

O L A

OFFICE OF THE LEGISLATIVE AUDITOR
STATE OF MINNESOTA

Financial Audit Division Report

Board of Animal Health

July 1, 2003, through June 30, 2007



August 30, 2007

07-21

Financial Audit Division

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- Promote Accountability,
- Strengthen Legislative Oversight, and
- Support Good Financial Management.

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FINANCIAL AUDIT DIVISION

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OFFICE OF THE LEGISLATIVE AUDITOR
State of Minnesota • James Nobles, Legislative Auditor

Representative Rick Hansen, Chair
Legislative Audit Commission

Members of the Legislative Audit Commission

Members of the Board of Animal Health

Dr. William Hartmann, Executive Director
Board of Animal Health

We conducted an audit of the Board of Animal Health for the period July 1, 2003, through June 30, 2007. Our audit scope included payroll expenditures, professional/technical service contracts, and other administrative expenditures. Our objectives focused on a review of the board's internal controls over these financial activities and its compliance with applicable legal provisions.

The enclosed Report Summary highlights our overall audit conclusions. The specific audit objectives and conclusions for each area are contained in the individual chapters of this report.

We would like to thank the staff from the Board of Animal Health for their cooperation during this audit.

/s/ James R. Nobles

James R. Nobles
Legislative Auditor

/s/ Cecile M. Ferkul

Cecile M. Ferkul, CPA, CISA
Deputy Legislative Auditor

End of Fieldwork: July 23, 2007

Report Signed On: August 27, 2007

Board of Animal Health

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Audit Participation

The following members of the Office of the Legislative Auditor prepared this report:

Cecile Ferkul, CPA, CISA	Deputy Legislative Auditor
David Westlund	Auditor-in-Charge

Exit Conference

We discussed the results of the audit with the following staff of Board of Animal Health at an exit conference on August 21, 2007:

Bill Hartmann	Executive Director
Barb Troyer	Business Manager
Terri Thill	Accounting Technician

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Report Summary

Overall Conclusion:

The Board of Animal Health's internal controls were generally adequate, and the board's Business Management Division complied with most material finance-related legal provisions. However, we identified several concerns.

The report contains five findings related to internal control and legal compliance. The board resolved two prior audit findings.

Key Findings:

- The board's Business Management Division did not adequately review or follow up on key payroll reports, as required by the Department of Finance's policy. ([Finding 1, page 8](#))
- PRIOR FINDING: The division did not enter into agreements with most of the veterinarians providing services under its annual plan. ([Finding 2, page 12](#))
- The division did not adequately control and monitor fixed assets. ([Finding 3, page 16](#))

Audit Scope:

Period Audited:

July 1, 2003, to June 30, 2007

Programs Audited:

- Payroll
 - Professional/Technical Services
 - Other Administrative Expenditures
-

Agency Background:

The Board of Animal Health is the State of Minnesota's official animal disease control and eradication agency. The board's mission is to protect, maintain, and improve the health of Minnesota's domestic animals. In carrying out its mission, the board protects the public health and provides a wholesome food supply. The board fulfills its mission through a combination of regulatory activities designed to prevent the spread of infectious and contagious diseases harmful to livestock and poultry production in the state. The board enforces health requirements for the importation of livestock and poultry. It also enforces health requirements for the inspection and regulation of livestock and livestock-related facilities and activities. Dr. William Hartmann serves as the executive director.

Board of Animal Health

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Board of Animal Health

Chapter 1. Introduction

The Board of Animal Health is the State of Minnesota's official animal disease control and eradication agency. The board's mission is to protect, maintain, and improve the health of Minnesota's domestic animals. In carrying out its mission, the board protects the public health and provides a wholesome food supply. The board fulfills its mission through a combination of regulatory activities designed to prevent the spread of infectious and contagious diseases harmful to livestock and poultry production in the state. The board enforces health requirements for the importation of livestock and poultry. It also enforces health requirements for the inspection and regulation of livestock and livestock-related facilities and activities. Dr. William Hartmann serves as the executive director.

