

**County of Summit Executive's Office**  
*Department of Job and Family Services*  
*Family and Adult Services Division*  
**Performance Audit Report**

**Prepared for:**

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**Audit Committee**

**Approved by Audit Committee**  
**September 8, 2015**



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*DJFS – Family and Adult Services*  
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**EXECUTIVE SUMMARY**

**Total Number of Issues –2**

**Policies and Procedures**

Section	# Issues	Issue Descriptions	Page Ref.
Policies and Procedures	1	<ul style="list-style-type: none"> <li>• Employee names referenced in manual; no formal approval by management</li> </ul>	7

**Internal Controls**

*Strong Internal Controls:*

Testing Section	# Issues	Issue Description	Page Ref.
Regulatory Compliance	0	N/A	7

*Weaknesses in Internal Controls:*

Testing Section	# Issues	Issue Descriptions	Page Ref.
Case Management	1	<ul style="list-style-type: none"> <li>• Unable to confirm utilization of the automated system alien verification (SAVE) to confirm authenticity of documents provided by refugees.</li> </ul>	8

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**GENERAL BACKGROUND**

The Summit County Department of Job and Family Services (DJFS) exists to serve the people of Summit County, Ohio, by providing social and career-development services to better the lives of the entire community.

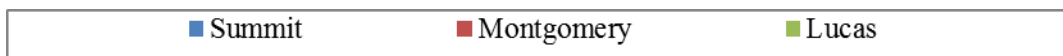
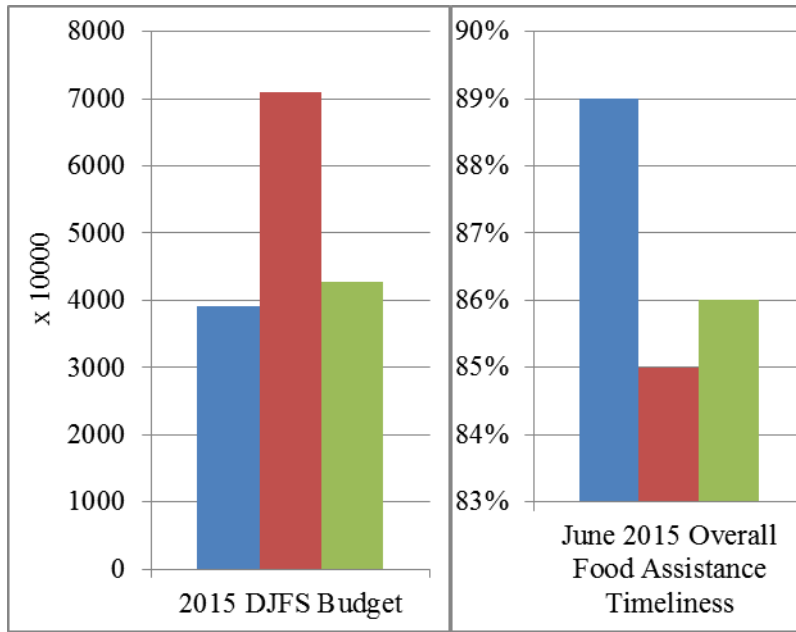
The Summit County DJFS is funded at the county, state and federal level and is charged with executing various programs designed to help people with certain financial, medical and social services. These programs are in place to help ensure that everyone’s basic needs are met, including sufficient nourishment, shelter, medical care and critical social services ranging from childcare to career development.

Job training and skill building are critical DJFS missions, intent on providing clients the education, life and workforce skills necessary to find quality jobs and transition to sustainable financial independence.

