste disposal tickets is a Utilities function that is carried out in part by HHS as a professional courtesy and a community service. Thus, HHS may request training directly from the Utilities Department, which the auditor leaves to the discretion of management.

Management's Response:
HHS management agrees that recordkeeping functions need improvement. In addition to immediate training and re-training of staff, HHS will also update or create SOPs as needed before December 30, 2018.

As of April 11, 2018 HHS management received current SOPs from the Utilities Department and has already distributed to and reviewed with appropriate staff members. This will be included in all new employee orientation going forward.

Further communication with the Utilities Department is needed to address some of the record storage and maintenance issues, including the weekly deposit report form. This is not an HHS form; therefore, HHS staff will work with the Utilities Department to change this form. HHS staff have already contacted the Utilities Department requesting this change and additional information about recordkeeping requirements.

LDWI deposit verification SOPs will be updated and staff will be re-trained before June 30, 2018. The division manager will conduct random audits to help ensure thoroughness and compliance with SOPs.

2. **Miscellaneous SOP Deficiencies.** ***Moderate.***

A. **Condition**: We found that current SOPs, which govern the LDWI program and waste disposal ticket sales, were consistently lacking important guidance and duty-specific details, which are necessary to ensure that internal controls exist to prevent and/or detect inaccuracies.

Effect: When policies and procedures lack necessary details, a written standard does not exist to which staff may adhere, be held accountable, or understand the level of proficiency expected when conducting said duties. In addition, without such standards management's correction of similar deficiencies among staff may not be handled in like manner, opening the County up to perceived or actual discriminatory practices.

Criteria: SOPs exist to give guidance to staff, current and future, and establish the standard to which management expects certain tasks to be performed. SOPs also allow for the preservation of organization specific knowledge.

Cause: Management has not established a level of detail necessary in current SOPs to consistently and clearly set standards, and provide guidance for performing LDWI duties and waste disposal ticket distribution.

Recommendation: The auditor notes that a January 2010 Internal Audit cites the need for policy as a finding, which indicates a pattern. We recommend that management (HHS and where applicable, in cooperation with Utilities) establish the level of detail necessary to give clear guidance to staff when performing LDWI duties and waste disposal ticket distribution. In addition, organization-based knowledge should be preserved in an SOP to give guidance both to current and future staff.

Management's Response:
HHS management agrees that SOPs should be updated and/or created to provide staff with better direction and specificity. HHS management will update or create appropriate SOPs before December 31, 2018 and provide refresher training to current employees and initial training to new employees.

The SOPs regarding disposition of the Treasury receipts is stated in the current LDWI program guidelines provided by DFA, where these guidelines are lacking in this procedure, HHS management will create internal procedures to address the deficiencies.

Similarly, where the Utilities Department SOPs do not include specific procedures; HHS management will create internal procedures to address the deficiencies; and staff with expertise in or knowledge of these functions will be tasked with reviewing and testing the SOPs.

B. **Condition**: Interviews with Community Center staff and a review of current operating procedures revealed that there is no written policy to address the handling of returned, non-sufficient funds (NSF) checks. When a constituent pays for waste disposal tickets with a personal check, and that check gets returned as a NSF check, there are no procedures in place to notify managers to contact the constituent or direct the Community Outreach Specials to only accept guaranteed forms of monies from said constituents.

Effect: When constituents do not pay for the services rendered, the County loses money.

Criteria: Standard Operating Procedures will direct management and staff how to effectively address non-payment issues, while official notifications to constituents will inform them of the possible consequences of non-payments.

Cause: Management has not established a level of detail necessary in current SOPs to address this circumstance.

Recommendation(s): In the event of NSF checks received, we recommend that HHS develop a means of identifying and flagging constituent accounts upon notification from Utilities and/or the Treasurer's Office of returned, NSF checks. Herein, the County is knowledgeable enough to consider discontinue rendering services without adequate payment; however, departments will need to communicate with each other. In addition, management may require repeat offenders to pay in cash or guaranteed funds, so long as this does not violate current County policy.

The County as a whole may benefit from a similar policy wherein NSF checks written by constituents to one County entity can be identified by another County entity, in efforts to collect monies due to the County, and to only accept guaranteed funds from said constituents.

