

Office of the State Auditor Recommendations Financial Recommendations Not Entirely Implemented As of Fiscal Year Ending June 30, 2010

Agency	Recommendation	Statewide Single Audit, Fiscal Year Ending June 30, 2010 Current Recommendation or				Statewide Single Audit, Fiscal Year Ending June 30, 2009 Report # 4994				Statewide Single Audit, Fiscal Year Ending June 30, 2008 Report # 1970				Statewide Single Audit, Fiscal Year Ending June 30, 2007 Report # 1901			
		Rec Number	Finding Classification	Implementation Status	Implementation Date or Disposition	Rec Number	Finding Classification	Implementation Status	Implementation Date or Disposition	Rec Number	Finding Classification	Implementation Status	Implementation Date or Disposition	Rec Number	Finding Classification	Implementation Status	Implementation Date or Disposition
Department of Human Services	The Division of Facilities Management should address statutory compliance issues and strengthen controls over the rental of state-owned surplus facilities by: (c) instituting periodic secondary reviews of all leases of State-owned property, to ensure that they are current, documented on the approved Office of the State Architect lease agreement, clearly describe the property to be rented, and are properly authorized.	11c	Deficiency in Internal Control	Not Implemented	March 2011	11c	Significant Deficiency	N/A	Agree - original implementation date is June 2010								
Department of Human Services	The Division of Facilities Management should address statutory compliance issues and strengthen controls over the rental of state-owned surplus facilities by: (d) renegotiating any leases found after review to be inadequately documented, authorized, expired, or out of compliance.	11d	Deficiency in Internal Control	Partially Implemented	March 2011	11d	Significant Deficiency	N/A	Agree - original implementation date is June 2010								
Department of Human Services	Ensure that the financial data in CORRS related to counties' administration of public assistance programs are accurate and complete by: (a) developing a procedure by which to reconcile the County Financial Management System (CFMS) and CORRS data each month.	13b	Significant Deficiency	Not Implemented	June 2012	13a	Significant Deficiency	N/A	Agree - original implementation date is June 2010								
Department of Human Services	Ensure that the financial data in CORRS related to counties' administration of public assistance programs are accurate and complete by: (b) assigning responsibility to specific employees for conducting the monthly reconciliation process and the supervisory review of the process.	13c	Significant Deficiency	Not Implemented	June 2012	13b	Significant Deficiency	N/A	Agree - original implementation date is June 2010								
Department of Human Services	Ensure that the financial data in CORRS related to counties' administration of public assistance programs are accurate and complete by: (c) reconciling the CFMS and CORRS accounts at the end of Fiscal Year 2009 and making the necessary adjustments.	13a	Significant Deficiency	Not Implemented	June 2012	13c	Significant Deficiency	N/A	Agree - original implementation date is June 2010								

