

County of Summit
Alcohol, Drug Addiction and Mental Health Services Board
Oriana House Contract
Performance Audit Report

Prepared for:

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Audit Committee

Approved by Audit Committee
June 19, 2017



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EXECUTIVE SUMMARY

Total Number of Issues –0

Internal Controls

Strong Internal Controls:

| Testing Section | # Issues | Issue Description | Page Ref. |
|-------------------------------|-----------------|--------------------------|------------------|
| Bill Reconciliation (Monthly) | 0 | N/A | 5 |
| Billing | | | 5 |

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GENERAL BACKGROUND

The County of Summit Alcohol, Drug Addiction and Mental Health Services Board (ADM Board) is responsible for planning, funding, monitoring and evaluating treatment, prevention and support services for people who experience alcoholism, drug addiction and/or mental illness. The ADM Board does not provide direct service, but contracts with local agencies to provide quality, affordable services for individuals in Summit County.

The ADM Board entered into a contract with the Oriana House on January 1st, 2016 to assist in providing these services.

AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

The primary focus of this review was to provide the ADM Board 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 the ADM Board.

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:

1. To determine if ADM Board was billed correctly in accordance with the contractual terms for the following programs:
 - Court Case Management & Pretrial
 - Special Housing Adjustment Residential Program (SHARP) Program
 - Felony Drug Court and Jail Intervention Services

Scope:

An overview and evaluation of the billing processes utilized by Oriana House for the period of July 1, 2016 through December 31, 2016.

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The following were the major audit steps performed:

OBJECTIVE 1 – CONTRACT COMPLIANCE

1. To determine if ADM Board was billed correctly in accordance with the contractual terms for the following programs:
 - a. Court Case Management & Pretrial
 - b. Special Housing Adjustment Residential Program (SHARP)
 - c. Felony Drug Court and Jail Intervention Services
2. Investigate discrepancies and summarize results.
3. Make recommendations where appropriate.

DETAILED COMMENTS

I. Contract Compliance

IAD obtained and reviewed the current contract between ADM Board and Oriana House and compliance testing was performed, and supporting documentation was reviewed for the following areas:

- Bill Reconciliation (Monthly)
- Billing

BILL RECONCILIATION

Monthly Remittance Advice Reports (total claims paid by ADM Board) for the SHARP and Court Case Management and Pretrial Service programs were obtained for the period 7/1/16 through 12/31/16 and reconciled to ADM Board's Agency Procedure Total Report to ensure total claims received (Oriana House) agreed to total claims paid (ADM Board).

No issues noted.

BILLING

A sample of clients was selected from the SHARP and Court Case Management and Pretrial Services programs for the period 7/1/16 through 12/31/16 to ensure services provided were properly supported and invoiced correctly.

Additionally, SHARP program clients were compared to Summit County and City of Akron invoices to ensure duplicate billing did not occur.

Drug Court and Court Case Management and Pretrial Services employee salary worksheets were reconciled to ensure employee salaries were not double billed.

The following general recommendation was noted:

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General Recommendation:

Upon discussion, IAD noted that a one-time payment of \$73,000 was made to Oriana House to cover caseworker salaries due to the termination of a State grant. If this payment continues into future contract periods, IAD recommends that the payment terms be added to the annual contract. This will help to ensure that all funding is properly document in the contract.

No issues noted.