Management's Response:
Addressing non-sufficient funds (NSF) will be difficult for HHS to address because HHS staff are not made aware of these checks. HHS management will work with the Utilities Department to determine if they can inform HHS staff when this happens, if so HHS will work jointly with the Utilities Department to establish SOPs and train staff.

3. **Delinquent Fund Transference.** ***Moderate.***
Condition: During our testing of waste disposal ticket sales documentation, we reviewed two, three-month (October – December) periods in 2016 and 2017 respectively. At one community center, we found that there were 14 out of 26 weeks wherein money collected was not turned in within the same week collected.

Effect: For more than 50% of the times audited, the County may have been out of compliance with a New Mexico State Statute. When the County does not turn in public money within the State designated time period, then the County is in violation of State ordinance, and therefore out of compliance with the set standard.

Criteria: Per New Mexico State Statute, NMSA 1978 § 6-10-36.1, Receipts of Public Money; Disposition by Certain Municipalities, "A municipality or village having within its boundaries no suitable banking facility in which to deposit collected receipts of public money shall deposit receipts within a period not to exceed five days from the date of collection."

Cause: There is no SOP outlining a standard to support the current State Statute. While the Community Outreach Specialists may be knowledgeable of the common practice of turning in monies weekly, they may not be aware of it as a State Statute requirement.

Recommendation: Again, the auditor notes that a January 2010 Internal Audit cites a lack of policy as a finding, which indicates a pattern. We recommend that the management of HHS, in coordination with the management of Utilities, ensure that an SOP reflect the New Mexico

State Statute's time restriction, and the Community Outreach Specialists be notified of and supplied with the updated SOP. In addition, HHS management should periodically audit Weekly Deposit Reports (which should be recorded and stored regardless of sales) to verify that deposits are made in a timely manner.

Management's Response:
The reference to the State Statue was not included in the SOPs HHS received from the Utilities Department. As a result of this report, HHS management will create internal SOPs that comply with the State Statue before June 30, 2018. Staff have already been made aware of the requirement and will begin making more frequent trips to the government center to deposit money. Once this has been included in the SOPs, current and new staff will be trained appropriately.

4. **Lack of Access Controls.** ***Moderate***.

A. **Condition**: Both the Community Outreach Specialists as well as a number of HHS staff at the main office utilize spreadsheets located on the shared drive. These spreadsheets contain important data, but are not currently password protected.

Effect: The risk of unintended manipulation or deletion is more prevalent.

Criteria: Much as the access to certain areas of the county building is limited to those with a need to enter that section of the building, access to particular drives, data, and documents should also be limited to those who have a need for this access.

Cause: Management has not given guidance to limit access to products on a read or read/write basis, to those with the necessary need to utilize such products.

Recommendation: While none of us as professionals would intentionally manipulate or delete a document that does not concern us, human error does occur. This risk could be greatly reduced by password protection of documents so that only those with the need for access actually have it. Therefore we recommend that HHS either password protect documents, or provide read or read/write access to the Class Participant Sign in Sheet, the DWI-20156 FEES COLLECTED spreadsheet, and any other documents as deemed necessary.

Management's Response:
Currently individual cells are locked on the Class Participant Sign-in Sheet file to control the type of data entered into this database. HHS management recognize the importance of also limiting access to the database to staff or registered volunteers that enter the data. In response to this, the Program Operations Division staff will work with Outreach Division

staff to implement a password protected Participant Sign-in Sheet Database file. A new password protected sign-in sheet database template will be provided to Outreach staff by May 31, 2018. Only staff and/or registered volunteers that enter data will have access to the new database. Once this new password protected database is established, the Program Operations Division will password protect the current existing database as well.

B. **Condition:** At both of the Community Centers and in the HHS main office, we repeatedly found that one employee often controlled the only set of keys to County assets and on occasions, those keys were not secured. At the Community Centers, we also found that employees did not have keys to such items as locking moneybags or lock boxes, however such control is necessary to secure public funds entrusted to the County.

Effect: While staff is entrusted to be responsible for important assets, by nature keys are easily misplaced or lost even by the most prudent of staff. Thus, if a staff member lost the keys to a County asset without a spare key being available, then this could disrupt operations. In addition, lock boxes or locking security bags that cannot be locked are of limited use.

