2019

Travis County Auditor's Office Review of Health and Human Services Revenue Contracts for Deaf and Hard of Hearing Interpreter Services



Travis County Auditor's Office

Risk Evaluation & Consulting Division

8/20/2019

TRAVIS COUNTY
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To: Sherri Fleming
Travis County Health and Human Services, County Executive

From: Patti Smith, CPA
Travis County Auditor

Date: August 20, 2019

Subject: Deaf and Hard of Hearing Interpreters Contract Review

The Risk Evaluation and Consulting (REC) Division of the Travis County Auditor's Office has completed a limited scope review of the Interlocal Agreements (ILA) maintained by Travis County Health and Human Services (HHS) for providing interpreter services. We conducted our review in accordance with the applicable statutes governing the County Auditor's Office and those relating to County financial and accounting protocols. As a result of our review, we are providing this report on our findings and recommendations.

Background

Travis County has entered into agreements with the City of Austin and with CommUnityCare for Deaf and Hard of Hearing interpreter services. Under these agreements, Travis County Services for the Deaf and Hard of Hearing (TCSDHH) provides interpreters for the City of Austin (COA) Health and Human Services, Municipal Courts, and Central Health, as well as CommUnityCare, invoicing these entities for the services provided.

Objective and Scope of Review

The primary objective of this review was to examine revenue assessment, collection, and documentation protocols for these contracts. In this review, we examined payments received by the County on this contract during the period January 1, 2018 through December 31, 2018.

Review Methodology

Our work was based on applying sampling procedures to the entity's records and on verbal and written representations from each department's personnel. Sampling relates to examining, on a test basis, evidence supporting the amounts and disclosures in the financial records and statements. The use of sampling techniques would not necessarily disclose all matters related to these ILAs that might be material weaknesses or misstatements. In regard to the written and verbal representations made by HHS staff during this review, unless otherwise noted in this report, HHS management maintains that the assertions we relied upon during this review were correct to the best of their knowledge.

Summary of Findings

During our review of the COA and CommUnityCare ILAs for Deaf and Hard of Hearing interpreter services, we noted that 8 (24%) of the 33 payments received from these entities during the period were delinquent. In addition, we noted that 26 (79%) of the 33 invoices prepared in the period were not provided to the vendor in a timely manner. These issues, our recommendations and management's responses are detailed in the Areas of Concern section of this report.

Examination Team

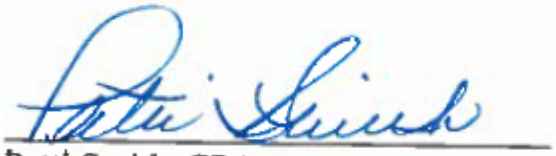
Angel Candelario, Senior Auditor

Closing

This report is intended solely for the information and use of HHS and the Commissioners' Court. We greatly appreciate the cooperation and assistance received from management and staff of HHS during this examination. Please contact us if you have any questions or concerns regarding this report.



David Jungerman, CIA
Chief Assistant County Auditor II
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Patti Smith, CPA
Travis County Auditor

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BACKGROUND

City of Austin

Travis County and the City of Austin have an interlocal agreement that allows Travis County Services for the Deaf and Hard of Hearing (TCSDHH) to provide interpreters for the City of Austin (COA) Health and Human Services Department and Municipal Court. This agreement has been in place since 1996. It allows TCSDHH to provide interpreters for safety-net services such as eligibility interviews and hearing before the Municipal Court.

COA pays the County at an agreed-upon hourly rate for requested interpreter services. Rates vary based on day/night, interpreter scheduled, and timeliness of the request. In addition, an administrative fee is assessed that is equivalent to one hour at the billing rate of the interpreter assigned. COA is required to pay the agreed upon rate plus the administrative fee for untimely cancellations and no-show appointments.

COA requests interpreter services through the Interpreter Intelligence System (online portal). TCSDHH reviews requests and assigns and appropriate-level interpreter. Upon completion of the assignment, the interpreter obtains a signature from an entity representative, documenting completion. Entity personnel also update the Interpreter Intelligence System, noting that the assignment was complete. The Interpreter Coordinator in TCSDHH generates an invoice for the services rendered which is remitted to the entity for payment.

The term of the agreement is 12 months with automatic renewals when all terms and conditions remain unchanged.

CommUnityCare

Since 2009, Travis County has maintained an ILA with CommUnityCare that allows TCSDHH to provide interpreters at various offices and clinics operated by this entity. This agreement is intended to minimize duplicative efforts and increase efficiency in providing access to health services to people who are deaf or hard of hearing. The invoice process for CommUnityCare is identical to the COA process stated above.

The term of this agreement is 12 months, and it will renew on October 1st of each year through September 30, 2026.

AREAS OF CONCERN

1. Timing of invoices

During the 12 months ended December 31, 2018, HHS received 33 payments for interpreter services totaling $227,820; all 33 transactions were selected for compliance testing. We noted that 26 (79%) of the 33 invoices for the period were not remitted to the vendor in a timely manner, as detailed below:

Late Invoices		
	Number of Invoices	Percentage of Invoices
Invoice provided 30 days after the service completed	26	79%
Invoice provided within 30 days of the service being completed	7	21%
Total Invoices	**33**	**100%**

Significance

Section 4.03 of both agreements states that the "*County shall invoice participating City Department on a monthly basis, using a form approved by City and County, for services provided under this agreement.*

Recommendations

According to HHS invoice process, invoices are processed by the 15th of each month. We recommend that HHS implement a step that captures all interpreter services provided during the month to prevent vendors from being invoiced more than one month after the services were provided.

Management Response

Staffing vacancies in both Finance and Deaf Services contributed to a delay in invoicing. This has been addressed by filling the vacancies and by invoicing on a timely basis.

Action Plan: All staff positions related to contracts and invoicing have been filled. Deaf Services and Finance have worked together to establish procedures whereby one point person from each program follows the invoice through the whole process. The following steps have been put in place:

- Send statement with a notice by the 15th day of the following month of services.
- Include a statement that indicates the due date of the payments.
- Contact the contracted agency within 20 days of the invoice being sent to remind them of their upcoming payment due date.
- Contact them weekly to remind them of past due invoices if they do not submit payment on time.
- Program Manager of Deaf Services, Finance and staff creating the invoices will be included in all communication.

2. Contract Management

Eight of the 33 (24%) payments for the period were not received in a timely manner; no past due notices requesting payment were remitted to the applicable entities when their payments became delinquent. See the following table for details:

Late Payments				
	# of Payments	Percentage	Invoice Amount	Percentage
Payments received 30 days after invoice date	8	24%	$58,811	26%
Payments received within 30 days of invoice date	25	76%	$169,009	74%
	33	**100%**	**$227,820**	**100%**

Significance

In the Interlocal Agreement (ILA) dated March 6, 2014, between Travis County and the City of Austin, Section 3.02 states: "*City shall pay County for services provided under this agreement within thirty (30) days of receipt of the complete and correct invoice from County for the services provided. All payments made by City under this Agreement shall be paid from current revenue funds."*

In addition, the professional service agreement dated January 12, 2018, between Travis County and CommUnityCare states the following in Section 3.02: *"Requestor shall pay County for services provided under this Agreement within thirty (30) days of receipt of the complete and correct invoice from County for the services provided."*

Recommendation

We recommend that Program Manager for Deaf Services remit past due notices to entities that are in violation of the 30-day payment agreement.

Management Response

Deaf Services is currently working with the Travis County Attorney's Office to determine if the department can legally implement and collect a late fee if the contracted agency is over thirty days late with payment.