

Summit County Children Services Performance Audit General Report

Prepared for:

**Cassandra Holtzmann
Audit Committee**

**Approved by Audit Committee
December 13, 2022**



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EXECUTIVE SUMMARY

Total Number of Issues – 22

Policies and Procedures

Section	# Issues	Issue Descriptions	Page Ref.
Policies and Procedures Manual	4	<ul style="list-style-type: none"> • Instances where policies have not been updated or reviewed in the last two (2) years. • Employees are not required to acknowledge receipt & review of policies & procedures. • Insufficient policies and procedures. • Instance where an SCCS document was not noted on the Records Retention Schedule (RC-2). 	7

Internal Controls

Strong Internal Controls:

Testing Section	# Issues	Issue Description	Page Ref.
Fringe Benefits	0	N/A	17
ORC/OAC Compliance			17
SCCS Vehicles			21

Weaknesses in Internal Controls:

Testing Section	# Issues	Issue Descriptions	Page Ref.
Revenue	5	<ul style="list-style-type: none"> • Instances where funds were not timely deposited. • Instances where receipts for expenditures could not be located for the petty cash fund. Petty cash spreadsheet has not been maintained since February of 2017. • Instances where a client acknowledgement form was not obtained for monies given to a client. • Instances where gift cards observed in the safe exceeded the amount on the tracking sheet, totaling \$320. Instances where the gift cards observed in the safe were less than the amount on the tracking sheets, totaling \$364.84. • Instances where fields on the gift card tracking sheet were incomplete, instances where the gift card was disbursed with no documentation, instances where the client was not active in SACWIS when the gift card was disbursed and instances where the gift card acknowledgement form was not signed. 	10
Purchasing & Expenditures	2	<ul style="list-style-type: none"> • Instances where a proper segregation of duties could not be confirmed over the purchasing and receiving process. Additionally, a policy does not exist over this process. 	13

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		<ul style="list-style-type: none"> Instances where the Procurement Authorization Form was not completed for purchases made, in accordance with the Procurement Plan. 	
Asset Inventory	2	<ul style="list-style-type: none"> No formal policy regarding the tracking of general assets; therefore, testing could not be performed. No formal policy regarding general and IT asset disposals; therefore, testing could not be performed. 	14
Payroll	2	<ul style="list-style-type: none"> Instances where Akron Police Department (APD) officers appear to be misclassified and should be independent contractors instead of SCCS employees. Instances where SCCS employees, who are also APD officers, do not enter their time daily into Kronos. 	15
Grants	2	<ul style="list-style-type: none"> IAD was unable to confirm the Recruiter Monthly Statistical Online Database Reports and Supervisor Monthly Statistical Online Database Review Reports were submitted by due dates outlined in the Wendy's Wonderful Kids grant agreement. The Ohio Start 2020 program budget was not sent to the Public Children Services Association of Ohio (PCSAO), the Program and Financial Report were not being sent monthly and Ohio START invoices for the period April 2021 through June 2021 were not submitted within sixty (60) calendar days after the end of the State fiscal year, in accordance with the Ohio START grant agreement. 	16
Personnel Files	5	<ul style="list-style-type: none"> Instances where an employee personnel file appeared to be incomplete. Instances where a level of training was completed by an Adoption Assessor; however, ODJFS was not notified within ten (10) business days. Instances where a caseworker's training requirements were not satisfied in accordance with OAC. General FMLA – Instances where the FMLA timecode in Kronos was used for a non-FMLA related leave. Additionally, instances where the designation form was not sent within five (5) days of receiving the medical certification. COVID FMLA - The process for handling COVID related FMLA varies from the regular FMLA process – and no written policy exists for the COVID FMLA process. 	18

