

September 08, 2020

**MEMORANDUM**

**TO:** Kymberly Venker  
Division Administrator, Nursing Division

**FROM:** Sherri Magnus *Sherri Magnus*  
Vice President & Chief Audit Officer

**SUBJECT:** Emergency Center Department Review  
Audit Control Number 20-106

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Internal Audit conducted a limited review of the Emergency Center's key administrative processes. The objective was to provide a general assessment of controls and processes for the period September 2018 to February 2020. Due to the COVID-19 pandemic, we focused only on selected administrative and financial areas.

The testwork performed involved areas such as charge capture, inventory, protection of IT assets, procurement cards, timekeeping and licensure. We found that the Department is performing both daily and monthly reconciliations related to charge capture. We also identified areas for improvement related to protection of IT assets and timekeeping, as discussed below. No other significant concerns were found in the other areas reviewed.

**Ensure Computers and Mobile Devices Are Protected**

**RANKING: MEDIUM**

The Information Resources Security Operations Manual requires the protection of desktops, laptops, and mobile computing devices that view or store confidential information. We identified 20 assets that did not contain sufficient protective measures. Without these device management protections, sensitive information could be accessible to unauthorized individuals.

**Recommendation:**

Management should coordinate with the Information Technology department to ensure all computers and mobile devices are sufficiently protected. Additionally, management should coordinate with Institutional Compliance on final resolution.

Responsible Executive: Rosanna Morris  
Owner: Robert Drew  
Due Date: 10/1/2020

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Management's Action Plan:

*We will coordinate with IS and IT to ensure that all devices currently in use have the proper encryption. Going forward, we will regularly review the asset encryption reports to ensure all department IT assets are protected.*

**Approve Timecards as Required****RANKING: MEDIUM**

A review of timecard approvals for three months in FY19 indicated only one week where all timecards were approved timely in Kronos. As of July 2020, no significant improvement in approvals had occurred. Institutional Policy requires department managers to review all time and leave captured in Kronos for accuracy, and to approve timecards in the system by 11:59 p.m. each Tuesday. Management has attested that employee time is scheduled and managed using the One-Staff application, and the timing of this process in comparison to Kronos deadlines contributes to the lack of approvals being reflected in the system.

When timecards in Kronos are not reviewed and approved timely, errors and irregularities in employee hours may occur, resulting in inaccuracies in payroll as well as overtime. For FY19, the Emergency Center incurred \$685,864 of overtime (15,720 hours). Because of this significant amount of overtime, timely review and approval is important.

Recommendation:

Management should establish processes to ensure that all employee timecards are reviewed and approved in Kronos by management each week in accordance with institutional policy.

Responsible Executive: Rosanna Morris

Owner: Brad DeLoach

Due Date: 2/28/2021

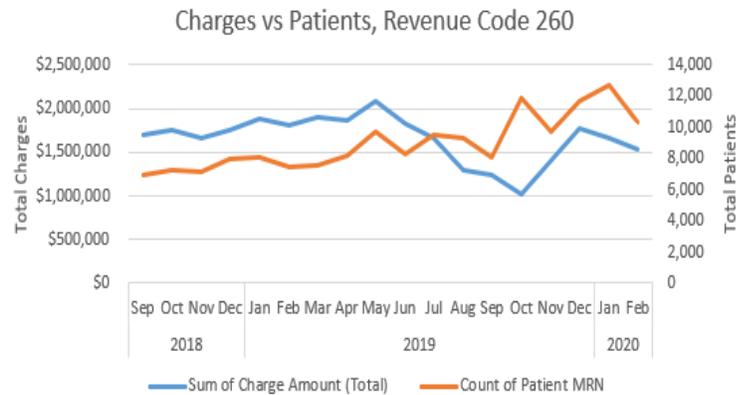
Management's Action Plan:

*We anticipate a change in Division of Nursing timekeeping functions with the onset of Kronos Staff Scheduling product effective February 2021. We will continue to work closely with Nursing Payroll to validate the division's timekeeping until Kronos Staff Scheduling is implemented. We are assessing the need to adopt an interim procedure with our HR and Finance partners that would mitigate the risk noted in the observation.*

**Additional Consideration - Management's Review of Infusion Therapy Revenue**

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In addition to the opportunities for improvement noted by Internal Audit, management informed us that they were investigating a significant decline in revenue for Infusion Therapy (revenue code 260). According to Clinical Revenue and Reimbursement (CRR), revenues declined by \$4 million (16% decrease) between FY18 and FY19. Additionally, the chart to the right reflects a continued decline from FY19 into FY20. Management is currently working with CRR to investigate and determine the root cause for this variance. This was excluded from the scope of this review.



**Appendix A** outlines the methodology for this project. Internal Audit will consider the Department for a possible future audit that is more comprehensive. The courtesy and cooperation extended by the personnel in the Emergency Center Department and the Division of Nursing are sincerely appreciated.

cc:

Rosanna Morris, Chief Operating Officer  
 Carol Porter, SrVP and Chief Nursing Officer  
 William Atkinson IV, Assoc VP, Office of the Chief Operating Officer  
 Kristen Francis, Mgr, Business Services Nursing Administration  
 Petra Grami, Dir, Clinical Nursing, Nursing Administration  
 Robert Drew, Assoc Dir, Clinical Nursing, Nursing Administration  
 Brad DeLoach, Mgr, Business Services Nursing Administration  
 Clifford Mertink, Sr Management Analyst, Nursing Administration  
 Lavonia Thomas, Nursing Informatics Officer, Nursing Administration  
 Tina Huffman Cerullo, Project Director, Nursing Administration  
 Cyndi Chaney, Assoc Dir, Division of Nursing, Nursing Administration

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## Appendix A

### Objective, Scope and Methodology:

Internal Audit conducted a limited review of the Emergency Center's key administrative processes. The objective was to provide a general assessment of controls and processes for the period September 2018 to February 2020. Due to the COVID-19 pandemic, we focused only on selected administrative and financial areas. Work covered processes in place during the period September 1, 2018 to February 29, 2020 and any related periods.

Our methodology included but not limited to the following procedures:

- Interviewed key personnel and reviewed relevant organizational policies.
- Reviewed CEMS and Airwatch reports related to IT devices.
- Reviewed inventory report for FY19.
- Reviewed the Department's charge capture processes including reconciliations and performed various analyses of the patient charges.
- Reviewed procurement card transactions and reconciliations for compliance with institutional guidelines.
- Reviewed work queues related to financial clearance.
- Reviewed timekeeping for compliance with institutional policies.
- Verified clinical licenses and certifications.

This audit was performed in accordance with the International Standards for the Professional Practice of Internal Auditing.

### Number of Priority Findings to be monitored by UT System: None

A Priority Finding is defined as *"an issue identified by an internal audit that, if not addressed timely, could directly impact achievement of a strategic or important operational objective of a UT institution or the UT System as a whole."*

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