

Government is in the service business and as such must provide the best services for its constituents' money. By legislating the creation of the Audit Committee and Internal Audit Department in 2000, Summit County voters stated their desire for the accountability of management and efficiency of operations of their government. This legislation was so important to the voters, that they made it part of the Summit County Charter. By this legislation, the voters notified all Summit County governmental entities receiving any monies from them, either by taxes, levies, fees or other means, that they are subject to audit by the Internal Audit Department to ensure their money is spent prudently and in their best interest.

IAD is integral to assisting the County in implementing well-defined management requirements and significant internal control creation and oversight in order to remain stable now and provide for economic growth to sustain itself in the future. IAD's assistance with Summit County goals is far reaching. Positive bond ratings could be affected by audit report statements of assurance. Social services and criminal justice systems could have more funds available to accomplish their goals and consolidation of shared services and management could provide more money for the safety and well being of all Summit County residents. Fiscal and management expertise could become election prerequisites. When a tax measure is brought before the voters, it could be looked upon as a real need. Elections could be decided by an informed constituency.

Oversight and accountability of the hard-earned money coming from Summit County residents' pockets to the County's coffers, rather than a freely flowing faucet of money, makes government more persistent in budgeting and working within its means. Government's transparency of operational processes, open for the public's review, is central to bringing about management responsibility. More importantly, requiring skills and training for elected officials and their management teams fulfills the expectation that they are responsible for the performance quality of their programs. We believe that by utilizing IAD's expertise, Summit County government is evolving into a more accountable, efficient, and effective environment that we all support.

### **Preliminary or "Snapshot" Audits**

During the course of the Countywide Risk Assessment, it became apparent to the IAD that a general lack of understanding of business processes and practices and internal controls was widespread. Due to the nature of the many and varied risks, time was of the essence. It was decided that the best course of action to ascertain and address the highest risks in the shortest time possible was to perform a high level review of the operations of each of the identified audit population.

- To address internal control implementation and management.
- To encourage development of department-specific policies and procedures.
- To review current or recommend development of new disaster recovery plans and make recommendations on best practices.

- To address the numerous security issues inherent in a government workplace.

### **Preliminary Audit Follow-Ups**

IAD recommended to the Audit Committee that follow-up audits be performed approximately six to nine months after the preliminary audits are conducted to monitor the progress of management's action plans. The department began these follow-ups in June 2005.

### **Comprehensive Audits**

Comprehensive auditing calls for examination of the adequacy, legality, accountability and efficiency of the application of public funds.

The scope of comprehensive audits includes, but is not limited to, the following processes:

- Planning and research.
- Document and test internal controls.
- Identify and evaluate organizational risk areas.
- Perform analytical reviews.
- Detail review and testing of processes and procedures.
- Conduct compliance testing, if applicable.
- Review reconciliation processes, if applicable.
- Assess operational efficiency and effectiveness.
- Identify audit issues and provide recommendations for improvement.

### **Non-Audit Services**

In addition to the audits and ongoing risk assessment, the IAD has also been requested to provide non-audit services by its Audit Committee and various County officeholders, departments, courts, boards, and agencies. IAD worked closely with the blue ribbon committee to perform the CSB Performance Audit Review. The Audit Committee, Criminal Justice Advisory Board (CJAB), and Luminosity requested IAD's assistance on matters related to the Jail Overcrowding project. CJAB also asked IAD to work on the workflow and state reimbursement issues for the Public Defender's Office Indigent Defense fund. IAD performed a third party billing audit of Medical Mutual of Ohio, upon request of the Insurance & Risk Management

Department. The Human Resource Commission solicited assistance with the rewrite of Section 169 of the Summit County Codified Ordinances as well as a review of the FMLA process and the Leave Donation programs. IAD assisted the Department of Development with compliance matters. MRDD requested a review of some of its fiscal processes. The IT Advisory Board and the Audit Committee asked IAD to review the requests for proposals and responses, as well as attend meetings and vendor presentations for the Jail Management System, Case Management System, and Wide Area Network project. IAD worked with CJAB and members of the criminal justice system on the Countywide property and evidence initiative. The Office of Finance and Budget requested that IAD work with the Procurement Card Program team on its design, implementation, and testing. IAD worked with the IT Advisory Board and the Emergency Management Agency on the Countywide business continuity/disaster recovery initiative.

In addition to its non-audit services, IAD brings value-added services to each audit the department performs. IAD works with each auditee's staff to provide recommendations on internal controls, segregation of duties, cash handling, human resources, compliance, security or any other vulnerable areas the auditors observe or that management relates.

As you can see, opportunities where IAD's expertise has been requested are many and varied. It is IAD's mission and goal to assist County entities in any manner to bring best business practices to all levels of County government to give the taxpayers of the County the best services for their tax dollar.