

**Summit County Executive Office
Communications Department
Follow up Audit Report**

**Prepared For:
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Audit Committee**

**Approved by Audit Committee
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**Summit County
Internal Audit Department
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**Summit County Executive Office
Communications Department
Follow up Audit**

Auditors:

Lisa Skapura, Assistant Director, Mira Pozna, Deputy Director and Anthony Boston, Internal Auditor.

Objective:

To determine if management has implemented their management action plans as stated in the previously issued Preliminary and Follow up Audit reports.

Scope:

An overview and evaluation of policies, processes, and procedures implemented by the department/agency because of management actions stated in the management action plans during the Preliminary and Follow up Audit process.

Testing Procedures:

The following were the major audit steps performed:

1. Review the final Preliminary report to gain an understanding of IAD issues, recommendations, and subsequent management action plans completed by the audited department/agency.
2. Review the work papers from the Preliminary Audit.
3. Review any departmental/agency response documentation provided to IAD with management action plan responses following the Preliminary Audit.
4. Identify management actions through discussions/interviews with appropriate departmental personnel to gain an understanding of the updates/actions taken.
5. Review applicable support to evaluate management actions.
6. Determine implementation status of management action plans.
7. Complete the first Follow-up Audit report noting the status of previously noted management actions.

Summary:

Of the twelve issues and the corresponding management action plans noted in the Preliminary Audit Report, the Summit County Executive Office: Communications Department fully implemented all twelve management action plans.

Based on the above noted information, IAD believes that the Communications Department has made a positive effort towards implementing the management action plans as stated in response to the issues identified in the preliminary audit and no further follow up is needed.

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Detailed Comments**

Listed below is a summary of the issues noted in the Follow up Audit Report, their status and updated Management Action Plan. Each issue number is in reference to the Preliminary Audit report:

Management Action Plans Fully Implemented:

- **Issue 1-** IAD noted during employee interviews, that there is no formalized training or cross-training of Communication Department employees, however, IAD recognizes that the department employees do informally cross-train one another, and based on interviews, the department has made efforts to begin a cross-training program as discussed in their staff meetings.

Upon review of policy and procedures and upon observation, IAD confirmed employees were cross-trained.

- **Issue 2-** IAD noted that during the preliminary interviews all employees, with the exception of one, indicated that they were unaware of a conflicts of interest policy. Upon review of the Summit County Employees Policies and Procedures manual, which the employees stated are followed, IAD noted that there was a Conflict of Interest policy present. Upon review of the employees' personnel files, it was confirmed that the policy and procedure manual sign-offs were present for all employees (including YES).

Through inquiry with staff and upon review of staff meeting minutes, IAD confirmed staff re-reviewed the Executive's Personnel Manual.

- **Issue 3-** The Department of Communications does not have formal written policies and procedures that cover the majority of the administrative processes and day-to-day functions of the department including, but not limited to the following areas:
 - Expenditures/Procurement
 - Cash Handling
 - New hire/terminations

The only department specific procedure provided to IAD during the course of the audit was an "8th Floor Executive Office Daily Responsibilities" sheet, for the Secretary 3, dated May 18, 1999.

Therefore, the department is unable to ensure that the administrative processes and work flows are being followed consistently and appropriately and are in accordance with policies.

Upon review of the Communications Department policy and procedures manual IAD confirmed the procedures for the administrative processes and day-to-day functions of the department were included.

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- **Issue 4-** Youth Employment for Success (YES) does not have formal written policies and procedures that cover the majority of the administrative processes and day-to-day functions of the department including, but not limited to the following areas:
 - Expenditure process
 - DJFS monthly reporting
 - Program Administration
 - Participant Services (registering, intervention, etc.)

Therefore, the department is unable to ensure that the administrative processes/work flows are being followed consistently, appropriately, or in accordance with policies.

Additionally, IAD noted that the department has two manuals: a participant manual and a worksite supervisor manual, which lacked effective dates and approvals.

