



# STATE OF WYOMING

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## DEPARTMENT OF AUDIT

### PUBLIC FUNDS DIVISION

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**Matthew H. Mead**  
Governor

**Jeffrey C. Vogel**  
Director

**Pamela Robinson**  
Administrator

May 8, 2017

Ms. Kelly Correll, Chairperson  
Board of Hearing Aid Specialists  
Emerson Building  
2001 Capitol Avenue  
Cheyenne, WY 82002

Dear Madam Chair:

We are issuing this audit report pursuant to the requirements of Wyoming Statute 33-1-302(a)(iv). The statute requires the Board of Hearing Aid Specialists (Board) have periodic audits of its internal controls and financial transactions.

**Objectives:** The audit objectives were to determine whether:

- (1) an adequate internal controls structure existed to ensure the processing and accounting of all financial transactions;
- (2) expenditures were made for the benefit of the state;
- (3) expenditures were made in compliance with applicable statutes, rules and regulations governing the Board; and
- (4) revenue transactions and cash handling procedures were reasonable for the volume and manner in which they were received.

**Scope and Methodology:** We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The scope of the audit was from July 1, 2015 to December 31, 2016. Audit procedures performed during the audit included the following.

- Interviewed the Professional Licensing Board (PLB) staff of the Department of Administration and Information.
- Reviewed the Board's Memorandum of Understanding (MOU) with the PLB.
- Tested a judgmentally selected sample of expenditures to ascertain they were properly supported, made in accordance with applicable statutes, rules, and regulations and were made for the benefit of the state.
- Reviewed the collection of revenues to determine the reasonableness of the amounts recorded in the accounting system.



- Determined the PLB's procedures for recording, processing, and handling of Board financial transactions.
- Tested a judgmentally selected sample of revenues and expenditures to determine the internal control processes instituted by the PLB had been implemented and were working as designed.

A MOU between the Board and the PLB was established whereby the PLB would provide necessary services to the Board, including the recording of revenues and expenditures. However, the MOU does not relieve the Board of the ultimate responsibility of ensuring the overall accuracy of its revenues and expenditures.

Based on the procedures identified above, the internal controls structure was adequate to ensure the processing and accounting of all financial transactions in accordance with W.S. 33-1-302(a)(iv), as well as the Board's rules. However, there were weaknesses noted which could prevent continued accuracy in the processing and accounting of all financial transactions. Additional findings are presented in the accompanying summary of findings and recommendations.

This report is intended solely for the use of the specified users listed; however, this report is a matter of public record and its distribution is not limited.

*Public Funds*

Public Funds

cc: Governor's Office  
Wyoming State Auditor  
Legislative Service Office  
Department of Administration & Information

## **SUMMARY OF FINDINGS AND RECOMMENDATIONS**

### **1. Data Policies Need to be Developed.**

The Board has not created data policies required by W.S. 9-21-101. The statute requires that all state agencies, including Boards and Commission, “adopt, enforce and maintain a policy regarding the collection, access, security and use of data.”

**Recommendation:** Data policies should be developed and reviewed annually to ensure appropriate safeguards exist to protect electronic processes and information. These policies should be coordinated with the Department of Administration and Information and with Enterprise Technology Services as they are actively involved with many of the areas required of the statute.

### **2. There were no policies and procedures to address how the board ensures PLB is processing fiscal transactions appropriately.**

The Board had not defined policies and procedures to review the financial transactions of the Board. Although a MOU exists whereby the PLB will record revenues and expenditures relating to Board activities, ultimately, the Board is still responsible for their funds. Without the review, the Board would have no assurance the PLB is properly processing transactions on their behalf.

**Recommendation:** The Board needs to create appropriate policies and procedures to ensure the accurate recording of financial transactions by the PLB. Procedures should include determining all licensees are assessed the appropriate renewal fees, application fees, examination fees, and other assessments required by the Board. Also, procedures for reviewing expenditures for appropriateness should be included.



# WYOMING

## BOARD OF HEARING AID SPECIALISTS

2001 Capitol Avenue, Emerson Building, Room 104 ♦ Cheyenne WY 82002 ♦ (307) 777-7387 ♦ Fax: (307) 777-3508  
<http://hearingaid.wyo.gov>

May 23, 2017

Richard Q. Cummings, CFE  
Audit Manager  
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DEPARTMENT OF AUDIT  
PUBLIC FUNDS DIVISION

Mr. Cummings,

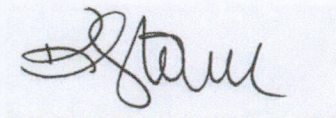
The Board of Hearing Aid Specialist (Board) is in receipt of the audit report dated May 8, 2017. As President of the Board and pursuant to your request, I am responding on behalf of the Board to the recommendations provided by the Department of Audit.

**Recommendation #1, Data Policies:** The Board will work with Board staff to ensure policies are drafted in accordance with W.S. 9-21-101 that went into effect July 1, 2016, and will review annually for accuracy.

**Recommendation #2, Fiscal Transactions:** Board staff is well aware of the shortfalls of the current credentialing system and is researching vendors for a new system that will provide substantially better tracking mechanisms for fiscal processing. The Board will continue to review financial statements during Board meetings and will work with staff on creating policies for processing and reporting of transactions.

The Board appreciates the time taken by the Department of Audit to perform these audits.

Sincerely,



Kelly Correll  
Board President  
Wyoming Board of Hearing Aid Specialist

cc: Governor's Office  
Wyoming State Auditor  
Legislative Service Office  
Department of Administration and Information

