CITY OF SAN ANTONIO

INTERNAL AUDIT DEPARTMENT

Audit of San Antonio Metropolitan Health District Cash Handling and Revenue Controls

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Executive Summary

Overview

A review of the San Antonio Metropolitan Health Department's (SAMHD) cash handling and revenue control activities in Vital Statistics, Old Highway 90 Clinic, Westend Health Center, Naco-Perrin Clinic, Kenwood Clinic, and the Immunization Center has been completed. The objective of the audit was to determine the adequacy of internal controls regarding cash handling and other essential City assets, in compliance with appropriate City policies and procedures.

Although the central cashiering function resides with the Finance Department in the Revenue Division, various sites throughout SAMHD collect cash, checks, and credit card payments for their services. City Administrative Directives require all SAMHD sites having cash handling responsibilities to maintain, review, and update their respective departmental cash handling procedures.

Results In Brief

Overall, certain internal controls over the cash handling procedures for Vital Statistics and the SAMHD health clinics require improvement to provide management with reasonable assurance that these funds are properly safeguarded and managed in compliance with City Administrative Directives.

Although the SAMHD Management has some controls in place to detect loss of cash from recorded sales, more consideration is needed in prevention of loss associated with unrecorded sales. Recommendations are summarized as follows:

The SAMHD Director should ensure that proper internal controls are implemented by the Vital Statistics Registrar to adequately record, track, and secure blank certificates in compliance with State requirements. Additionally, uniform procedures should be developed and communicated to ensure that all City assets are properly secured, including prescribed medications, sensitive medical supplies, and prescription pads. (Recommendation 1, Page 6)

The City Manager should ensure that all Managers of cash handling sites are trained on maintaining a proper control environment over cash handling. Specifically, all cash handlers and their Managers should attend ethics training. (Recommendation 2, Page 7)

The City Manager should ensure that proper cash handling internal controls are in place at all revenue collection sites. Also, the City Manager should consider revising City Administrative Directives to better address City-wide unique activities in the interest of good customer service. (Recommendation 3, Page 10)

The SAMHD Director should ensure that all cash handling sites are set up with the proper physical security structure to safeguard cashiers and their funds. (Recommendation 4, Page 12)

Based on the Risk Management Capability Matrix, as described in **Attachment A** on page 13, it was determined that the maturity level of SAMHD's processes capabilities for safeguarding cash and certain other non-cash assets were at the "Repeatable" stage. Formal procedures for some unique cash handling or asset safeguarding functions have not been developed or were out-dated. There were infrequent monitoring and supervisory review of cash handling activities at the various SAMHD sites. SAMHD's Management goal should be to strengthen cash and asset controls to the point where they are "Managed." At this stage, procedures and internal controls are well documented, kept current, and communicated to staff.

Background

The City of San Antonio has undertaken an ongoing cash handling evaluation initiative that involves Departmental review and updating of current cash handling policies and procedures. The Finance Department engaged the services of Garza/Gonzalez & Associates to perform agreed upon procedures with the purpose of assisting the City in evaluating the effectiveness of its internal controls for cash handling procedures. The firm issued a report dated February 23, 2004, which outlined recommendations for improvements to certain Departments' cash handling internal controls. In addition, the Finance Department developed a Citywide Cash Handling Policy and Procedures document to help guide Departments in developing their own procedures. The most recent draft version of the Citywide document, dated August 5, 2004, was used as a reference during the unannounced cash counts.

In an effort to address issues associated with monitoring cash handling activities, the City Manager's Cash Handling Action Team (CHAT) developed Video Monitoring and Recording Protocols. These protocols were issued to various City cash handling sites to provide uniform procedures for operating and monitoring cash handling security surveillance equipment.

SAMHD is the single public agency charged by State Law, City Code, and County Resolution with the responsibility for providing public health programs in San Antonio and the unincorporated areas of Bexar County. Although SAMHD is a City/County organization, administrative control is under the City of San Antonio since it operates as a City Department. SAMHD provides preventative health services, health code enforcement, clinical services, environmental monitoring, disease control, health education, dental health, and maintenance of birth and death certificates.

The Vital Statistics Division is the official local repository of birth and death certificates for Bexar County, and it compiles and forwards annual birth and death data to the State Registrar. For a fee, these documents are available to qualified applicants or organizations from one central and four satellite locations. In fiscal year 2005, Vital Statistics issued 41,507 birth certificates and 102,944 death certificates. **Exhibit 1** shows the fees that are currently charged for vital records.