The board has the following six divisions:

- Swine and Equine Diseases
- Cattle Diseases/Ruminant Diseases
- Poultry Diseases
- Companion Animals
- Business Management
- Information Technology/Communications

The Business Management Division was responsible for the budgeting, accounting, payroll, and personnel operations of the board. This division had four employees.

The board received state appropriations totaling \$2,803,000, \$2,803,000, \$3,536,000, and \$3,669,000 for fiscal years 2004, 2005, 2006, and 2007, respectively. During each fiscal year, these appropriations included \$200,000 for the control of paratuberculosis (Johne's disease), \$80,000 to investigate avian pnuemovirus, and \$400,000 for chronic wasting disease inspections. In addition, the board received \$300,000 for fiscal years 2006 and 2007 to expand animal disease surveillance by the University of Minnesota Veterinary Diagnostics Laboratory. Finally, the board received \$277,000 and \$408,000 for fiscal years 2006 and 2007, respectively, to eliminate bovine tuberculosis in Minnesota, which had been identified in the Roseau area.

Table 1-1 summarizes the board's sources and uses of funds during fiscal years 2004, 2005, 2006, and 2007.

Board of Animal Health

Table 1-1
Sources and Uses of Funds by Fiscal Year

<u>Sources:</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Appropriations	\$2,803,000	\$2,803,000	\$3,536,000	\$3,669,000
Less: Cancellations/Reverted	45,119	84,000	0	0
Less: Ending Balance ¹	0	0	0	73,496
Net Appropriations	2,757,881	2,719,000	3,536,000	3,595,504
Balance Forwarded In	46,157	313,635	148,294	454,276
Transfers In	0	0	0	90,000
Receivable – Federal ²	0	0	0	754,211
Receipts – Federal Grants	758,818	1,626,758	2,426,835	1,183,023
Receipts – Misc.	46,360	51,260	83,660	54,770
Total Sources	<u>\$3,609,216</u>	<u>\$4,710,653</u>	<u>\$6,194,789</u>	<u>\$6,131,784</u>
<u>Uses:</u>				
Payroll and Per Diem	\$2,214,909	\$2,475,844	\$2,755,731	\$3,217,669
Professional and Technical	400,501	950,925	1,676,692	1,834,018
Travel	197,586	219,290	270,740	284,190
Supplies and Equipment	113,781	377,851	280,157	175,745
Rent	87,182	90,400	192,576	275,078
Communications	62,445	70,937	85,724	83,089
Other Operating Costs	219,177	377,112	478,892	260,352
Balance Forwarded Out	313,635	148,294	454,276	0
Transfer Out	0	0	1	1,643
Total Uses	<u>\$3,609,216</u>	<u>\$4,710,653</u>	<u>\$6,194,789</u>	<u>\$6,131,784</u>

Note 1: Ending balance includes funds available but not encumbered as of July 23, 2007.

Note 2: Receivables include funds expended or encumbered for federal programs that the board has not been reimbursed for as of July 23, 2007.

Source: Minnesota Laws and Minnesota Accounting and Procurement System.

Audit Approach

We conducted our audit in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we obtain an understanding of the office's internal controls relevant to the audit objectives. We used the guidance contained in *Internal Control-Integrated Framework*, published by the Committee of Sponsoring Organizations of the Treadway Commission,¹ as our criteria to evaluate agency controls. The standards also require that we plan the audit to provide reasonable assurance that the office complied with financial-related legal provisions that are significant to the audit. In determining the office's compliance with legal provisions, we considered requirements of laws, regulations, contracts, and grant agreements.