Upon review of the YES policy and procedures manual IAD confirmed the procedures for the administrative processes and day-to-day functions of the department were included.

- **Issue 5-** Upon review of the expenditure process questionnaire, IAD noted that the Executive Assistant 2 is responsible for completing purchase requisitions and is the emergency back up for approving purchase requisitions.

Through inquiry with the Deputy Director, IAD confirmed that he has been cross-trained on approving requisitions in Banner.

- **Issue 6-** Upon review of the Department of Communications expenditures selected for testing, IAD noted 2 out of 28 expenditures that did not have proper approval present.

Through testing, IAD confirmed that all invoices were appropriately authorized.

- **Issue 7-** Upon review of the “Parking Ticket Validation” logs, IAD was unable to access the reasonableness of free parking requests, largely because individual names were hard to decipher. Additionally, IAD could not determine if the individual receiving the validation was listing their respective department/company or was listing the department that was being visited. Furthermore, when IAD inquired about several names that appeared frequently on the logs, no assurance was given that the request for free parking was for county business.

Upon observation, IAD confirmed that the new Parking Deck Validation form was being utilized.

- **Issue 8-** Upon discussion with the Public Information Officer, donation monies are currently received via interoffice mail, which is unsecured, or personally delivered by a donating employee. Cash donations, as well as checks, sent via interoffice mail are not guaranteed to be received in full by the department, as they could be lost, stolen, or bank account information improperly acquired. Additionally, this does not allow for the issuance of a receipt to the donating party.

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Through observation, IAD confirmed that a depository safe and receipt book were being utilized and a cash handling policy was being followed.

- **Issue 9** - There is no formal reconciliation process in place for cash donations. A complete reconciliation is not feasible until donor receipts are issued for all cash donations received, as this is an integral part of reconciliation.

Upon review of the Policy and Procedures manual IAD verified that a formal cash handling policy is in place which includes the utilization of a receipt book to track donations received. In addition, through observation, IAD confirmed evidence of a Serving our Soldiers flower sale reconciliation of income and expenses.

- **Issue 10-** IAD noted that cash donations collected by the Public Information Officer are maintained in an unsecured cash box. At times monies in excess of \$1,000 dollars is maintained for weeks at a time. During the day, the cash box is kept, with the key in the keyhole, in a desk drawer. At the end of the day the key is removed from the cash box and placed in a separate desk drawer and the office is secured. IAD notes that there are multiple Summit County employees that have access to that office.

Additionally, cash donations collected by the Community Relations Specialist are maintained in an unlocked office, both during the day and at night. Money on hand is typically a low dollar amount that is used for postage for military care packages.

Through observation, IAD confirmed that a depository safe and receipt book were being utilized.

- **Issue 11-** Upon discussion with the Public Information Officer and the Community Relations Specialist, IAD noted the following:
 - a. The Public Information Officer collects donations (via interoffice mail or hand delivered) for miscellaneous County fundraisers, counts the money with the Community Relations Specialist, and delivers the money to the charity.
 - b. The Community Relations Specialist collects donations (through bake sales, raffles, etc.) for the Serving Our Soldiers (SOS) fundraiser, counts the money, and delivers the money to the charity.

Upon review of the Auditor of State Best Practices in Cash Handling, governments should segregate duties between collection, reconciliation, and deposit processes.

Through observation, IAD confirmed that the cash handling process was segregated.

- **Issue 12-** Upon discussion with the Community Relations Specialist and Executive Assistant II, cash donations received from select fundraising activities are counted by one person. This leaves open the opportunity for misappropriation of funds and does not help to protect the Department of Communications from false accusations of missing donations.

Through observation, IAD confirmed that cash was counted/reconciled by two employees.

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Security Follow-Up:

Security follow-up issues noted during fieldwork are addressed under separate cover in the accompanying report in compliance with Ohio Revised Code §149.433.