Criteria: There should always be a back-up set of keys so that the appropriate personnel (management) will have the necessary access to County assets. When only one person has access to one set of keys, there exists the unmitigated risk of loss, which could easily be reduced. In addition, management should ensure that at all times staff has the ability to secure public funds that are entrusted to the County.

Cause: Management has not consistently secured the extra keys necessary to allow for access to County assets in the absence of primary staff, and neither has management consistently ensured that all applicable staff have the ability to fully secure public funds that are entrusted to them on behalf of the County.

Recommendation: The auditor notes that an April 2007 Internal Audit also cited a broken lock box as a finding, which indicates a pattern. We recommend that management ensure that an alternate set of keys to County assets exist and/or are stored in an area wherein management has access. Utilization of a key box (accessed via combination) wherein particular keys are secured could limit access to the necessary personnel. We also recommend that management submit work orders when necessary in order to secure missing or spare keys.

Management's Response:
HHS management recognizes the need to find the balance between access to and security of assets. A combination safe has been ordered and a second set of keys to lock boxes,

moneybags and other assets will be kept in the safe at the government center. Before May 30, 2018, HHS will create an inventory of keys, and request duplicated keys as needed. Before June 30, 2018, SOPs will be created to track the keys and allow access when appropriate.

Instead of using a second set of keys for each person's moneybag, HHS has ordered additional moneybags so if an employee is providing coverage at a community center they will not have access to their co-workers bag, rather they will have their own bag to store and transport money.

The Court Compliance Division Manager has placed her set of keys to the deposit box in a combination safe located in her office instead of storing them in her desk drawer; two additional authorized personnel have access to her office and the safe.

5. **<u>Money-Related Deficiencies.</u>** ***Moderate.***
Condition: While reviewing money-handling procedures within the LDWI program and at the Community Centers, we noted the following deficiencies -

- Monies are not always secured between the time received until turned in
- Money orders, checks, and cashier checks are not restrictively endorsed upon receipt
- The necessary oversight performed by the Office Coordinator has not been chronicled as standard guidance via SOP, and does not consistently occur.

Effect: When monies are not secured, there is a greater risk of loss; and when financial instruments are not restrictively endorsed, they remain at a greater risk of misappropriation. When there exists a lack of segregation of duties (the same person performs recordkeeping & custody/deposit of money), then good internal controls purport the use of oversight.

Criteria: Best practices purport standardizing the transport and storage of monies, so that these assets are safeguarded at all times. An endorsed financial instrument informs the receiver that such instruments are only to be honored when deposited as endorsed. In addition, management oversight can mitigate the risk of misappropriation of funds.

Cause: The current SOPs do not specify where or how monies are to be secured during transport nor between acquisitions from the lock box until transport to Utilities or the Treasurer's Office. The SOP also does not direct management oversight before deposits are made.

Recommendation: The auditor notes that a February 2009 Internal Audit also cited a lack of segregation of duties as a finding, which indicates a pattern. We recommend that the current SOPs are updated to include steps for securing public monies at all times while in HHS possession, and include the use of locking money bags during transport. Coordination with

the Treasurer's Office (via Utilities when applicable) to acquire stamps which will allow HHS staff to restrictively endorse money orders, checks, and cashier checks is highly recommended.

We also recommend that the current SOPs be updated to standardize the best practices oversight performed by current HHS management, which serves to mitigate risks resulting from a lack of segregation of duties.

Management's Response:
HHS management agrees that these deficiencies exist and will be addressed through the development of SOPs and training before June 30, 2018. Additionally, HHS management will continue to explore options to collect on-line or automatic credit card payments. HHS anticipates implementing an electronic payment system before December 31, 2018.

HHS staff that handle money attended a money handling training hosted by the Treasurer's Office on April 2, 2018. Additional money bags have been ordered and will be distributed to staff that do not have one before May 31, 2018, therefore those staff that are not assigned to a community center but cover for others will have their own locked bags to store and transport money. Staff have begun using the stamp endorsement that states "FOR DEPOSIT ONLY DONA ANA COUNTY" on all money orders received. This function will be added to the SOPs before June 30, 2018.

