



Angelina “Angel” Colonnese

CLERK OF THE CIRCUIT COURT AND COMPTROLLER OF MANATEE COUNTY

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MEMORANDUM

To: Ava Ehde, Neighborhood Services Department Director

From: Angelina “Angel” Colonnese, Clerk of the Circuit Court and Comptroller

Date: March 14, 2019

Subject: Community Services Benefit Programs Follow-up Audit #5

The Internal Audit Department has completed a fifth follow-up audit of the Neighborhood Services Department’s Human Services Benefits Programs based on the Clerk of the Circuit Court’s Follow-up Audit Memoranda dated August 18, 2017, June 4, 2015, April 11, 2012, and June 10, 2010, and the original Audit Report dated April 15, 2008. This follow-up audit consisted of reviewing and testing the management action plans included in the previous follow-up audit memorandum to ensure that corrective actions have been implemented by management. The scope of the follow-up audit included the six-month period ending October 31, 2018.

The Human Services Division continues to manage several indigent programs and provides information and referrals to individuals seeking assistance with medical and prescription costs, burials, and specific county fees and assessments. The follow-up audit focused on various aspects of the Prescription and Fee Assistance programs.

We appreciate management’s efforts to address the previous findings; however, there are still some areas that require further attention. During the exit meeting on February 21, 2019, your management staff, together with the Internal Audit Department, discussed areas identified during testing where improvements are still needed and agreed on the following management action plans:

PRESCRIPTION PROGRAM

A judgmental sample of 10 clients (50%) participating in the Prescription program for the six-month period ending October 31, 2018, was selected and reviewed to ensure supporting documents were complete, eligibility was properly verified, income was accurately calculated, and assistance was provided within the authorized time period. We found that improvements are still needed over the process of calculating the client’s income in order to determine eligibility. Our testing found that the income was calculated incorrectly for 4 of the 10 clients tested, resulting in 2 clients receiving assistance when they did not qualify for the program. As of January 15, 2019, the County has paid \$1,923 in prescription costs for these 2 clients.

“Pride in Service with a Vision to the Future”

Clerk of the Circuit Court – Clerk of Board of County Commissioners – County Comptroller – Auditor and Recorder

Management Action Plan

Management will develop a detailed checklist specific to the Prescription Program for staff to use when determining eligibility to ensure documentation is complete, eligibility is properly verified, and income is accurately calculated.

The expected date of implementation is September 30, 2019.

FEE ASSISTANCE

All Fee Assistance applications submitted for the six-month period ending October 31, 2018, were reviewed to ensure supporting documents were complete, eligibility was properly verified, and income was accurately calculated. The 5 Fee Assistance applications submitted were all for ambulance fees. We found that improvements are still needed to ensure complete and proper supporting documentation is obtained and income is accurately determined and calculated. Our testing identified the following:

- Adequate supporting documentation for income/assets was not obtained for 1 of the 5 applicants. Bank statements were not provided for all of the applicant's bank accounts for the prior three months, as required.
- Income was not properly determined for 3 of the 5 applicants due to using invalid supporting documentation. Income reported on income tax returns was used to determine eligibility for these applicants, rather than using income information obtained from bank statements and pay stubs for the 13 weeks prior to the application, as required by Ordinance 92-26. This error resulted in 2 of the 3 applicants receiving a greater amount of assistance than what they should have received. The County waived approximately \$639 in fees that should have been paid by the applicants.

Management Action Plan

Management will develop a detailed checklist specific to the Fee Assistance Program for staff to use when determining eligibility to ensure documentation is complete, eligibility is properly verified, income is accurately calculated, and vouchers are correctly prepared.

The expected date of implementation is September 30, 2019.

QUALITY CONTROL REVIEWS

Procedures require that each client case file be reviewed by management after eligibility is determined and the file is complete. While all 15 case files tested were reviewed by management, improvements are still needed over the review process. Our testing identified the following:

- The case file reviews did not always identify deficiencies in the income support or errors in the income calculations, as our audit identified issues in 7 of the 15 files.

- Fee Assistance case file reviews were not conducted within the timeframe stipulated in the program procedures. Current procedures state that the “target date for review completion will be no later than the first week of the month following file submission.” On average, these reviews were performed approximately 48 days after eligibility had been determined. This was due to the reviews being scheduled later in the month, rather than within the first week.

Management Action Plan:

Management is creating new, detailed checklists for staff to use for the Prescription and Fee Assistance programs. These checklists will also include columns for the reviewer to sign off to ensure that each step was completed properly and eligibility was determined correctly. In addition, management recently (February 2019) filled a vacant staff position, which should allow for the manager to complete case file reviews more timely. Management will also review current procedures to determine whether any revisions are necessary.

The expected date of implementation is September 30, 2019.

POLICIES AND PROCEDURES

There are written policies and procedures for the Prescription and Fee Assistance programs; however, a review of these policies and procedures found areas which were inconsistent with the current ordinance, resolution, and/or current operations. The following areas were identified where improvements are recommended:

Prescription Program

- Program procedures require that a parent’s income be included in the applicant’s income calculation when the applicant is 18-21 years old and lives with the parent. This does not agree with Resolution R-15-017, which requires inclusion of the parent’s income when the applicant is 18-20 years old.
- Program procedures include a 30-day grace period for grandfathered clients to recertify their eligibility. This does not agree with Resolution R-15-017, which allows for participants to recertify through the calendar year of their expiration date.
- Program procedures regarding completion of the Case File Review Checklist are not worded clearly. Updates are needed to clarify that the checklist is to be completed by the Manager.

Fee Assistance Program

- Program procedures require that a parent’s income be included in an applicant’s income calculation when the applicant is 18-21 years old and lives with the parent. This does not agree with Ordinance 92-26 or Resolution R-94-35, as neither have any requirements for including a parent’s income in the income calculation.

- While all applicants are required to sign a Release of Information form, the program procedures do not specifically address this requirement.
- Program procedures regarding completion of the Case File Review Checklist are not worded clearly. Updates are needed to clarify that the checklist is to be completed by the Manager.

Management Action Plan:

Management will update the Prescription and Fee Assistance procedures to agree with the related ordinance and resolutions, as well as current operations.

The expected date of implementation is September 30, 2019.

We would like to thank you and your staff for the attention given to the audit findings and the cooperation given to the Internal Audit staff. Due to the limited number of outstanding findings, and the low dollar amount associated with these programs, it does not appear that it would be cost-effective to perform another follow-up audit. Neighborhood Services' management is committed to ensuring its programs are in compliance with all related ordinances, resolutions, policies, and procedures, and has agreed to submit documentation supporting the implementation of any future corrective actions to our office.

AMC/LJS/MEG

cc: Board of County Commissioners
Cheri Coryea, County Administrator
John Osborne, Deputy County Administrator
Mitchell Palmer, County Attorney
Dan Wolfson, Finance Director, Clerk of the Circuit Court