To meet audit standards and achieve our audit objectives, we gained an understanding of the board's financial policies and procedures. We considered the risk of errors in the accounting

¹ The Treadway Commission and its Committee of Sponsoring Organizations (COSO) was established in the mid-1980s by the major national associations of accountants. One of their primary tasks was to identify the components of internal control that organizations should have in place to prevent inappropriate financial activity.

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records and noncompliance with relevant legal provisions. We analyzed accounting data to identify unusual trends or significant changes in financial operations and reviewed security clearances for various computer systems. We examined a sample of evidence supporting the office's internal controls and compliance with laws, regulations, contracts, and grant provisions.

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Chapter 2. Payroll Expenditures

Chapter Conclusions

The board's Business Management Division generally authorized properly and accurately reported payroll expenditures in the state's accounting records. However, the division paid some holiday pay in error. In addition, the division did not comply with significant finance-related legal requirements and policies over payroll by not providing an adequate review of key payroll reports. Finally, the division did not have a process in place to validate payroll transactions that were not processed in the routine manner.

Audit Objectives

The primary objectives of our audit of payroll expenditures were to answer the following questions:

- Did the Business Management Division properly authorize and accurately report payroll expenditures in the accounting records, in all material respects?
- Did the division comply with significant finance-related legal provisions over payroll, including bargaining agreements?

Background Information

Payroll was the largest expenditure category for the Board of Animal Health, comprising 54 percent of the board's administrative costs. Total payroll expenditures were \$2.21 million, \$2.48 million, \$2.78 million, and \$3.22 million for fiscal years 2004, 2005, 2006, and 2007, respectively.

The board had approximately 45 employees, as of May 2007, covered under various bargaining agreements, as shown in Table 2-1. Several of the board's employees were veterinarians and agricultural specialists who worked out of home offices. These employees spent a significant portion of their time traveling throughout their districts investigating disease occurrences and helping livestock producers prevent diseases. The board also has a poultry laboratory manager who worked at the University of Minnesota Poultry Laboratory.² The remaining employees work at the Saint Paul office.

² The Animal Health Board contracts with the University of Minnesota Poultry Laboratory for testing of poultry and is the official testing laboratory of poultry for the board.

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The division processes payroll transactions through the state’s personnel/payroll system on a biweekly basis. In 2004, the board employees began using the system’s self service time entry process to record, authorize, and enter their payroll transactions. The self service time entry process allows employees to enter hours into an electronic timesheet, which is then electronically approved by the employee and supervisor. Following approval, the timesheets interface with the state’s personnel/payroll system and are subsequently recorded on the state’s accounting system.

Table 2-1 shows the employment plans applicable to the board and the employees governed by these agreements.

Table 2-1 Employment Plans Applicable to the Board of Animal Health	
<u>Bargaining Units</u>	<u>Types of Employees Governed</u>
American Federation of State, County, and Municipal Employees	Clerical, medical laboratory technicians
Middle Management Association	Assistant directors, laboratory manager
Minnesota Association of Professional Employees	Agricultural specialists, information technologist, accounting officer.
<u>Plans for Unrepresented Employees</u>	<u>Types of Employees Governed</u>
Managerial Plan	Executive director
Commissioner's Plan	District veterinarians, confidential secretary, business manager, poultry laboratory manager

Source: SEMA4.

The board had the following weaknesses in its administration of the payroll process:

1. The Business Management Division did not adequately review or follow up on key payroll reports, as required by the Department of Finance’s policy.

Policies developed by the Minnesota Department of Finance³ provide for increased internal controls over the payroll process by requiring the review of the two following specific key payroll reports:

- **Self service time entry audit report** - This report identifies transactions that bypassed key processing controls. It identifies employees who did not “sign” their own timesheet and timesheets that were not approved by the employee’s primary supervisor. These exceptions indicate a potential breakdown in the controls over the electronic processing of timesheets. As part of the review, an agency should follow up on any payroll transactions that are identified by the report and document the resolution.

³ Department of Finance payroll policies PAY0017 and PAY0028.