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Department of Human Services	Improve controls over financial reporting for Medicare Part D revenue and receivables at the Fort Logan and Pueblo Mental Health Institutes by ensuring monthly and fiscal year-end reconciliations are performed on the Part D revenue and related accounts receivable balances in COFRS to billings from the pharmacy subsystem, and making adjustments as appropriate.	15	Significant Deficiency	Partially Implemented	January 2011	14	Significant Deficiency	N/A	Agree - original implementation date is June 2010												
Department of Human Services	Improve controls over the payroll process by ensuring that time sheets are certified within the timeframes specified in Department policy and are maintained and available for review.	14d	Significant Deficiency	Not Implemented	March 2011	16	Significant Deficiency	N/A	Agree - original implementation date is April 2010												
Department of Human Services	Establish adequate controls over benefit authorization and issuance data for the cash programs by: (a) performing routine and comprehensive reconciliations among the Colorado Benefits Management System (CBMS), CFMS, the State's Electronic Benefits Transfer service provider, and COFRS to ensure that financial information is accurately and completely recorded.	21	Deficiency in Internal Control	Partially Implemented	September 2012	19a	Significant Deficiency	Deferred	June 2010	8a	Significant Deficiency	N/A	Agree - original implementation date is June 2010								
Department of Human Services	Establish adequate controls over benefit authorization and issuance data for the cash programs by: (b) ensuring that all reconciliations are reviewed by knowledgeable personnel not involved in preparing the reconciliations.	21	Deficiency in Internal Control	Partially Implemented	September 2012	19b	Significant Deficiency	Deferred	June 2010	8b	Significant Deficiency	N/A	Agree - original implementation date is June 2010								
Department of Human Services	Establish adequate controls over benefit authorization and issuance data for the cash programs by: (c) making any necessary adjustments in a timely manner to the appropriate systems.	21	Deficiency in Internal Control	Partially Implemented	September 2012	19c	Significant Deficiency	Deferred	June 2010	8c	Significant Deficiency	N/A	Agree - original implementation date is June 2010								
Department of Human Services	Continue to work with the counties to ensure that applications for SNAP/Food Assistance benefits are processed within federal and state requirements.	101	Deficiency in Internal Control	Partially Implemented	September 2012	101	Significant Deficiency	N/A	Implemented and ongoing												
Department of Human Services	Continue to work with the county departments of human/social services to ensure the accuracy of eligibility determinations and benefit payments for the Temporary Aid for Needy Families/Colorado Works (TANF) program by monitoring and reviewing counties' case file documentation and data entry.	98	Deficiency in Internal Control	Partially Implemented	Ongoing	102	Deficiency in Internal Control	N/A	Implemented and ongoing												

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Department of Human Services	Improve controls over the Child Support Enforcement program by: (c) ensuring that counties enforce medical support obligations by using the National Medical Support Notice, where appropriate.	97	Significant Deficiency	Partially Implemented	June 2011		103c	Significant Deficiency	N/A	Agree - implemented											
Department of Human Services	Strengthen controls over the reporting process for the Federal Social Services Block Grant by: (b) ensuring that reports are reviewed by a supervisor prior to being submitted.	102	Deficiency in Internal Control	Partially Implemented	No implementation date provided		104b	Significant Deficiency	N/A	Agree - original implementation date is June 2009											
Department of Human Services	Ensure through continued monitoring and training that the counties are obtaining and maintaining in the case files all the documents required to demonstrate families' eligibility for Child Care and Development Program Cluster subsidies under the Colorado Child Care Assistance Program.	81	Significant Deficiency	Not Implemented	January 2011		107	Deficiency in Internal Control	N/A	Agree - original implementation date is October 2009 with full implementation by November 2010											
Department of Human Services	Improve the review of the Colorado Child Care Assistance Program provider attendance records by county departments of human/social services by: (a) providing guidance to the counties on how to select samples of providers' attendance sheets for review.	84	Significant Deficiency	Partially Implemented	March 2011		111a	Significant Deficiency	N/A	Agree - original implementation date is May 2010											
Department of Human Services	Improve controls over the preparation of the Exhibit K and supporting documentation by: (b) ensuring adequate supervisory review of the Exhibit K and supporting documentation.	101	Significant Deficiency	Partially Implemented	September 2011		113b	Significant Deficiency	N/A	Agree - original implementation date is September 2010											
Department of Human Services	Improve controls over the preparation of the Exhibit K and supporting documentation by: (c) continuing to provide training to staff who prepare the Exhibit K and the supporting documentation.	101	Significant Deficiency	Partially Implemented	September 2011		113c	Significant Deficiency	N/A	Agree - original implementation date is September 2010											
Department of Human Services	Improve internal controls over purchasing cards by: (a) continuing to train approving officials and cardholders on their responsibilities to ensure compliance with Department policy and imposing consequences for policy violations.	16	Significant Deficiency	Partially Implemented	December 2011		120a	Significant Deficiency	N/A	Agree - original implementation date is April 2010											