6. **Waste Disposal Ticket Distribution – Lack of Internal Controls.** ***Low.***
Condition: The current criteria requires those who sell waste disposal tickets to indicate on the tickets, which amount of money is selected by the client, as this corresponds directly to the number of punch card slots that will be used by the client.

Effect: Staff who make errors (unintentional or intentional) in correctly coordinating the amount of money collected with the corresponding number of punch card slots made available to clients, have no exterior checks/controls to detect errors.

Criteria: The collection of public monies carries with it a responsibility to put in place 'checks and balances' or controls which support the accurate accounting of public resources.

Cause: While the current system relies on staff ethics and professional integrity to follow standards, it does not allow for a 'check' or detection of staff actions that are counter to current policy.

Recommendation: We recommend that the Utilities Department consider providing color coordinated waste disposal tickets that would in effect greatly limit or eliminate the probability of errors by the ticket issuer. Herein, all $12 waste disposal tickets would be a

certain color, which would be different from the color of all $24 waste disposal tickets, which would also differ from the color of $48 waste disposal tickets.

We realize that HHS is more of a participant with the program, rather than its author. Herein, this finding is not directed towards HHS but serves the purpose of shedding light on an internal control weakness that currently exists within an HHS/Utilities operation.

Management's Response:
HHS management agrees, differentiating the ticket value will help HHS staff more appropriately track ticket sells and improve controls. If the Utilities Department chooses to color code or otherwise designate values, HHS will add that to the internal SOPs.

Auditor's Comments:
A follow up conversation with the Utilities Department management informed the internal auditor that a cost analysis for implementing the recommended changes is currently being conducted. The Utilities Department will make a determination about implementing recommended changes, by May 31, 2018.

7. **Standard Operation Procedures – Robbery.** ***Low.***
Condition: Interviews with staff at Community Centers, as well as a review of current operating procedures indicate that there are no procedures in place to instruct Community Outreach Specialists how to respond to a robbery.

Effect: When Community Outreach Specialists are not given guidance on how the County expects them to respond to a robbery, even actions based upon the best of intentions can cause injury, loss of life, and/or loss of assets. Knowing how to respond as well as how not to respond may spare the County from liability.

Criteria: It is prudent that a facility or entity that takes in cash as a regular part of its functions have in place some type(s) of mechanism(s) to deter, eliminate or limit the inherent risks that exist as a circumstance of operating in such an environment.

Cause: Current procedures to address responding to a robbery or an attempted robbery are non-existent.

Recommendation(s): The internal auditor weighs possibilities, probabilities and the likely consequences when considering a matter. Thus, while the auditor surmises that the probability of a robbery (non-staff) occurring at Community Centers may be remote, the possible consequences of not responding appropriately to such an incident could be catastrophic for the County.

Therefore, we recommend that HHS management develop and distribute to all Community Center staff, Standard Operating Procedures (SOP) which address how staff should respond in the event of a robbery. Coordination with the Legal Department's Risk Manager and/or DASO may also be advisable herein to develop procedures that can prevent or limit loss of life and thereafter loss of County assets. Staff adherence to or lack of adherence to such guidance could expose the County to liabilities if procedures are either not followed or when followed prove to be unsuitable to prevent or limit a loss of life and thereafter loss of County assets.

Management's Response:
HHS management agrees with the recommendation and will work with Risk Management and/or DASO to develop SOPs regarding how to respond to a robbery. An SOP will be completed and staff will be trained before June 30, 2018.

8. **Community Center Operating Deficiencies.** ***Low.***
Condition: We found the following deficiencies in operating procedures in at least one or both of the two Community Centers we visited –

1) Fire extinguishers past due for servicing,
2) Files left in unsecured area,
3) No requirement to have monies turned-in to Utilities by a certain time or date, for fiscal year-end,
4) Occasions wherein no immediate receipt for the turn-in of monies was provided, and
5) No barrier between the ticket seller and a prospective waste disposal ticket purchaser.

Effect: Thoroughly written and enforced SOPs often incorporate best practices, which allow for the existence of internal controls to protect County employees, assets, and constituents. In the absence of such SOPs, employees, assets, and constituents may lack such protections.

