

Audit Committee

CLARK COUNTY, NEVADA

Michael Naft
Chair
William McCurdy II
Ross Miller

CALL TO ORDER

The public meeting of the Clark County Audit Committee was called to order by Commissioner Naft Wednesday, July 28, 2021 at 9:30am in the Pueblo Room, Clark County Government Center, 500 South Grand Central Parkway, 1st floor, Las Vegas, Nevada. This public meeting was properly noticed and posted.

COMMISSIONERS PRESENT:

Michael Naft
William McCurdy II
Ross Miller

ALSO PRESENT:

Angela M. Darragh, Audit Director
Cynthia Birney, Manager, HIPAA & Audit
Jeff Wells, Assistant County Manager
Kevin Schiller, Assistant County Manager
Jessica Colvin, Chief Financial Officer
Jeff Share, Director, Budget & Financial Planning
Tim Burch, Administrator, Human Services
Alisha Barrett, Manager, Social Service
Dan Walker, Systems Program Supervisor, IT
Lisa Logsdon, Deputy DA, DA Civil
Elizabeth Vibert, Deputy DA, DA Civil
Felix Luna, Principal Auditor
Christopher Hui, Information Systems Auditor

PARTICIPANTS VIA MICROSOFT TEAMS (VIRTUAL):

Les Lee Shell, Chief Administrative Officer
Randy Tarr, Assistant County Manager
Daniel Hernandez, Director, Parks and Recreation
Heather Shoop, Social Service, Asst. Manager
Kema Ogden, COMC
Bob Leek, DCIO, Information Technology
Robert Vega, DCIO, Information Technology

1. **Approval of Minutes**

It was moved by Commissioner Naft and carried unanimously that the minutes of April 28, 2021 meeting be approved.

2. **Approval of Agenda**

It was moved by Commissioner Naft and carried unanimously that the July 28th agenda be approved.

3. **Receive and discuss the 2nd quarter CY 2021 audit reports**

2021 Arts Plan

On July 17, 2012, the Clark County Board of County Commissioners established the Percent for the Arts Program and Art Fund to create art projects throughout the County. Clark County funds the program through contributions from the Room Tax Collection Commission and Special Ad Valorem Capital Projects Tax. Each source contributes no less than 5% from collected annual amounts. The combined amount of the apportionments shall not exceed \$1.25 million per County Ordinance.

The public arts program is administered by the Department of Parks and Recreation. Administration of the program entails planning and executing new art projects, initiating repairs for existing artwork, restoring existing public art, operating three public art galleries conducting, community art engagement events, and the development of public art education opportunities. Parks and Recreation has staff dedicated to the program. The art program and Art Fund are audited annually in accordance with the ordinance that established the program.

The objective of the audit was to determine whether expenditures made from the County Arts Fund meet the Annual Arts Plan and Clark County Ordinance, Chapter 2.90 requirements and whether expenses incurred for the 1 October Memorial art project are reasonable and supported.

Overall, the Parks and Recreation Department manages the art program in accordance with County and the approved Arts Plan. Opportunities for improvement related to managing the contract for the 1 October Memorial Art Project and some concerns about the projects timeline were identified.

- Finding #1 - The 1 October Memorial Art Project budget proposal only included planning costs and overall costs could overburden the fund.

The current planning costs, based on a single purchase order of \$250,000 are 86% higher than all previously approved art projects. The previously highest approved Art Fund project had a total budget of \$500,000 – and the Memorial project currently has a budget of \$333,000 which does not include the full cost of the project. We believe that the magnitude of this project could result in a large portion of the Art Fund being dedicated to a single project, taking away the opportunity for other areas of the community to benefit from public art.

Dan Hernandez, Director of Parks and Recreation reported that funding for the construction of the 1 October Memorial art project will come from donations and not from the Art Plan fund.

- Finding #2 - Cost are being incurred for a project where the site is unknown – resulting in non-conformance with County Code.

When the 1 October Memorial Art Project's budget was proposed for approval, the location of the project was unknown. Clark County Code restricts usage of County Arts Funds to works of art, artistic programs, and projects located in the unincorporated area of the County. This finding was rated low risk because it is more than likely that the project will be located within unincorporated Clark County.

The other part of the recommendation is that Parks and Recreation may want to consider amending the Arts Plan ordinance to include large projects of community significance regardless of their location in the County in case this issue comes up again in the future and funds need to be spent on another project.

Daniel Hernandez reported that the project site for the concert is located by the parcel of land near MGM Casino which is within unincorporated area of the County. The Arts Plan ordinance will be reviewed as recommended.

- Finding #3 - Management of the facilitation services contract for the 1 October Memorial project could be improved.