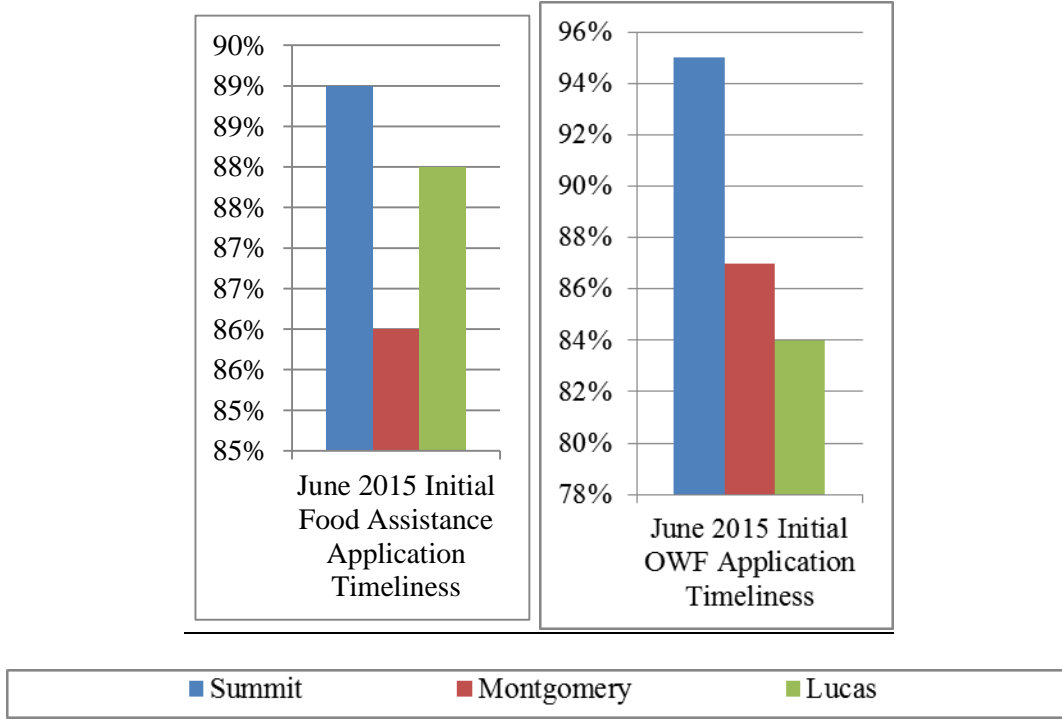
The Family and Adult Services Division is responsible for managing the Ohio Works First (OWF), Food Assistance, and Medicaid programs.

Ohio Works First (OWF) is the state’s response to the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) passed by Congress in 1995 and implemented in 1997. OWF emphasizes employment, training, education, and support services. Federal and state regulations mandate that individuals in receipt of OWF cash assistance through Temporary Assistance to Needy Families (TANF) must participate in allowable work activities in order to receive these benefits. The required hours of monthly work participation is determined by the recipient’s cash and food assistance amounts, the Fair Labor Standards Act (FLSA), the number of parents living in the household, and the ages of their children. Clients are assessed for barriers to work, assigned to a work activity, and monitored by agency staff to ensure compliance and movement toward self-sufficiency, including, but not limited to, employment.

IAD compared DJFS’ 2015 operating budget, overall food assistance timeliness food assistance application timeliness, and Ohio Works First application timeliness for June 2015 to DJFS from comparably populated counties – Montgomery and Lucas. The comparisons are represented in the graphs below:



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**AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY**

The primary focus of this review was to provide the Department of Job and Family Services, Family and Adult Services Division (FAS) with reasonable assurance, based on the testing performed, on the adequacy of the system of management control currently in effect for the audit areas.

Management controls include the processes for planning, organizing, directing, and controlling program operations, including systems for measuring, reporting, and monitoring performance. Management is responsible for establishing and maintaining effective controls that, in general, include the plan of organization, as well as methods and procedures to ensure that goals are met. Specific audit objectives include evaluating the policies, procedures, and internal controls related to FAS.

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.

Based on the results of our review, we prepared specific issues and recommendations for improvement that were discussed with management. These recommendations, as well as management's unaltered written response, can be found in the following sections of this report.

**Objectives:**

- To obtain and review the current policies and procedures.
- To review the internal control structure through employee interviews and observations.
- To perform a general overview of the physical environment and security of the facilities, data, records and departmental personnel.

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**Scope:**

An overview and evaluation of the existing policies, processes, procedures, contracts and internal control structure utilized by FAS from June 1, 2014 through May 31, 2015.

