

RIO GRANDE COUNTY
BOARD OF COUNTY COMMISSIONERS

www.riograndecounty.org

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CORRECTIVE ACTION PLAN

BOARD OF
COMMISSIONERS

Oversight Agency - U.S. Department of Health and Human Services

Rio Grande County County, Colorado respectfully submits the following corrective action plan for the year ended December 31, 2019.

John Noffske
Chairman

Independent Accountants: Wall, Smith, Bateman Inc.
Certified Public Accountants
700 Main Street, Suite 200, P.O. Box 809
Alamosa, CO 81101

Suzanne Bothell
Commissioner

Audit period: Year ended December 31, 2019

Gene Glover
Commissioner

The findings from the December 31, 2019 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule. Section I of the schedule, Summary of Auditors' Results, does not include findings and is not addressed.

Administrator
Tricia Slater

Section II – Financial Statement Findings

**Finding 2019-001: Internal Control over Financial Reporting
(Repeat of Findings 2018-001, 2017-001, 2016-001, and
2015-001)**

Type of finding: Internal Control (material weakness)

Recommendation: The County should strengthen its internal controls with adopted policies and procedures regarding monthly and year-end reconciling of account balances for accurate financial statement reporting.

Action Taken:

While we understand the importance of policies and procedures regarding monthly and year-end reconciling, we have not been able to address needed improvement due to lack of staffing levels and turnover. However, we will continue to adopt and review policies and procedures necessary to ensure all necessary reviews and compliances are occurring.

We have implemented the following steps in 2020 as we move toward improvements of a comprehensive system of internal controls.

1. We will continue to identify and documented necessary internal controls needed in order to complete a preventive action plan to prevent future recurrence.
2. In 2020 our staff accountant is responsible for monitoring accounts payable and payroll activity, monitoring department budgets, balancing receipts, and working closely with the County Administrator and Department Heads on a monthly basis to make sure entries are correct. It is also important that all needed journal entries or corrections be posted on a monthly basis to ensure the general ledger reconciles with account balances for accurate financial statement reporting and in the event of staff turnover the correcting entry does not get overlooked.

We will continue to use a team approach to develop, document and monitor internal controls. These policies and procedures will allow the County to review and identify concerns within the accounting system which may allow for misstatements in the financial statements.

The Previous Specific Ownership Tax for 2019 has been distributed properly as of July 17, 2020. The error was discovered in March of 2020 and the procedure for proper distribution has been implemented.

If the U.S. Department of Health and Human Services have questions regarding this plan, please call the responsible parties listed below.

Sincerely yours,



Tricia Slater
County Administrator
Rio Grande County, Colorado



Cindy Hill
County Clerk
Rio Grande County, Colorado