Exhibit 1 – Vital Statistics' Fees for Birth and Death Certificates as of July 2006

Record Type	Fee	Description
Birth Certificate - Local	$ 23.00	Fee per certificate for person born in Bexar County
State/Wallet-sized Birth Certificate	23.00	Fee per certificate for person born anywhere in Texas after 1925
Birth Record Search Fee	23.00	Fee charged to search for a birth certificate that is either not found or not purchased
Death Record Search Fee	21.00	Fee charged to search for a death certificate that is either not found or not purchased
Death Certificate - 1st Copy	21.00	Fee for one death certificate
Death Certificate - Additional Copies	4.00	If an applicant purchases more that one copy of a death certificate in a single transaction, a fee of $4.00 is charged for each 2nd and subsequent copy

Source: Vital Statistics' Official Website

The SAMHD Medical Services and Nursing Divisions provide direct preventive health care services to San Antonio residents. The activities are fully integrated and fall into several functional areas including: well-child exams, immunizations, prenatal care, family planning services, breast health, dental preventive services, case management, and the control of communicable diseases. The Immunization Division provides routine childhood, adult/adolescent and foreign travel immunizations. The Control of Communicable Disease Division specifically provides screening, diagnosis, treatment, education, and contact investigations for tuberculosis (TB), HIV/AIDS, and sexually transmitted diseases. Patients are seen on a walk-in and appointment basis

SAMHD clinics provide public health services to patients regardless of their ability to pay. They are routinely screened for Medicaid, Children's Health Insurance Program (CHIP), and Medicare Part D eligibility. Patients, who are eligible for these programs, are provided with appropriate applications and information. Clients seeking family planning, prenatal care, or well-child services and who are not eligible for these services are screened for eligibility for Texas Department of State Health Services (DSHS) fee-for-service grants such as Title V, Title X, and Title XX. Clients with income higher than Medicaid, CHIP, or DSHS grants allow are charged the current Medicaid rate for services provided.

Children 0 to 18 years of age are screened for eligibility for the federal Vaccines for Children (VFC) program. VFC eligibility is based on the following criteria: Medicaid eligible; uninsured; underinsured; American Indian or Alaska Native. The VFC program funds the cost of the vaccine to eligible clients, but allows the State immunization provider to charge an administrative fee up to a maximum of $15 per dose. SAMHD clients who are VFC eligible and who are not covered by Medicaid or CHIP are charged an administrative fee of $5 per dose. Parents of children enrolled in Medicaid or CHIP are not charged an administrative fee since SAMHD can bill these State programs for the administrative cost. Those clients who have insurance coverage for immunizations are charged the full cost of each vaccine received.

The transactions and financial eligibility information of each client is entered into the Texas Department of State Health Services' Texas Wide Integrated Client Encounter System (TWICES). TWICES is a web-based, HIPPA-compliant system that provides individual client records and processes appropriate claim transactions for Medicaid, CHIP, and DSHS grants. The TB, STD, HIV/AIDS, and Breast Health programs are not fully operational in TWICES. All staff are trained in recording transactions in TWICES.

Exhibit 2 illustrates the amount of patient revenue collected for the SAMHD sites chosen for review during the eight month period ending June 2006.

Exhibit 2 – Cash Collections
October 2005 through June 2006

	Old Highway 90 Clinic	Westend Health Center	Naco-Perrin Clinic	Kenwood Clinic	Immunization Center
Amount of cash collections	$14,977	$25,964	$22,531	$18,946	$149,184

Source: Unaudited data provided by the SAMHD's Main Accounting Unit

Criteria

During the review, the following criteria was used to determine the adequacy of SAMHD's cash handling and revenue control activities:

- Most recent draft of the City of San Antonio's Citywide Cash Handling Policy and Procedures document, dated August 5, 2004
- Draft Administrative Directive 8.1 - Cash Handling Policy, dated December 16, 2005
- Administrative Directive 8.2 - Criminal History Background Checks for Cash Handling Positions, effective January 1, 2005
- Draft Administrative Directive 8.5 - Petty Cash Policy, undated
- SAMHD's Cash Handling Policy and Procedures, dated August 16, 2004
- Agreed Upon Procedures Report on Cash Handling issued by Garza/Gonzalez and Associates on February 23, 2004
- Office of Municipal Integrity's Cash Handling Review of City Departments on May 29, 2004

Also, the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control – Integrated Framework and the Sobel Risk Management Capability Matrix were used as criteria to measure controls and processes.

