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News Release

For Immediate Release

Health Department Audit Issued to City Council

City of Springfield Internal Auditor Kristy Bork completed an audit report covering operations of the Springfield-Greene County Health Department. The report was accepted by City Council's Finance and Administration Committee on March 26, 2013.

The report suggested opportunities to enhance and further mitigate risks, based on audit objectives. The audit is part of Council's approved annual audit plan and is available on the City's website: springfieldmo.gov.

The audit covers the Health Department's general operations and financial transactions for which the City Council has governance.

The overall results of the audit indicate that the control environment at the Health Department is "yellow", a state in which the auditor recommends that controls in place need some improvement.

Bork rated four audit objectives: three were rated at the "yellow" state and one at the "red" state. "Yellow" indicates a state in which controls in place need improvement. A "red" state indicates an unsatisfactory or unacceptable state of control, where significant business risk or exposure to the City requires immediate attention.

A "yellow" state was indicated for the effectiveness of cash collection procedures and ensuring segregation of duties to minimize risk of loss due to error or theft; effectiveness of internal controls over third-party patient billing; and internal controls over budgeting and spending to ensure revenue assumptions are appropriate and comply with City purchasing policies.

Within the audit, Bork recommends City management work with Greene County officials to determine a funding mechanism and develop a written funding agreement similar to agreements entered into for the County-wide Parks Sales Tax and the Law Enforcement Sales Tax. Currently the Health Department receives yearly budget appropriations from the County to fund county public health needs, but the funding support from the County has steadily declined, due to funding cuts.

Bork says in the report the City should continue to work with the county to ensure City property taxes designated for Public Health are not being used to fund public health services outside the City limits.

A "red" state was indicated for controls over grants, including a review of revenue recognition, and ensuring costs recorded against grants are appropriate and allowable according to grant terms.

According to the audit, the Health Department needs to continue to improve review processes; not only by making sure review processes are meaningful, but also to ensure that needless and ineffective reviews are removed. Additionally, more timely and accurate reconciliation of grants will ensure that all grant funds are being used during the grant contract period.

Bork noted an incident where request for reimbursement for expenses covered by a State of Missouri emergency preparedness grant had not been submitted. Since the window of time for reimbursement had passed, the department lost the opportunity to recoup funds for those expenses.

By regularly reconciling grant terms, missing payments can be followed up in a more timely manner, thus ensuring the department does not have unreimbursed expenses, Bork said.

"We believe this audit was a good tool for discovering ways for our department to improve our processes and better serve the public," said Kevin Gipson, Director of Public Health. "We have already begun implementing nearly all of the changes suggested in the audit and we'll follow through with those commitments in the coming months."

Councilman Jerry Compton is the chair of City Council's Finance and Administration Committee, which reviewed and accepted the audit.

"We appreciate the hard work of our internal auditor and feel the department has responded to her findings by making improvements in every area addressed. We have a high-quality and effective Health Department and appreciate the team's responsiveness to the audit's recommendations."

About Springfield-Greene County Health Department

The Health Department impacts each Springfield and Greene County resident every single day through food inspections, immunizations, infectious disease control and prevention, chronic disease prevention, the Women, Infants & Children (WIC) program, animal control and many other programs that protect public health.

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