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The division did not document the review of the self service time entry audit report or follow up on the exceptions identified by the report. By not documenting the review of the audit report, the division was not able to demonstrate that it performed this important control. By not following up on the payroll exceptions identified in the audit report with the employee and/or the employee's supervisor, employees may be paid for hours which were recorded/approved incorrectly.

- **Payroll register** - This report allows the division to independently verify all biweekly payroll transactions processed through the state's personnel/payroll system, including current and retroactive salary adjustments, special lump-sum transactions, and changes to earnings, hours, and pay rates. By reviewing this report, the division can identify and correct any errors or adjustments before the division pays its employees.

The division did not adequately review the payroll register and did not document its review. By not adequately reviewing the payroll register, the division failed to identify two employees who received 20½ hours of holiday pay which should have been coded as vacation. In both instances, the hours recorded on the self service time entry were recorded as holiday and were approved. However, an adequate review of the payroll register would have identified the 20½ hours of holiday pay that was incorrectly recorded.

Recommendation

- *The Business Management Division should adequately review both the self service time entry audit report and the payroll register and document the resolution of any exceptions noted.*

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Chapter 3. Professional/Technical Service Contracts

Chapter Conclusions

The board's Business Management Division accurately reported professional/technical contracts in the state's accounting records and acted in accordance with management's authorizations. However, the division did not comply with some requirements related to professional/technical contracts. The division failed to establish agreements with most veterinarians providing services under its annual plan. In addition, the division exceeded limits for total payments to contractors for three contractors' annual plans.

Audit Objectives

The primary objectives of audit of payroll expenditures were to answer the following questions:

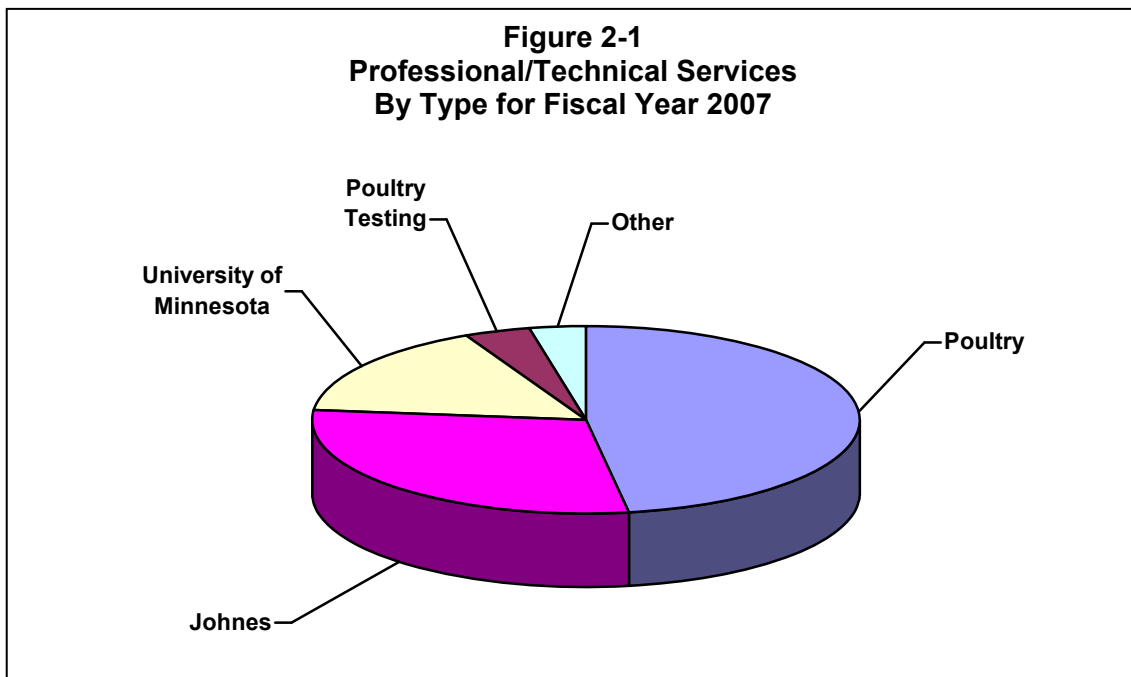
- Did the Business Management Division accurately report professional/technical contracts in the accounting records and in accordance with management's authorization?
- Did the division comply with significant finance-related legal provisions over professional/technical contracts?