Criteria: When SOPs lack the guidance necessary to give direction to staff, then the expected standard may be neither clear nor maintained during daily operations.

Cause: Management has not yet chronicled (in SOPs) the internal controls necessary to detect or prevent the deficiencies noted above.

Recommendation: We recommend that HHS in coordination with Utilities where applicable, correct the deficiencies outlined above with written guidance via SOP. In addition, a redesign (the set up) of applicable Community Center office(s) will allow either for a barrier between the purchaser and the seller or for more secure money collections.

Management's Response:

HHS management agrees that there are deficiencies in SOPs and staff training. The staff member in Organ was recently hired, and training regarding fire extinguishers was not appropriately provided. SOPs will be created and this function will be added during new employee training, along with refresher training provided to current staff. HHS management will also work with the Facilities Department to help ensure proper maintenance and testing of fire extinguishers.

Language in the SOPs will be added to address the storing of files, and locked cabinets will be made available at the community centers to secure documents that include individuals' names and contact information.

HHS will work with the Utilities Department to correct deficiencies in SOPs, and provide appropriate training to staff regarding timeliness of deposits and receipts. HHS management will ask the Utilities Department to provide a receipt to the HHS staff at the time the money is given to Utilities staff.

The staff at the Organ and Radium Springs community centers have requested a Dutch door to create a barrier between them and the public to increase safety when handling cash. HHS management will work with the Facilities Department to get quotes and possibly replace the current doors. The Organ staff member has moved the lock box to the other side of the office, outside of the public view. When the outreach supervisor is at the community center she will make sure this process is continuing.

9. **LDWI Program Procedures Finding.** ***Low.***
Condition: A recommendation from a past consultation suggested that a second person be available during the opening of the mail as some LDWI program clients mail-in their payments. HHS has not adopted this recommendation, and the Administrative Assistant alone opens the mail.

Effect: When monies are received via mail, an instrument such as a Money Order (MO) that is left blank is subject to not being reported, but instead misappropriated.

Criteria: The former *recommendation describes an ideal situation wherein having more than one person opening the mail can serve as reasonable assurance that the risk of fund misappropriation will be acceptably low. However, this presumes that adequate personnel are available to consistently perform this task.

* External Audit, October 22, 2015 Recommendation – "…the presence of another Administrative Assistant when the mail was being opened. This reduces the likelihood that

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any blank money orders received via mail could be fraudulently converted."
A blank MO refers to the 'pay to' area of the MO.

Cause: Management purports that staff availability does not consistently allow a second person to be available when opening mail; however, the mail opener has been directed to take checks to the Document Technicians upon receipt.

Recommendation: It should be noted that audit recommendations are suggestions for improving internal controls, and recommendations are never intended to dictate to management what actions they will take. In the absence of a second person, we recommend the mail opener keep a log of monies that arrive via mail, and give a copy of that log to a designated person. This should also allow for accountability on the occasions when monies need to be referred directly to management due to noted errors. This log should be maintained and contain enough information (client name, form of payment, amount, date, etc.) to leave an audit trail.

Management's Response:
HHS management agrees and will implement procedures and training requiring two people to open the mail, regardless of vacant positions or absent staff. Mail will not be picked up if two staff members are not available to open the mail together. Mail will be opened at the front desk in view of the staff assigned to the front desk, because someone is always covering the front desk. This procedure will be implemented before April 30, 2018 and SOPs will be updated before June 30, 2018.

10. **Limited Surveillance Equipment.** ***Low.***

A. **Condition**: The surveillance equipment (camera) in HHS currently views the full lobby and a limited area behind the counter. The camera does not fully capture the actions of the Document Technician closest to the wall, nor has a clear sight picture of the lock box.

Effect: Interactions of the Document Technician closest to the wall, and interactions that occur around the lock box are not captured on camera. This can prevent the review of occurrences in the event it becomes necessary, allowing for inconclusive evidence or assurance.

Criteria: Surveillance can serve the purpose of providing evidence which can both protect County staff and assets, and when necessary possibly vindicate County staff.

Cause: Incidents in the past have and still justify focusing the current camera upon the HHS lobby area. However, this camera does not rotate and there is not a second camera, which could capture Document Technician interactions nor directly surveil of the lock box.