Audit Objectives and Scope

The objectives of the audit were to:

- Determine the real-time accuracy of SAMHD cash handlers and appropriateness of access to their funds
- Determine the adequacy of internal controls regarding cash handling and other essential City assets, in compliance with appropriate City policies and procedures, and best practices
- Determine the appropriateness of physical security, as it pertains to cash handling

The scope of the audit focused mainly on the SAMHD's collection and revenue control activities in Vital Statistics, Old Highway 90 Clinic, Westend Health Center, Naco-Perrin Clinic, Kenwood Clinic, and the Downtown Immunization Center during the unannounced site visits. Five of sixteen clinics receiving cash collections were reviewed during the audit.

Methodology

The methodology used for this project, generally, included the following:

- Conducting unannounced site visits and cash counts to evaluate daily collection activities
- Conducting interviews with SAMHD's management and staff
- Observing staff activities and supervisory monitoring, as it relates to cash handling, policies and procedures, and safeguarding of assets
- Observing facilities to ascertain the appropriateness of physical security protocols
- Verifying that SAMHD's petty cash and change funds on hand agree to authorized amounts according to the ERM/SAP System

The review was performed in compliance with generally accepted government auditing standards issued by the U.S. Government Accountability Office.

Observations and Recommendations

1. Various non-cash assets are improperly safeguarded

In addition to controlling cash collections, SAMHD employees have the responsibility of safeguarding other assets, such as blank certificates, prescribed medications, over-the-counter medications, and prescription pads.

1.1 Blank certificates are inappropriately secured

The Bureau of Vital Statistics - Texas Department of Health requires security measures regarding the storage/access of blank certificates. According to the State, access should be limited, logged, and issued by the "red" security number printed on the front of the certificate. It should be secured in such a manner to prevent loss by theft or burglary.

Condition

Blank certificates are inadequately secured by Vital Statistics. Stock paper is kept in several unsecured areas of the office, including printers and copiers that are easily accessible by anyone in the Department, including visitors. In addition, no records are maintained to track the distribution of these documents.

Exhibit 3 – Safeguarding Assets Results

Issues noted at Unannounced Cash Count	Vital Statistics *02/15/06*	Old Highway 90 Clinic *04/17/06*	Westend Health Center *04/20/06*	Naco-Perrin Clinic *05/01/06*	Kenwood Clinic *05/09/06*	Immunization Center *05/11/06*
Blank certificates are properly tracked and secured	No	N/A	N/A	N/A	N/A	N/A
Prescribed medications, vaccines, and sensitive medical supplies are properly secured	N/A	No	No	No	No	No
Blank prescription pads are properly secured	N/A	No	Yes	N/A	No	No

Source: This information is solely based on observations and interviews during the unannounced cash counts.
Note: "N/A" means that this issue was not relevant to this particular site

1.2 Prescribed medications, sensitive medical supplies, and prescription pads are inadequately secured

Condition

As noted in **Exhibit 3**, prescribed medications, such as birth control pills, were observed in unlocked cabinets in several clinics. Vaccines were stored in unlocked refrigerators located in areas of the clinic that were easily accessible to patients and unauthorized staff. In one clinic, syringes were observed in unsupervised areas that were accessible to patients and visitors in the lobby. In most of the clinics, blank prescription pads were found unsecured in the physician's desk drawers located inside examining rooms. Likewise, several pre-signed prescription pads for foreign travel were found in unsecured desk drawers.

Risks

Lacking proper security and internal controls, anyone in the office could easily make unauthorized copies of birth and death certificates and/or steal blank certificates without being detected. Violating State standards regarding security of these certificates may jeopardize the City's local registrar status.

Also, prescribed medications and sensitive supplies may be subject to misappropriation if not properly secured. Although certain safety standards are in place, individual violations need to be resolved.

Recommendations

The SAMHD Director should ensure that proper internal controls are implemented by the Vital Statistics Registrar to adequately record, track, and secure blank certificates in compliance with State requirements.

The SAMHD Director should update and communicate uniform procedures to ensure that all City assets are properly secured, including prescribed medications, sensitive medical supplies, and prescription pads.