Background Information

The Board of Animal Health incurred approximately \$4.83 million in professional/technical service expenditures during our audit scope. The board pays a majority of their professional/technical service funds to the University of Minnesota for their contracts over the university's poultry laboratory in Willmar and the diagnostics laboratory in Saint Paul. The Willmar poultry laboratory is the official laboratory used by the board for testing poultry, and the University of Minnesota's diagnostic laboratory, located in Saint Paul, is used for testing the blood samples taken by the veterinarians for pseudorabies, Johne's, and other infectious and communicable diseases in animals.

In addition to the contracts with the University of Minnesota, the board contracts with veterinarians across the state to perform testing of livestock herds and take blood samples. For services provided by veterinarians, the board works off an annual plan. Annual plans are created by agencies and approved by the Department of Administration. The plans outline the types of services that the agency will require during the year and the total expected expenditures in the area. Using the annual plan, the division can contract with vendors for services without requiring the approval of the contract by Administration as long as the total expenditures by area and contractor do not exceed \$5,000 per fiscal year.

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Our audit of professional/technical contracts identified the following issues:

2. PRIOR FINDING: The Business Management Division did not enter into agreements with most of the veterinarians providing services under its annual plan.

The division did not have annual plan agreements with 11 of the 13 veterinarians tested who provided services under the annual plan. In addition, the division exceeded the \$5,000 limit for veterinarians covered under the annual plan.

The division created an annual plan for each fiscal year, which is approved by Department of Administration. The annual plan described the types of services that the division would be contracting for over the fiscal year and from each vendor the limits for total payments and the type of services provided. Starting in 2004, following the advice from the Department of Administration, the division believed it was acceptable to use the blanket contract process without a signed contract as an alternative to annual plan agreements. However, when needing services under the annual plan, the division should have entered into annual plan agreements with the vendors. The annual plan agreement is a contract between the division and the vendor that identifies the services to be provided and any limits set on the vendor.

By not contracting with the veterinarians, the division failed to comply with *Minnesota Statute* 2006, 16C.08 subd 5(b), which requires that terms of the contract provide that no more than 90 percent of the total contract can be paid out until the final product has been reviewed. In addition, by not contracting with the contract vendors, the division may become liable for services that would not have been covered under the annual plan agreement. Also, without a

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contract, there is no documented limit for the total amount that may be paid out. This, along with the division not monitoring payments by veterinarians for tuberculosis testing, allowed the division to exceed the \$5,000 limit for contract services covered by the annual plan. In three instances, the division exceeded the \$5,000 limit for annual plan contracts without constructing a contract. Since the division had not monitored tuberculosis testing for each veterinarian, we calculated that the division exceeded the \$5,000 limit by approximately \$600 to \$23,000.

Recommendations

- *The Business Management Division should construct contracts/annual plan agreements with vendors providing professional/technical services or work with the Department of Administration to find an alternative process that is in compliance with statute and state policy.*
- *The division should improve the monitoring of contract expenditures to verify that contracted amounts are not exceeded.*

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Chapter 4. Other Administrative Expenditures

Chapter Conclusions

The Business Management Division did not accurately report administrative expenditures in the state's accounting records. The division incorrectly recorded the record date for 8 of 24 transactions we reviewed and object codes for 5 of 24 transactions reviewed. In addition, the division did not maintain adequate mitigating controls over administrative expenditures. The division did not comply with material finance-related legal provisions over administrative expenditures by adequately monitoring fixed assets.