Recommendation: We recommend that HHS either (1) assess if their current budget will allow for surveillance upgrades to capture Document Technician interactions as well as surveil the lock box, or (2) confer with Upper Management to determine if the currently approved BOCC surveillance budget allows for the necessary upgrades to capture Document Technician interactions and directly surveil the lock box.

In addition, we recommend developing an SOP, which captures details of conducting surveillance reviews and the period for retaining such recordings. HHS management should have direct access to real-time and recorded camera footage as a means of monitoring activities.

Management's Response:
HHS management requested the camera several years ago, and worked with the IT Department and risk management staff to purchase and install it. HHS management will inquire with both IT and risk management once again to review the placement of the camera and procedures for monitoring and storing the video.

B. **Condition**: At the Radium Springs Community Center, there is a camera and video surveillance equipment, but it is currently not operational.

Effect: While the Community Outreach Specialist is partially aware of activities occurring within the Community Center, he cannot fully monitor activities that are not occurring within his immediate vicinity.

Criteria: Video surveillance serves the purpose of keeping staff aware of interactions occurring on County premises. This can be an important safety tool, as well as a means of chronicling and confirming important occurrences.

Cause: At the Radium Springs Community Center, the connection between the video camera and the monitor is reportedly faulty.

Recommendation: While we are told that this issue has been reported to Information Technology (IT) already, in December 2017, we recommend that HHS follow up with IT, resubmitting a work order if necessary, to correct the issue.

Management's Response:
HHS outreach staff have inquired with the Facilities and IT departments on several occasions regarding this equipment. Facilities staff stated that it is old equipment installed many years ago. It was recommended that the equipment not be removed because the perception of surveillance equipment may be a deterrent to some people.

11. **Compliance Officer Safety Procedure Missing.** ***Low.***

Condition: Interviews with multiple Compliance Officers (COs) as well as feedback gathered from the Division Manager – Court Compliance, revealed that there are currently no written procedures which would allow COs to signal others in the event they feel unsafe due to being in close vicinity with a distressed or increasingly irate client. When asked, all COs agreed that written procedures would be valuable, as the legal system has already determined legitimate reasons for placing their clients on a probationary status.

Effect: While COs currently employ de-escalation techniques to calm situations, there may not always be another CO within the vicinity who is aware of an issue. This could leave staff vulnerable to physical harm by a distraught client.

Criteria: Staff and client safety are always paramount, and logic dictates that there be a means of covertly notifying someone if a CO feels threatened but does not want to overreact or escalate a situation. Currently staff is mindful of not scheduling appointments that would bring potentially contentious clients into the HHS lobby at the same time however, this does not guarantee a lack of conflict.

Cause: We were told that before switching over to updated software, COs could send skype messages to Document Technicians in the front, who could in turn alert security to be on standby in the immediate vicinity in the event an anticipated adversarial situation escalated. However, we were told that not everyone currently has this capability with the newer software.

Recommendation: Our staff are our greatest resource within the County. Without them, we cannot be effective in serving our constituents. While the risk of a physical altercation can be considered remote, one uncontrolled incident could shake staff confidence in the County's ability to keep them safe. We therefore recommend that HHS management develop a written means for COs to alert others (preferably covertly) when they have a concern for their immediate safety. Included in this standard should be instructions on who is to take which actions to appropriately address and control the situation early on. It may be beneficial to consort with Risk Management or DASO in developing such procedures. In addition, Information Technology may be able to provide skype capabilities on all CO computers.

Management's Response:

HHS management agrees, staff safety is of utmost importance. HHS court compliance staff is working with the New Mexico Association of Counties on a statewide program accreditation process. Safety is a component of that accreditation process. HHS management has addressed this issue by redesigning the workspace, encouraging appropriate communication methods, and offering personal safety training. HHS management will continue to address safety issues. Specific SOPs related to alerting others in real time if they feel uncomfortable

or unsafe while interacting with a client will be developed and staff will be trained before June 30, 2018.

Ernest Harvin 17 November 2023

Ernest Harvin, CIA Date
Internal Auditor – Doña Ana County

Cc: County Manager
Assistant County Managers (Operations & Administration)
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