December 2008

Highlights

Internal Audit Report to the Board of Supervisors

Why We Did This Review

Maricopa County annually spends over $6.2 million on temporary medical personnel through the Broadlane contract (see graph at right). Our preliminary risk assessment showed that County agencies did not consistently pay the contracted labor rate for some professional service categories.

The objectives of this audit were to verify:

1) Temporary medical personnel vendors fulfilled their contract obligations
2) Correctional Health Services' (CHS) timekeeping and invoice system controls were adequate to prevent unauthorized changes for hours worked
3) Registry staff licensure during the invoiced period reviewed
4) Invoice compliance with contracted rates and accuracy of pay rates recorded in the CHS system

What We Recommend

We recommended:

- Contract oversight be improved
- Questioned costs be reimbursed to the County

For more information, please contact Eve Murillo, Deputy County Auditor, at 602-506-7245 or emurillo@mail.maricopa.gov

Countywide Contract: Temporary Medical Personnel

Invoices Do Not Receive Adequate Scrutiny

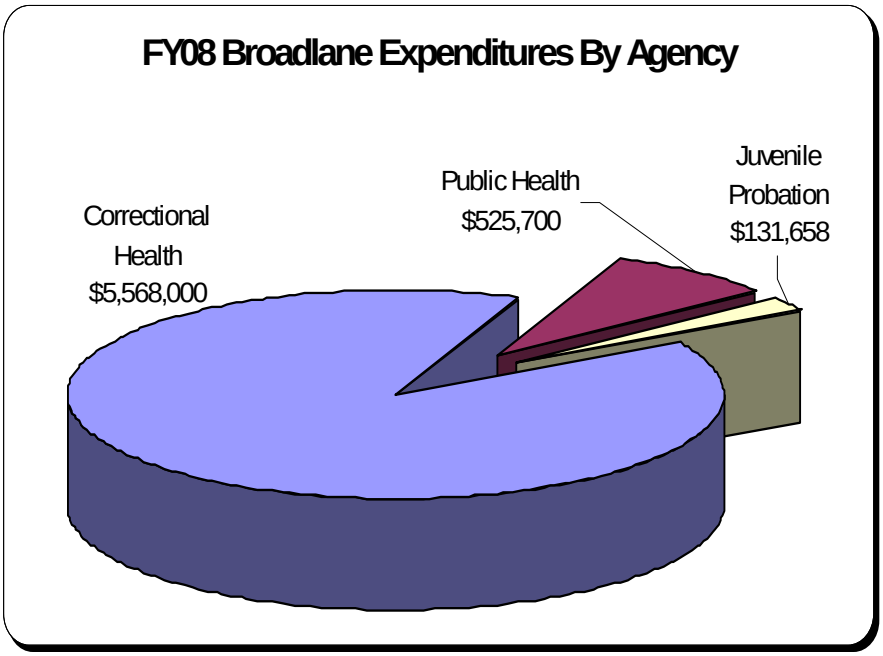
What We Found

Some agencies lack strong invoice payment oversight

Some user agencies do not consistently review and compare invoices with contract terms prior to payment. Agency contract managers did not consistently follow effective contract management procedures when they failed to maintain temporary personnel timesheets and did not reconcile them to vendor invoices for billed time.

High payment error rates due to inconsistent invoice review

County agencies use the Broadlane IGA to fill temporary medical staff vacancies. The contract establishes hourly billing rates for services depending on factors such as shift worked, experience level required, and nursing category. County agencies paid registry vendors using the Broadlane Intergovernmental Agreement for services at higher rates than allowed by the contract. Our review showed high payment error rates. County agencies did not establish sufficient review procedures to deter overpayments.



We appreciate the excellent cooperation received from agency leadership and staff while conducting this audit.