Audit Objectives

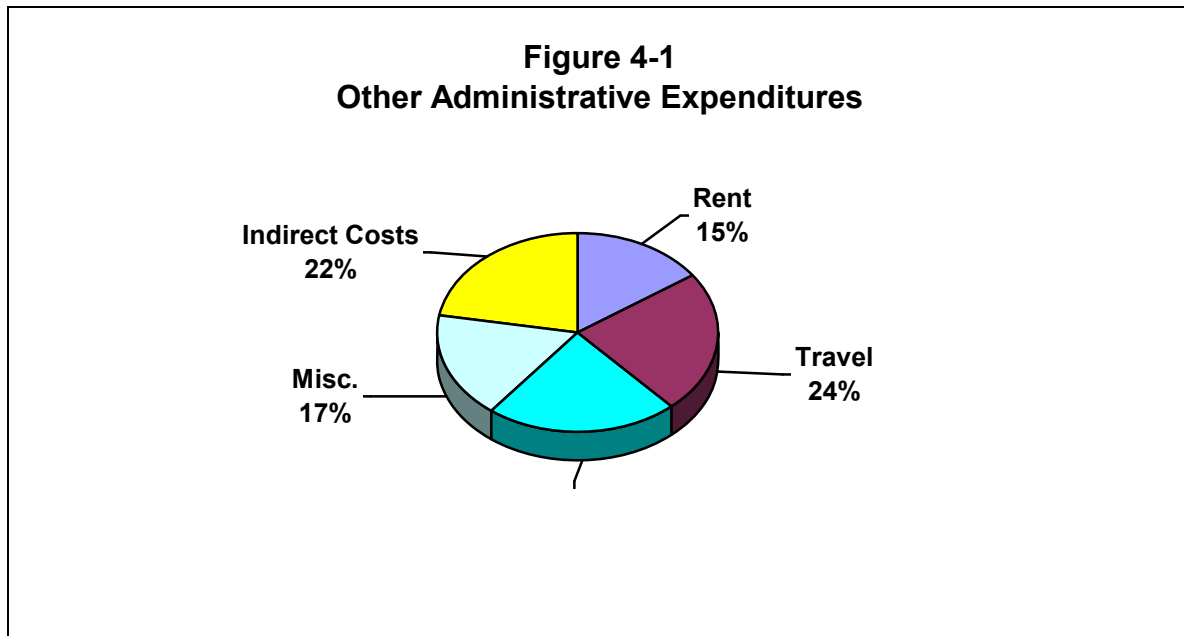
The primary objectives of our audit of other administrative expenditures were to answer the following questions:

- Did the Business Management Division accurately report administrative expenditures in the accounting records and in accordance with management's authorization?
- Did the division comply with significant finance-related legal provisions over administrative expenditures?

Background Information

The Board of Animal Health used \$4.23 million for other administrative expenditures during our audit scope. We selected a sample of administrative expenditures; part of our sample included equipment purchases that were then traced to the actual fixed asset and controls over fixed assets. The major types of expenditures are shown in Figure 4-1. The board is responsible for monitoring livestock herds across the state, which requires a significant amount of in-state travel. The board reimburses employees for travel expenditures, as well as veterinarians and agricultural specialist based in greater Minnesota. The division leases vehicles from travel management.

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The division had the following weaknesses in its administrative expenditure process:

3. The Business Management Division did not adequately control and monitor fixed assets.

The division did not perform adequate physical inventory over fixed assets at least every two years.

