

A REPORT
TO THE CITIZENS OF SALT LAKE COUNTY
BEN McADAMS, MAYOR



An Audit of the Key Controls of
Human Services Department Administration

August 14, 2013

GREGORY P. HAWKINS

SALT LAKE COUNTY AUDITOR

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August 14, 2013

Ben McAdams, Mayor
Salt Lake County
2001 S State St #N2100
Salt Lake City, UT 84114-4575

Re: An Audit of the Key Controls of Human Services Department Administration

GREGORY P. HAWKINS
Salt Lake County Auditor

LONN LITCHFIELD, JD, LL.M.
Chief Deputy Auditor

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Dear Mayor McAdams:

We recently completed an analysis of the financial records of Human Services Department Administration in compliance with Utah Code Ann. § 17-19a-204. Our purpose was to verify the accuracy and completeness of selected financial records and to assess compliance with certain internal controls that we have identified as key to good financial management. We also sought to identify areas of material risk to determine whether we should commit more of our limited resources in further auditing or investigation.

Our work was designed to provide reasonable but not absolute assurance that records were accurate and complete and that the system of internal controls was adequate. There may be inaccurate or incomplete financial records that were not selected for review. Further, there may also be instances of noncompliance in areas not examined.

We appreciate the time spent by the staff at Human Services Department Administration and the cooperation from Yanping Ding and other assigned staff members for answering our questions, gathering the necessary documents and records, and allowing us access to Human Services Department Administration during our audit. The staff was friendly, courteous, and very helpful. Please feel free to contact me with any questions.

Sincerely,

Gregory P. Hawkins
Salt Lake County Auditor

By Cherylann Johnson MBA, CIA, CFE
Sr. Deputy Auditor

cc: Lori Bays, Human Services Department Director
Yanping Ding, Fiscal Administrator



Objectives

Pursuant to § 17-19a-204, we analyzed the financial records and internal controls of Human Services Department Administration. Our purpose was to verify the accuracy and completeness of selected financial records and to assess compliance with certain internal controls that are key to good financial management. We also sought to identify areas of material risk.

Conclusion

The Salt Lake County Human Services Department is one of four departments under the Mayor's portfolio. The Human Services Department Administration oversees nine separate divisions/departments, as explained in the Background Section, below. Each division/department has its own separate budget and operates independently. Key controls for each division/department will be audited separately. The Human Services Department Administration is part of budget organization #1021, "Mayor Operations." The applicable key controls were reviewed in a previous audit of Mayor Operations. We have no material findings to report regarding the Human Services Department Administration.

Background

The purpose of the Salt Lake County Human Services Department is to make a positive difference by enhancing quality of life, fostering self reliance, and protecting Salt Lake County residents. The Human Services Department provides assistance to the community through the following divisions/departments: Aging Services, Behavioral Health Services, Community Resources and Development, Criminal Justice Services, Salt Lake Valley Health Department, Indigent Legal Services, Library Services, Behavioral Health Services, Youth Services, and USU Extension Services. These divisions/departments have agencies and/or offices located throughout the Salt Lake Valley.

Scope

Our work included a formal examination of financial records related to the following key internal controls, to the degree applicable:

- Change fund
- Petty Cash and Imprest Accounts
- Cash Receipting
- Cash Depositing
- Credit / Debit Card
- Capital and Controlled Assets and Software Inventory
- Financial Computer Controls
- Purchasing Card Use
- Payroll Practices

Our examination period covered up to twelve months ending June 30, 2013. In addition to reviewing financial records, we reviewed and examined current practices through observation. Sampling of daily cash deposits, where applicable, was performed to assess compliance with Countywide policy and standard business and internal control practices.