The following were the major audit steps performed:

**OBJECTIVE 1 – POLICY AND PROCEDURES REVIEW**

1. Obtain and review the current policies and procedures.
2. Meet with the appropriate personnel to obtain an understanding of the current department processes and procedures. Compare those existing processes to the policies and procedures manual for consistency, noting all exceptions.
3. Obtain and review the document retention policy and determine if policies and procedures are currently in place and being followed.
4. Test procedures for mandatory compliance where applicable.
5. Identify audit issues and make recommendations where appropriate.

**OBJECTIVE 2 – REVIEW OF INTERNAL CONTROLS**

1. Meet with the appropriate personnel to obtain an understanding of the control environment.
2. Document the existing control procedures in narratives and/or flowcharts.
3. Compare existing processes to the policies and procedures manual for consistency.
4. Test procedures for compliance where applicable, noting all exceptions.
5. Investigate discrepancies and summarize results.
6. Make recommendations where appropriate.

**OBJECTIVE 3 – REVIEW OF SECURITY (covered in a separate report in compliance with ORC §149.433).**

1. Perform a general overview of the physical environment and security of the department/agency being audited.
2. Interview various personnel to determine that confidential information is secure and processed only by appropriate parties.
3. Test security issues where appropriate.
4. Analyze current policies and make recommendations.

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**DETAILED COMMENTS**

Interviews:

To gain an understanding of FAS, IAD performed interviews with the following positions:

- Assistant County Human Services Administrator
- Social Program Manager DHS (3)

Any issues noted are addressed in the respective sections of this report.

**I. Policy and Procedures Review:**

Policies were reviewed for each of the following applicable testing sections within the audit for accuracy and completeness and compared to current processes for consistency. The Records Retention Schedule was also reviewed for completeness and compared to processes throughout the audit to ensure that the schedule contained all relevant documents.

The following issue was noted:

1. Issue:

Upon review of the Policy and Procedure Manual for completeness and accuracy, IAD noted employee names referenced and no formal approval by management.

Recommendation:

IAD recommends that updates be made to reference titles in place of names and that all policies and procedures be updated/reviewed with management approval documented. This will help to ensure approved policies and procedures are in place and consistently followed by employees.

Management Action Plan:

The FAS Management Team will be making updates to our Policy and Procedure Manuals, removing all references to names, replacing them with position titles. An additional page will be added to each manual with signatures of the approving Manager, Deputy Director and the Agency Director.

Target Date: 11/01/15

**II. Internal Control Testing:**

Risk-based internal control testing and/or observations were performed in the following areas:

- Regulatory Compliance
- Case Management

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**REGULATORY COMPLIANCE**

Applicable sections of the Ohio Revised Code (ORC), Ohio Administrative Code (OAC), and Codified Ordinances were reviewed and attributes were developed to ensure compliance with applicable rules and regulations.

No issues noted.

**CASE MANAGEMENT**

Policies and procedures and the ODJFS e-Manuals were obtained and reviewed, interviews were conducted, and flowcharts were reviewed, to gain an understanding of the case management process (intake, redetermination, OWF (Cash Assistance), DFA (Disability Financial Assistance), and Medicaid).

Samples of the following cases were haphazardly selected and detail testing was performed to confirm compliance with the ODJFS e-Manuals:

- Super Bank (active OWF and Medicaid) – one hundred (100) cases
- Refugee Cases – twenty-five (25) cases

The following issue was noted:

2. **Issue:**

Upon review of refugee cases, IAD noted nineteen (19) out of twenty-five (25) instances where IAD was unable to confirm if the automated system alien verification (SAVE) was utilized to confirm authenticity of documents provided by the refugee, in accordance with the Cash Assistance Manual.

**Recommendation:**

IAD recommends that documents be reviewed in the automated system alien verification system. This will help to ensure authenticity of documents provided by the refugee and compliance with policies and procedures.

**Management Action Plan:**

Since the discovery of the SAVE issue, a reminder email was sent to all FAS staff reminding them of the policy in regards to utilizing SAVE when determining SNAP, TANF and Medicaid eligibility. In addition, the policy was distributed by our Training and Professional Development Division to all Case Management Staff. All Case Managers were required to sign off that they had received, read and understood the policy. We will continue to monitor these cases to ensure that SAVE is being utilized on all non-citizen cases.

Target Date: Completed and ongoing

**II. Security:**

Security issues noted during fieldwork are addressed under separate cover in the accompanying report in compliance with ORC §149.433.