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Department of Human Services	Improve internal controls over purchasing cards by: (b) updating all written purchasing card policies to indicate that recurring, automatic charges and payments are prohibited purchases, clearly communicating this requirement to all card holders, and ensuring that all established automatic payments currently being processed are identified and deactivated by the cardholders.	16	Significant Deficiency	Partially Implemented	June 2011	120b	Significant Deficiency	N/A	Agree - original implementation date is April 2010												
Department of Human Services	Improve internal controls over purchasing cards by: (c) utilizing the automated violation tracking system's reporting function to monitor the results of the Department's internal purchasing card audits and ensuring the actions taken by approving authorities in response to cardholder violations are adequate.	16	Significant Deficiency	Partially Implemented	June 2011	120c	Significant Deficiency	N/A	Agree - original implementation date is April 2010												
Department of Human Services	Improve internal controls over purchasing cards by: (e) coding all procurement card purchases accurately in COFFS.	16	Significant Deficiency	Partially Implemented	June 2011	120e	Significant Deficiency	N/A	Agree - original implementation date is April 2010												
Department of Human Services	Improve general computer controls over Trails and the Child Care Automated Tracking System (CHATS) by: (b) promptly removing user access for terminated employees and strengthening procedures to ensure that employee termination notifications are initiated and acted upon in a timely manner.	125b	Deficiency in Internal Control	Not Implemented	December 2010	125b	Deficiency in Internal Control	N/A	Agree - original implementation date is May 2010												
Department of Human Services	Improve general computer controls over Trails and the Child Care Automated Tracking System (CHATS) by: (c) requiring supervisors to annually verify the accuracy and relevance of user access for the employees they supervise.	125c	Deficiency in Internal Control	Not Implemented	December 2010	125c	Deficiency in Internal Control	N/A	Agree - original implementation date is May 2010												
Department of Human Services	The Division for Developmental Disabilities should improve controls to ensure service plan documentation is sufficient to support the service request and subsequent payments. Specifically, the Department should work with the Department of Health Care Policy and Financing to: (c) eliminate duplicate data entry of service requests in the CCMS and BUS systems by automatically populating the service request in CCMS from the service plan information contained in the BUS system.	126c	Deficiency in Internal Control	Not Implemented	2012	126c	Deficiency in Internal Control	N/A	Agree - original implementation date is October 2009												

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Department of Human Services	The Division for Developmental Disabilities should improve its processes for reviewing service requests to ensure that an adequate basis exists for its approval and denial decisions and that clients are treated equitably. Specifically, the Department should: (b) implement an automated mechanism to track data on the number of reviews conducted, the number of and reasons for denials and reductions in service, and the number of service requests that are re-submitted and re-reviewed.	128b	Deficiency in Internal Control	Not Implemented	No implementation date provided	128b	Deficiency in Internal Control	N/A	Agency to re-evaluate resources annually; no implementation date provided												
Department of Human Services	The Division for Developmental Disabilities should establish mechanisms for monitoring the implementation and operation of appropriate fiscal controls to ensure accountability for services and payments. Specifically, the Department should: (a) develop and issue a comprehensive, written policy and procedures manual for CGBs and update the manual on a routine basis.	132a	Deficiency in Internal Control	Not Implemented	June 2011	132a	Deficiency in Internal Control	N/A	Agree - original implementation date is December 2009												
Department of Human Services	The Division for Developmental Disabilities should establish mechanisms for monitoring the implementation and operation of appropriate fiscal controls to ensure accountability for services and payments. Specifically, the Department should: (b) provide training on the policy and procedures manual to the CGBs.	132b	Deficiency in Internal Control	Not Implemented	June 2011	132b	Deficiency in Internal Control	N/A	Agree - original implementation date is December 2009												
Department of Human Services	Strengthen controls over the Low Income Energy Assistance Program (LEAP) program by: (a) ensuring that eligibility is determined in a timely manner and vendors are contacted when required.	92	Significant Deficiency	Partially Implemented	September 2010	135a	Significant Deficiency	Deferred	September 2009	89a	Significant Deficiency	N/A	Agree - original implementation date is September 2009								
Department of Human Services	Strengthen controls over the Low Income Energy Assistance Program (LEAP) program by: (c) strengthening supervisory review process over data entry by instituting an effective supervisory review process.	92	Significant Deficiency	Partially Implemented	September 2010	135c	Significant Deficiency	Deferred	September 2009	89c	Significant Deficiency	N/A	Agree - original implementation date is September 2009								