The contract for the committee facilitation services for the 1 October Memorial Art project includes a compensation schedule of \$6,000 per day of work and up to \$10,000 per month. During testing of invoices submitted for payment by the contractor, Punam Matheer, we found that invoices were missing descriptions of work that was performed.

This finding was rated as low risk because we believe that services are being performed and that preparation work is done in advance of the meetings.

Daniel Hernandez reported that Parks and Recreation will work with the provider to ensure that a description of work completed is included on the invoices. Parks and Recreation will also consider audit's recommendation to maintain a separate record to validate work completed.

- Finding #4 - 1 October Memorial Art Project Milestone not met.

The facilitation services contract contains a work plan with three distinct project phases. While Phase 1 was completed within the recommended timeframe, we could not confirm that Phase 2 targets have been completed. Specifically, the invitation of 3-5 artists to submit proposals, public presentations by finalists and selection of one proposal. This finding was rated low risk because the COVID-19 pandemic created barriers that could have delayed the achievement of some of the milestones, however, we felt the need to include it to make sure that there are no additional slippage in the dates that could result in increased costs.

We recommended that Parks and Recreation continue to monitor the vendor's performance to ensure contractual phases are in progress and completion of Phase 2 and 3 is feasible.

The contract stipulates that the timeline must be adhered to and Daniel Hernandez reported that more meetings are held to better monitor the project. A new proposed timeline will be presented for approval at the BCC meeting next week.

- Finding #5 – A small number of invoices submitted later than contractually stipulated.

Three out of eight invoices sampled for testing were submitted to Parks and Recreation late. The contract for facilitation services requires that the provider submit invoices within 30 calendar days of completion of the services.

Daniel Hernandez will communicate and monitor the provider's timely submission of invoices.

Commissioner Naft noted that there were no high risk findings in this audit and that several of the findings were due to the unique nature of the project. He encouraged Parks and Recreation to continue working with the service provider to ensure adherence to the guidelines of the contract.

The 2021 Arts Plan audit report was accepted by the Audit Committee.

Community Outreach Medical Center (COMC) Contract Compliance Audit

The Community Outreach Medical Center provides health care, case management, and outreach services through medical clinic with an emphasis on HIV/AIDS patients. They receive funding from various sources including grant money from Clark County Social Services who oversees funding for Ryan White Part A and the Minority AIDS Initiative Programs in Southern Nevada. Since 2017, Social Services has awarded \$1.5 million in grant funding to Community Outreach Medical Center also referred to as COMC.

The audit objective was to ensure that COMC was following the provisions of their service contract with the County for the period March 1, 2017 through February 26, 2020. We also evaluated Social Service compliance with recipient requirements, monitoring standards and established policies and procedures for the same period.

We believe the COMC is following the bulk of the contract and patient care is being delivered. However, there were a few areas that needed to be improved to deliver better patient care and adherence to the contract.

- Finding #1 – Annual site visits not performed or followed up on.

The HIV/AIDS Bureau Division of Metropolitan and State HIV/AIDS Programs Universal Monitoring Standards require Ryan White recipients to conduct annual site visits with each subrecipient to ensure compliance on proper use of federal grant funds and adherence to fiscal, clinical, programmatic, and professional guidelines put in place. Due to staffing issues Social Services perform site visits every other year.

The most recent site visit was for the 2018-2019 period which was conducted on 11/26/2018. Social Services provided COMC with an audit report and COMC sent the corrective action plan to Social Services in September 2019. At the time of the audit, Social Services had not scheduled a follow up visit.

We recommended that Social Services perform a follow up visit to verify that issues found during the 2018-2019 site visit were resolved and that they implement a plan for performing site monitoring visits annually and prompt follow up visits to ensure compliance with Ryan White Part A Universal Monitoring Standards.

Alisha Barrett, Social Services Program Manager reported that staffing was the major issue during the 2018 site visit. Social Services is now fully staffed and positions have been filled specifically for contract compliance. Federal partners recently performed a site visit and are providing technical assistance to ensure that policies and procedures are in place. Social Services will be implementing a monitoring tool this year.

- Finding #2 – Program goals and targets not achieved or monitored.

Overall, there were no policies and procedures in place for monitoring achievement of goals. Not all program's goals and measures were tracked. The Center was not meeting some performance targets. Some performance goals and targets were outdated. Performance measures and goals related to Psychosocial Support Services could not be reviewed as Social Services did not have the details for that service category.

