



## OFFICE OF THE COUNTY AUDITOR

Craig Glendenning, CPA  
County Auditor

December 30, 2020

The Honorable Members of the County Council  
The Honorable Calvin Ball, County Executive  
Dr. Kathleen Hetherington, President, Howard Community College  
Ms. Tonya Aikens, President and CEO, Howard County Library System

We have conducted a follow-up review of the actions taken by the Howard County Government, Howard Community College, and Howard County Library System to address the findings in our December 2014 audit report on employee health benefits.

In August 2018, we received a status report from each of the three agencies indicating the current status of implementation of the recommendations for each of the six findings contained in the report. (Not all findings applied to each auditee.) In summary, the status reports indicated that the agencies had corrected their respective findings.

We performed certain procedures to evaluate the actions taken by each of the agencies for the applicable findings. Our review, which was conducted during the period from February to August 2020, disclosed that the agencies had corrected the findings as shown below:

Current Status of Findings Contained in December 2014 Audit Report		
Agency	Number of Findings	Number of Findings Not Corrected
Howard County Government	5	0
Howard Community College	5	1
Howard County Library System	4	1

Page 3 includes information on the finding in the original report that we determined had not been corrected. Exhibit 1 shows the implementation status for all of the findings contained in the original report.

We wish to acknowledge the cooperation of the three agencies and appreciate their willingness to address the audit issues and implement appropriate corrective actions.

A handwritten signature in blue ink, appearing to read 'ca' followed by a stylized flourish.

Craig Glendenning, CPA  
County Auditor

## **Finding for Which the County Auditor Deemed the Current Implementation Status as Not Corrected**

### **Prior Finding 4**

**Information entered into the automated health benefits system and related payroll deductions were not consistently verified by an independent employee.**

### **Prior Recommendation**

*We recommend that Howard Community College (HCC) and the Howard County Library System (Library) implement procedures to independently ensure that information entered into the automated health benefits system and related payroll deductions are accurate.*

### **Current Status**

Although HCC and the Library advised that they implemented procedures to ensure the accuracy of information entered into the system and related payroll deductions, this process was not documented. As a result, these agencies could not provide assurance that health care benefits are provided only to eligible persons and that benefit payments are proper.

### **Current Recommendation**

*We recommend that HCC and the Library document the verification process to ensure the accuracy of the automated health benefits system and related payroll deductions. This can be accomplished by the employees initialing and dating the forms used to enter the information.*

### *Howard Community College Response:*

Howard Community College acknowledges the need for additional verification of the independent review process. Although there are review processes in place, there has not been sufficient documentation to verify the independent review. The College has come up with an improved review process, as recommended by the county auditor, which will now include a signed and dated form after the review is complete.

### *Howard County Library System Response:*

The Library acknowledges the need for additional verification as a part of the independent review process. There is a process in place, however it has not been sufficiently documented to verify the independent review. The Library has implemented an improved process, as recommended by the auditor, which will include signed and dated confirmation that the review has been completed.

**Exhibit 1**  
**Current Implementation Status of the Findings Included in the December 2014 Health Benefits Audit Report**

<b>Finding in December 2014 Audit Report</b>	<b>Current Implementation Status Based on County Auditor's Review</b>		
	<b>Howard County Government</b>	<b>Howard Community College</b>	<b>Howard County Library</b>
1. HCGov, HCC, and the Library did not always maintain documentation to support dependent eligibility.	Corrected	Corrected	Corrected
2. HCGov, HCC, and the Library have not performed a comprehensive review of dependent eligibility status.	Corrected	Corrected	Corrected
3. HCGov accepted copies of tax returns as documentation to support dependent eligibility.	Corrected	N/A	N/A
4. Information entered into the automated health benefits system and related payroll deductions were not consistently verified by an independent employee.	Corrected	Not Corrected	Not Corrected
5. HCC did not always properly terminate COBRA benefits.	N/A	Corrected	N/A
6. HCGov, HCC, and the Library paid employees for waiving health benefits when the employee's spouse received health insurance through the County.	Corrected	Corrected	Corrected

N/A – Current implementation status not reviewed as finding was not applicable to the agency.