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Department of Human Services	Ensure that county departments of human/social services properly authorize child care for Colorado Child Care Assistance Program (CCCAP) participants by: (c) Improving its monitoring of the counties' CCCAP operations by revising its county case file review process to include developing a risk-based approach that reviews those counties that manage larger CCCAP caseloads and determines why counties make errors.	83	Significant Deficiency	Not Implemented	March 2011	137c	Significant Deficiency	Deferred	July 2009	96	Significant Deficiency	N/A	Agree - original implementation date is July 2009								
Department of Human Services	Ensure that county departments of human/social services properly authorize child care for Colorado Child Care Assistance Program (CCCAP) participants by: (d) requiring that counties submit corrective action plans to address problems identified in part "c" and following up on these plans as appropriate.	83	Significant Deficiency	Not Implemented	March 2011	137d	Significant Deficiency	Deferred	July 2009	96	Significant Deficiency	N/A	Agree - original implementation date is July 2009								
Department of Human Services	Improve the review of Colorado Child Care Assistance Program provider attendance records by county departments of human/social services by: (a) verifying that counties are conducting the reviews in accordance with Department regulations during the Department's monitoring reviews.	84	Significant Deficiency	Partially Implemented	March 2011	138a	Significant Deficiency	Deferred	July 2009	98a	Significant Deficiency	N/A	Agree - original implementation date is July 2009								
Department of Human Services	Improve information for evaluating county administrative and case management costs in the child welfare allocation model by: (a) working with counties to identify and evaluate options for using or modifying existing systems to improve cost information.	88	Significant Deficiency	Partially Implemented	July 2012	140a	Significant Deficiency	Deferred	October 2009	103a	Significant Deficiency	Deferred	October 2009	103a	Significant Deficiency	N/A	Agree - original implementation date is October 2009				
Department of Human Services	Strengthen controls over the Colorado Electronic Benefits Transfer (EBT) system by: (e) performing periodic reviews of EBT users, in conjunction with the counties, to ensure terminated users are identified and access levels for current employees remain appropriate.	16e	Deficiency in Internal Control	Not Implemented	August 2010	16e	Deficiency in Internal Control	Not Implemented	April 2010	16e	Deficiency in Internal Control	N/A	Agree - original implementation date is October 2010								

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Department of Human Services	Improve the accuracy and completeness of eligibility determinations for the Colorado Child Care Assistance Program (CCCAP) made by county departments of human/social services by: (d) strengthening the Department's and counties' monitoring and supervisory review systems as outlined in Recommendation No. 97 in the 2008 report.	94d	Deficiency in Internal Control	Not Implemented	December 2010	94d	Deficiency in Internal Control	Deferred	July 2009	94d	Deficiency in Internal Control	N/A	Agree - original implementation date is July 2009								
Department of Human Services	Improve accountability for child welfare expenditures and foster care rates to ensure funds are used cost-effectively by: (a) analyzing the foster care rates being paid to providers, including county-certified providers, against provider costs and benchmark information on a periodic (e.g., annual) basis to determine if the rates being paid by county departments of human/social services are reasonable.	101a	Deficiency in Internal Control	Partially Implemented	September 2010	101a	Deficiency in Internal Control	Partially Implemented	March 2010	101a	Significant Deficiency	Deferred	July 2008	101a	Significant Deficiency	N/A	Partially agree - original implementation date is July 2008				
Department of Human Services	Improve accountability for child welfare expenditures and foster care rates to ensure funds are used cost-effectively by: (d) identifying and considering implementing alternative rate-setting methodologies that rely on objective cost data, such as benchmarks on child care and administrative costs, to pay for foster care services.	101d	Deficiency in Internal Control	Partially Implemented	The agency did not provide a revised implementation date	101d	Deficiency in Internal Control	Partially Implemented	The agency did not provide a revised implementation date	101d	Significant Deficiency	Deferred	December 2008	101d	Significant Deficiency	N/A	Partially agree - original implementation date is December 2008				