2. The internal control environment needs improvement

The City's Cash Handling Procedures and best practices dictates that fundamental controls should be in place to protect City funds and other essential assets from loss or theft. To accomplish this, Managers should maintain an attitude of professional skepticism when implementing internal controls for their processes and procedures. There should also be reasonable segregation of duties and span of control when delegating authority and responsibility to supervisors or key staff. Thus, Management should not give autonomy to one person for essential functions in the organization.

Conditions

Vital Statistic Management and Clinic Supervisors have an unreasonable level of trust that Departmental staff will always behave ethically. As such, SAMHD's site Managers and Supervisors have not implemented adequate systems of internal control, including verification procedures for quality assurance.

Although all but one cash handler successfully completed cash handling training, none of the SAMHD cash handlers included in this review had undergone any type of ethics training as required in the City's Cash Handling Policy and Procedures.

The following internal control environment issues were noted in all of the sites evaluated:

- Management skepticism was lax
- Proper segregation of duties was not implemented
- Supervisory verifications were not performed throughout the cash handling process, although spot checks are made by the SAMHD Accounting Unit

Also, at two SAMHD sites, one employee was given too many responsibilities for key duties, with complete autonomy for carrying them out. No succession planning had been undertaken if the employees were to resign the position or take an extensive leave of absence.

Risks

Cash and/or other essential City assets may be subject to loss or pilfering. Without proper supervision and segregation of duties, an employee could undertake various improprieties against the City without detection. Instead, proper internal controls and ethics awareness would be essential for detection and prevention.

Also, if only one employee has complete responsibility over critical duties, the site's essential daily functions could suffer if the employee was to unexpectedly leave their position.

Recommendations

The City Manager should ensure that all Managers of cash handling sites are trained on maintaining a proper control environment over cash handling. Specifically, all cash handlers and their Managers should attend ethics training.

SAMHD Management should also ensure that proper segregation of duties is incorporated throughout essential processes, as well as an appropriate system of quality control.

3. General cash handling procedures are inadequate

To safeguard public funds and to maximize resources available for City use, fundamental controls associated with cash handlers and their processing of transactions should be in place to cover key areas, such as: preparing daily deposits, properly voiding transactions and tracking receipts. See **Exhibit 4** for the results of these and other related general cash handling internal control issues identified at the SAMHD sites.

Exhibit 4 – General Cash Handling Results

Issues noted at Unannounced Cash Count	Vital Statistics *02/15/06*	Old Highway 90 Clinic *04/17/06*	Westend Health Center *04/20/06*	Naco-Perrin Clinic *05/01/06*	Kenwood Clinic *05/09/06*	Immunization Center *05/11/06*
Deposits are performed on a daily basis	No	No	Yes	Yes	Yes	Yes
Checks are restrictively endorsed upon receipt	No	No	No	Yes	No	Yes
Proper chain of custody exists for the transfer of cash deposits	Yes	Yes	Yes	Yes	Yes	Yes
Adequate chain of custody exists when multiple cashiers are required to operate the same register	Yes	No	No	Yes	No	No
Reasonable number of staff have access to petty cash and change funds (should only be two staff)	No	No	Yes	Yes	No	No
Petty cash and change funds are used as intended	Yes	Yes	Yes	Yes	Yes	Yes
Petty cash and change fund balances matched with information in the ERM/SAP System	No	Yes	Yes	Yes	Yes	No
Staff adhere to the City's policy of not using petty cash, change funds, or daily collections to cash personal checks	Yes	Yes	N/A	Yes	Yes	Yes
Prenumbered receipts are utilized for tracking receipts	Yes	No	No	Yes	No	Yes
Adequate controls are in place for voiding transactions	Yes	No	No	No	No	No
Staff adhered to the City's operating procedure of not accepting check payments in excess of sale amounts	No*	Yes	N/A	Yes	N/A	Yes
Clear signs are posted around the cashier's area informing customers to always obtain receipts for services	Yes	Yes	No	Yes	Yes	Yes

Source: This information is solely based on observations and interviews during the unannounced cash counts.

* The City's Cash Handling Policy and Procedures document does not address the unique activities performed by the Division in the interest of good customer service.

3.1 Deposits are not prepared timely

Condition

Two of the SAMHD sites visited were found to have several days of cash receipts that were not submitted for daily deposit. According to the staff, this lag was due to the absence of the employee who normally performs this task. Likewise, while visiting another site, stacks of opened and unopened envelopes containing a total of 60 checks and money orders totaling over $1,400 were found sitting unsecured on a mail clerk's desk. Some of the envelopes were stamp-dated up to a week old. Furthermore, it was noted that these checks had not been restrictively endorsed upon receipt.

