



KING COUNTY AUDITOR'S OFFICE

August 31, 2017

Follow up on Emergency Medical Services (EMS) 2014 Financial Review

TO:

Metropolitan
King County
Councilmembers

EMS improved accounting efficiency by reducing manual corrections by 80 percent. After investigating causes behind the almost 25,000 manually corrected financial entries EMS made in 2014 (about 27 percent of all the transactions EMS recorded in that year), the division changed default PeopleSoft codes that were generating incorrect entries, and ensured that staff followed procedures to record time and costs accurately.

FROM:

KyMBER Waltmunson,
County Auditor

These actions have led to better understanding of the Oracle EBS financial system King County introduced in 2014, and greatly reduced the need for engaging in the time consuming process of identifying and manually correcting erroneous entries.

In addition, EMS reorganized its finance section to bring on an accountant with the technical skills necessary to identify and address issues with incorrect entries. The EMS Division is also working collaboratively with its partners within Public Health - Seattle & King County to clarify process improvements and improve other areas affecting correcting entries.

Of the 1 audit recommendation:



1
DONE



0
PROGRESS



0
OPEN

Fully implemented

Auditor will no longer monitor.

Partially implemented

Auditor will no longer monitor.

Remain unresolved

Auditor will no longer monitor.

Please see below for details on the implementation status of this recommendation.



King County

Recommendation 1

DONE 

We recommend that Emergency Medical Services Division staff:

- a. analyze the prevalence and causes of manual financial transactions**
- b. develop a plan to reduce the rate of corrected transactions**
- c. implement the plan and report on the results.**

STATUS UPDATE: EMS investigated reasons for the manual financial transactions and developed a plan for reducing incorrect transaction entries. The division made changes in procedures that eliminated the need for correcting many entries and educated staff on project codes to make sure the transactions were entered properly. Specifically, EMS reduced the number of manually corrected entries from 24,916 in 2014 to 4,858 in 2016, or 81 percent.

EMS plans on continuing to evaluate the reasons for corrections, and provide guidance to staff on use of accounting codes to further reduce the number of corrections. EMS hired a Senior Accountant to help monitor accuracy in financial transactions, and to provide the advanced business system expertise necessary to effectively use the County's Oracle EBS system.

EMS staff stated that reducing manual corrections has allowed staff to focus on other financial tasks, increasing efficient use of time. In addition, staff members indicated that fewer corrections also make the division's financial statements clearer and more concise.

Laina Poon, Principal Management Auditor, conducted this review. Please contact Laina at 206-477-1045 if you have any questions about the issues discussed in this letter.

cc: Dow Constantine, King County Executive
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