Some program goals and target measures in the contract were not tracked for several reasons including:

- Program goals and target measure was no longer a Health Resources and Services Administration requirement.
- Clark County Social Services did not require COMC to track goals.
- No performance measures were available in the application used by COMC to track goals and assessing achievement would be a manual process and very time consuming.
- The goal did not apply to the COMC Center because they used funding for other eligible purposes.
- COMC did not supply the service related to the program goal.

The various performance goals and corresponding measures not met by COMC are detailed in the audit report. Clark County Social Services set performance targets based on a clinical quality management analyses done over seven years ago and are now outdated and need to be reviewed and updated. Audit recommendations include:

- Clark County Social Services establish and implement procedures to periodically monitor program goals and measures to assess achievement and communicate results in a timely manner.
- Review program goals and amend the contract to update goals so they are relevant to services provided by COMC and that they are measurable, trackable and in compliance with current guidelines.
- For goals that cannot be tracked by the application, work with the Center to establish and implement procedures to track those goals manually.
- Review performance targets for goals and amend the contract to update targets so they are realistic and reflect the correct assessment of the Center's performance.
- Update the contract to include terms and conditions related to psychosocial support services.
- For COMC, we recommended that they establish and implement procedures to regularly monitor performance targets to assess achievement and when measures are below the

target, develop and implement an action plan detailing steps to take to ensure targets are achieved.

Alisha Barrett reported that problems with staff turnover in the clinical quality management part of the program caused issues with performance measures. Social Services has since filled these positions and is working to resolve the audit findings.

The current contract ends the end of February 2022 and a Request for Qualified Providers (RFQ) will be posted this fall in preparation for the new grant year which begins March 2022. The RFQ will have the updated performance measures, metrics and procedures which the compliance analyst and management analyst is working on in correlation with the technical assistance provider.

There was no loss in grant funds which are mostly based on the number of people in the program who are HIV positive as opposed to performance.

- Finding #3 – Improvements to the CAREWare application user lists, user permissions, passwords, and access monitoring controls are needed.

Audit recommendations include:

- Establish, document and implement policies and procedures to periodically review user and administrator password changes for compliance with system policy, login and logout reports and administrative alarms for unauthorized activity and user permissions.
- Document policies and procedures related to setting up, retiring and reviewing active user accounts and that policies related to retiring user accounts should include timeframes for when accounts should be disabled, retired in compliance with the County's IT directive.
- Review and distribute all policies and procedures to appropriate county personnel and make them available as a resource in a location accessible to all employees.
- Distribute documented policies and procedures related to retiring user accounts to COMC for awareness and accountability.
- Perform a review of user accounts, retired accounts of separated employees or users who no longer need access.
- Keep documentation of CAREWare user delete agreement forms as support that access was retired promptly after receiving the form.
- Work with database administrator to ensure that system error in CAREWare is fixed.
- COMC document policies and procedures for retiring user accounts in CAREWare and that policies align with the County's timeframe for retiring user accounts and that they review and distribute these policies and procedures to staff and that they keep documentation of when CAREWare delete user agreement request forms are sent to Social Services.

Bob Leek, IT DCIO reported that Information Technology will work with Human Resources and Social Services to review boarding and off boarding details to address the findings and provide an update to the Audit committee.

- Finding #4 – Employee records and credentials are not consistently retained.

The contract requires current job descriptions as well as resumes, copies of certificates, licenses and other pertinent credentials of all employees serving in positions funded under the contract to be retained for a minimum of five years after the expiration date of the contract. However, COMC's retention policy for resumes and job descriptions was three years. In addition, COMC must have on file updated yearly certification of HIPAA training completed by staff members.

Audit recommendations include:

- Increase retention policy for employee files to five years and the retention policy be updated to include keeping medical assistants' CPR AED and HIPAA training certificates for a minimum of six years and the policy be distributed to appropriate staff.
- Implement an annual process to verify that staff members have completed the required medical and professional development trainings and training certificates are on file and implement a process to periodically review employee files to ensure that required documents are kept for the contract.

Alisha Barrett reported that Social Services support the recommendations. Training is provided and a program management analyst, compliance management analyst and quality management analyst (positions not previously filled), whose role is to coordinate this process have been recruited.

- Finding #5 – Referral policies and procedures are not always followed.

Audit recommendations include:

- Review referral policies and procedures with appropriate personnel and implement a process to monitor staff compliance.
- Review system messages in CAREWare daily for notifications of internal referrals.

- Findings #6 to #10

Details and corrective action for these findings identified as low risk are noted in the report.

Kevin Schiller, Assistant County Manager briefly discussed grant funds, program oversight and potential internal/external third party contractor assistance.

The Audit Committee accepted the Community Outreach Medical Center Contract Compliance report.

There were no comments from the general public.

There being no further business, the meeting was adjourned at 10:05 am.