3.2 Cashiers share cash registers

Condition

Although no material discrepancies were found during the surprise cash counts of cashiers' registers and daily deposits, five of the six SAMHD sites reviewed were found to have two or more employees share the cash register during the day. There were no cash handling internal controls that restricted access of daily collections to one individual or adequate chain of custody when multiple cashiers were required to operate the same register.

3.3 Unreasonable access and discrepancies were found with change funds

Condition

During the site visits, four of the six SAMHD sites reviewed were found to have three or more employees with access to the safe securing petty cash and/or change funds. According to SAMHD's procedures, only two employees should possess access to the keys and combination to the safe. Also, two of the site's change fund balances on hand did not match the City's ERM/SAP System records. In both cases, Management was unable to provide an explanation for the discrepancy.

3.4 Prenumbered service receipts are not uniformly utilized

Condition

SAMHD clinics utilize several manual receipts to account for the various services rendered. The type of receipt issued to patients is dependent on the service provided by the clinic (i.e., immunization, dental, family planning, maternal health, well-baby check-up, etc.). However, these receipts are not prenumbered for tracking purposes. Currently, the "Immunization and Screening Fees" receipts and the "Maternal Health Services Invoice and Receipts", which are used for immunizations and maternal health, are the only prenumbered receipts used by clinics.

With the exception of immunization receipts, daily receipts are accounted for based on a Texas-Wide Integrated Client Encounter System (TWICES) number issued to patients. However, this is a State-wide computer-generated number used by the Texas Department of Health for tracking and billing purposes. It is sequentially numbered for the State, not by individual clinic.

3.5 Adequate controls are not in place for voiding transactions

Condition

According to SAMHD Clinic staff and their Main Accounting Unit, errors are not to be voided on the cash register. Instead, the cashier is to ring the order up correctly and simply make a note of the mistake on the register tape and have a Manager or Supervisor sign off on it. However, there are no access restrictions on the cash register that would prevent anyone from physically voiding a transaction. In fact, some instances were found where mistakes were corrected on the register tape without the supervisor's approval.

3.6 Check payments are accepted in excess of sales

Condition

According to the City's Cash Handling Policy and Procedures, Departments should not accept check payments in excess of sales. Although SAMHD Clinic sites were found in compliance with this policy, it should be reevaluated for Vital Statistics. Vital Statistics accepts mailed check payments in excess of the cost of birth and death records in the interest of good customer service. Based on the unique activities of Vital Statistics, the City's Cash Handling Policy and Procedures may not be designed to meet the business needs of all revenue sites.

Risks

Without adequate cash handling internal controls, which includes daily deposits, proper chain of custody, restrictive access to funds, use of prenumbered receipts, and adequate controls for voiding transactions; cash collections may be subject to theft or human error without detection.

Consequently, if the City's Cash Handling Policy and Procedures do not address the unique services provided by revenue sites, customer service may suffer.

Recommendations

The City Manager should ensure that Management is made aware of the risks associated with cash handlers performing fraud activities at collection sites. Proper cash handling internal controls should be in place to ensure that all revenue collection sites:

- Process and deposit all cash collections on a daily basis
- Utilize proper chain of custody while handling their funds
- Restrict access to cash collections, petty cash, and change funds
- Reconcile the petty cash and change fund balances with the ERM/SAP System records
- Restrict voiding transactions to require supervisory approval
- Utilize and track prenumbered receipts for all transactions

The City Manager should also consider revising City Administrative Directives to better address City-wide unique activities in the interest of good customer service.

4. Physical security is inadequate to safeguard cash handlers and their funds

Proper planning, expertise, and design are essential when installing physical controls over cash handling. Fundamental cash handling security features dictate that, when appropriate, customers should have limited access to the cashiers and their register tills.