- The division could not provide adequate evidence that the division had conducted a complete physical inventory at least every two years, as required by state policy. The division developed a fixed asset system that allows the division to keep track of fixed assets as well as identify the employee who was last responsible for the asset. However, the board could not provide adequate evidence that a complete physical inventory was conducted.
- In addition, the division failed to tag one fixed asset, purchased for approximately \$35,000, with a state asset tag or record the asset in the division's fixed asset system. State policy requires that fixed assets be tagged with state asset tags and recorded in a fixed asset system. By not recording the asset in the system, the asset was never verified as existing during an annual physical inventory nor was it identified as not being on the system.
- Finally, the division could not provide evidence that one laptop, purchased in fiscal year 2004, existed. The division had not identified that the asset was missing until the laptop was selected as part of our audit. The laptop was originally assigned to an employee who has since left state service. When the employee left state service, the division did not change the fixed asset system to identify that the asset was no longer assigned to the

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former employee. In not changing the name of the employee in which the asset was assigned, the division never verified that the asset existed in future years.

By not adequately monitoring fixed assets, the division failed to identify assets that are not recorded on their fixed asset system or that an asset has been lost or stolen.

Recommendations

- *The Business Management Division should perform a complete physical inventory at a minimum of every two years.*
- *For state owned assets, the division should affix state asset tags in accordance with state policy.*

4. The Business Management Division did not accurately record some administrative expenditures in the state's accounting system.

The division did not accurately record some administrative expenditures in the accounting system, as follows:

- For 8 of 24 administrative expenditure transactions tested, the division incorrectly recorded the record date, which should identify the date the state was obligated for the purchase. Generally, the record date is the date the goods or services were received. The date recorded by the division varied from 1 to 59 days from the actual record date. The Department of Finance relies on accurate record dates to determine the state's outstanding liabilities at year-end for financial reporting purposes. Entry of improper dates could result in unreported obligations.
- The division recorded five administrative expenditures using an incorrect object code. The division recorded binoculars, office chairs, and an animal identification reader as supplies instead of equipment. In addition, the division recorded the rental of equipment as rental expenditures instead of an equipment expense. The division also recorded employee training expenditures as out-state travel. The Department of Finance, in managing the state's accounting system, has created object codes that are used to classify an agency's expenditures. In using an incorrect object code, the division is inaccurately reporting their expenditures by classification.

Board of Animal Health

Recommendation

- *The Business Management Division should ensure that administrative expenditures are correctly recorded in the accounting system.*

5. The Business Management Division did not maintain adequate mitigating controls over the procurement process.

The division could not provide evidence of an approved purchase request form to support the purchase of 16 of the 24 tested transactions. In addition, the division processed two purchase orders that were not signed by a second division employee, and the division failed to create a purchase order for one purchase.

Due to the small staff in the Business Management Division, three employees had incompatible access in the state's accounting system. Incompatible access allows one employee to initiate, process, and record a transaction, increasing the possibility that an error or irregularity could occur without detection. Because the incompatible access exists, the division designed alternative controls to mitigate the risk of errors or irregularities not being detected. Those controls required employees to use an internal purchase request form to request the purchase of an item. The employee's supervisor needed to authorize the request before it went to the division for processing. In addition, the division required that a second Business Management Division employee sign off on purchase orders to verify that the purchase orders were correct and seemed reasonable.

Recommendation

- *The Business Management Division should comply with its controls designed to mitigate the risks posed by incompatible accounting system access.*

Board of Animal Health

Status of Prior Audit Issues As of July 23, 2007

Legislative Audit Report 01-31 issued in June 2001, examined certain activities of the Board of Animal Health for the three years ended June 30, 2000. The scope included payroll, administrative expenditures, and professional/technical services. The report contained two findings. The first, recommending the board improve controls over professional/technical service expenditures by starting the contract process earlier, reviewing contract language for clarity, and monitoring vendor payments on a routine basis. The board has partially implemented the recommendation, see Finding 2. The second, the board should compare travel management invoices to actual miles recorded on its logs and resolve any variances. The board has implemented this recommendation.

State of Minnesota Audit Follow-Up Process

The Department of Finance, on behalf of the Governor, maintains a quarterly process for following up on issues cited in financial audit reports issued by the Legislative Auditor. The process consists of an exchange of written correspondence that documents the status of audit findings. The follow-up process continues until Finance is satisfied that the issues have been resolved. It covers entities headed by gubernatorial appointees, including most state agencies, boards, commissions, and Minnesota state colleges and universities. It is not applied to audits of the University of Minnesota, any quasi-state organizations, such as metropolitan agencies or the State Agricultural Society, the state constitutional officers, or the judicial branch.

Board of Animal Health

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Minnesota Board of Animal Health

Safeguarding Animal Health

www.bah.state.mn.us

August 22, 2007

James R. Nobles, Legislative Auditor
Office of the Legislative Auditor
Room 140 Centennial Building
658 Cedar Street
St. Paul, MN 55155-1603

Dear Mr. Nobles:

On behalf of the Minnesota Board of Animal Health, we appreciate the thoroughness of the Audit. Your guidance will help us to improve the Board's policies and procedures in order to meet all requirements. We recognize the importance of the concerns outlined in this audit report and we are committed to resolving each of the items.

Key Finding #1

The Business Management Division did not adequately review or follow up on key payroll reports, as required by Department of Finance policy.

Recommendation: The Business Management Division should adequately review both the self service time entry audit report and the payroll register and document the resolution of any exceptions noted.

Response/Resolution: The Board concurs with this recommendation and has taken the following steps to fully resolve the finding:

- The Self Service Time Entry Audit Report is printed bi-weekly. The report identifies transactions that bypassed key processing controls. Employees who do not complete their own time sheet will review the audit report and verify the hours input are accurate. Primary managers who do not authorize their payroll department will review the audit report and verify employee hours.

Key Finding #2

The division did not enter into agreements with most of the veterinarians providing services under its annual plan.

Recommendation: The Business Management Division should construct contracts/annual plan agreements with vendors providing professional/technical services. The division should improve the monitoring of contract expenditures to verify that contracted amounts are not exceeded.

Response/Resolution: The Board concurs with this recommendation and will take the following steps to fully resolve the finding.

- The Board will enter into annual plan agreements with private veterinarians that provide services to the Board.
- The Board will meet with the Department of Administration to review the annual plan process and determine if it can be streamlined.

Key Finding #3

The Business Management Division did not adequately control and monitor fixed assets.

Recommendation: The Business Management Division should perform a complete physical inventory at a minimum of every two years. For state owned assets, the division should affix state asset tags in accordance with state policy.

Response/Resolution: The Board concurs with this recommendation and will take the following steps to fully resolve the finding.

- The Board recently conducted an inventory of all assets and in the future will conduct a complete physical inventory every two years.
- Asset numbers will be maintained by the Business Management Division and issued upon receipt of the asset.

Key Finding #4

The Business Management Division did not accurately record some administrative expenditures in the State's accounting system.

Recommendation: The Business Management Division should ensure that administrative expenditures are correctly recorded in the accounting system.

Response/Resolution: The Board concurs with this recommendation and will take the following steps to fully resolve the finding:

- The Business Management Division will closely monitor object codes to ensure accuracy.

Key Finding #5

The Business Management Division did not maintain adequate mitigating controls over the procurement process.

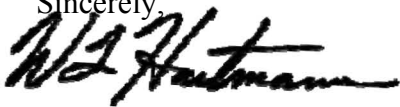
Recommendation: The Business Management Division should comply with controls designed to mitigate the risks posed by incompatible accounting system access.

Response/Resolution: The Board concurs with this recommendation and will take the following steps to fully resolve the finding.

- The Business Management Division will review incompatible system access to reduce potential risks.

Thank you for the opportunity to respond to your findings and recommendations. The Board has assigned Ms. Barbara Troyer, Business Manager to coordinate these corrective actions. Thank you for the respectful manner in which this audit was conducted.

Sincerely,



William L. Hartmann, DVM MS
Executive Director