4.1 SAMHD sites are not designed for optimal cash handling control

Condition

As noted in **Exhibit 5**, none of the sites examined were properly secured from unauthorized access to the cashiers' area. The following issues were identified with the security of the area:

- Windows, if any exist, do not separate cashiers and their funds from the general public
- Easily accessible from the waiting and examination rooms
- Located in unsecured offices
- Unreasonably close to the exit of the facility

Exhibit 5 – Physical Security Results

Issues noted at Unannounced Cash Count	Vital Statistics *02/15/06*	Old Highway 90 Clinic *04/17/06*	Westend Health Center *04/20/06*	Naco-Perrin Clinic *05/01/06*	Kenwood Clinic *05/09/06*	Immunization Center *05/11/06*
All cash handling areas are secured from inappropriate access	No	No	No	No	No	No
All cash handling areas are properly equipped with surveillance cameras	No	No	Yes	Yes	No	No
Safe is located in a properly secured area	Yes	No	Yes	No	No	No
Combination to the safe is changed whenever an employee with access officially leaves the clinic	N/A	N/A	N/A	No	Yes	Yes
Designee and alternate staff are officially assigned and trained to operate video surveillance equipment	No	No	No	No	No	N/A
Video surveillance monitor is located in a properly secured area away from the cash handlers	No	No	No	No	No	Yes
Appropriate staff are aware of and adhering to the City's Video Monitoring Protocols	No	No	No	No	No	N/A

Source: This information is solely based on observations and interviews during the unannounced cash counts.
Note: "N/A" means that this issue was not relevant to this particular site

4.2 Controls associated with video surveillance equipment need enhancement

According to the Cash Handling Action Team's (CHAT) Video Monitoring and Recording Protocols, a Designee and Alternate employee shall be assigned and trained to operate the video surveillance equipment. Also, the recording device (monitor) is to only be accessible to the Designee or Alternate.

Condition

SAMHD Management has given the Main Accounting group sole responsibility for monitoring and operating the video surveillance equipment at the Vital Statistics and clinic sites. None of the staff at Vital Statistics and clinics were assigned and/or properly trained to operate the surveillance equipment. Thus, adequate monitoring is not being performed as intended.

In addition, the video cameras are not placed in all proper cash handling and security areas for optimal surveillance. Based on site visit observations, video cameras were either not located where cash counts occurred, lacking in number, and/or improperly focused on nonessential areas. Furthermore, the monitors for viewing the security cameras are either located in inappropriate areas or are improperly secured from unauthorized personnel.

Risks

The safety of cashiers and their funds are subject to undue jeopardy without adequate physical security measures in place from unauthorized access. This is enhanced by the fact that surveillance equipment, and monitoring of such, is not being utilized at an optimal level. Therefore, inappropriate cash handling activities, or issues associated with safety, may not be properly detected.

Recommendations

The SAMHD Director should ensure that all cash handling sites are set up with the proper physical security structure to safeguard cashiers and their funds.

The City Manager should ensure that the CHAT's Video Monitoring and Recording Protocols are finalized and communicated to appropriate City staff. Also, the SAMHD Director should consider decentralizing cash handling monitoring to allow this function to be performed by appropriate on-site staff.

Attachment A

Risk Management Capability Matrix

In performing this audit, the process risk management capabilities were considered for purposes of determining SAMHD's key risks to the City. Below is the process audit matrix organized by the five recognized capability maturity/development stages. Most entities achieve at least the managed stage while fewer achieve the optimized stage for mature processes.

Process Capabilities

Stage	Procedures	Controls and Process Improvements	Metrics
Ad Hoc	No formal *procedures* exist.	*Controls* are either non-existent, or are primarily reactionary after a "surprise" within the company.	There are no *metrics* or monitoring of performance.
Repeatable	**Some standard *procedures* exist.**	**Detective *controls* are relied upon throughout the company.**	**Few performance *metrics* exist, thus there is infrequent monitoring of performance.**
Defined	*Procedures* are well documented, but are not regularly updated to reflect changing business needs.	Both preventive and detective *controls* are employed throughout the company.	Some *metrics* are used, but monitoring of performance is primarily manual.
Managed	*Procedures* and *controls* are well documented and kept current.	Best practices and benchmarking are used to *improve* process in certain areas of the company.	Many *metrics* are used, with a blend of automated and manual monitoring of performance.
Optimized	*Processes* and *controls* are continuously reviewed and *improved*.	Extensive use of best practices and benchmarking throughout the company helps to continuously *improve* processes.	Comprehensive, defined performance *metrics* exist, with extensive automated monitoring of performance employed.

Metrics provide a means for measuring how well a control or process is performing.
Source: 2004 Auditor's Risk Management Guide, CCH Incorporated, 2004. Paul J. Sobel, CPA, CIA