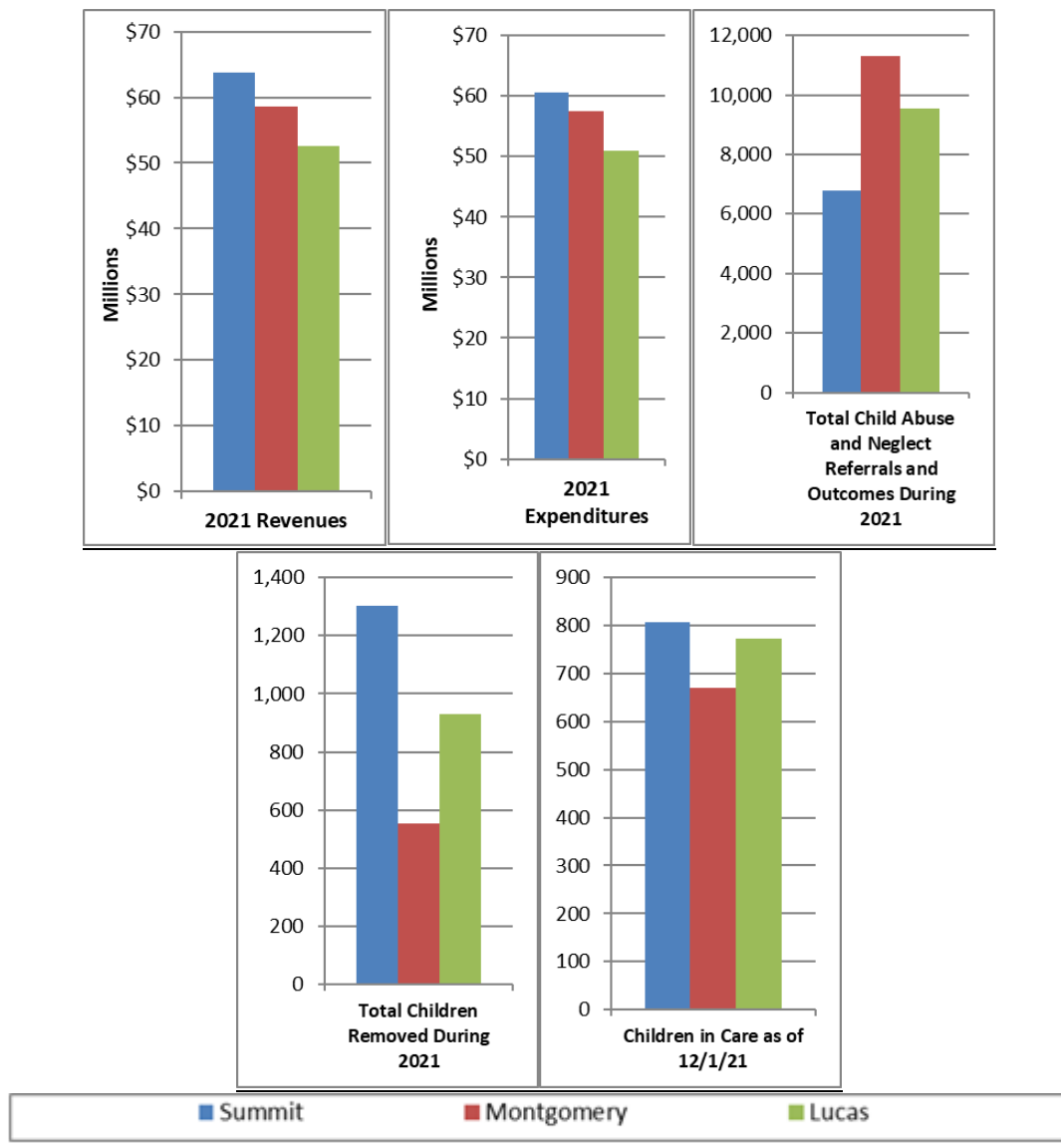
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GENERAL BACKGROUND

Summit County Children Services (SCCS) has been serving Summit County, Ohio for more than 140 years. The goal of SCCS is to ensure that children in Summit County have the ability to grow up in a safe environment. SCCS is committed to the safety, permanency and well-being of all children served, in partnership with families and the community.

The agency is governed by a ten member Board of Trustees. Nine members are appointed by the Summit County Executive and the tenth is the chair of the Children Services Citizens Advisory Committee.

IAD compared the SCCS 2021 revenue, expenditures, total child abuse neglect referrals and outcomes, total children removed, and children in care as of 12/1/21 from comparably populated counties – Montgomery and Lucas. The comparisons are represented in the graphs below:



*Total Child Abuse and Neglect Referrals and Outcomes, Total Children Removed, and Children in Care as of 12/1/21 statistics were obtained from <https://data.jfs.ohio.gov/FamChild/ChildWelfare.stm>

**Total Revenues and Expenditures were obtained from the 2021 ACFR for each county.

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AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

The primary focus of this review was to provide the Summit County Children Services (SCCS) 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 SCCS.

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.

Scope:

An overview and evaluation of the existing policies, processes, procedures, contracts and internal control structure utilized by the SCCS from October 1, 2020 through present.

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.

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OBJECTIVE 2 – REVIEW OF INTERNAL CONTROLS

6. Meet with the appropriate personnel to obtain an understanding of the control environment.
7. Document the existing control procedures in narratives and/or flowcharts.
8. Compare existing processes to the policies and procedures manual for consistency.
9. Test procedures for compliance where applicable, noting all exceptions.
10. Investigate discrepancies and summarize results.
11. 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.

DETAILED COMMENTS

Interviews:

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

- Deputy Executive Director, Fiscal Services & Facilities Management
- Deputy Executive Director, Human Resources and Support Services
- Deputy Executive Director, Administrative & Legal Services/ General Counsel
- Dept Dir, Information Technology
- Department Director, Fiscal Services
- Department Director, Facilities Management
- Department Director, Community Relations
- Department Director, Professional Development & Training
- Legal Counsel/Risk Management Officer

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

I. Policy and Procedures Review:

SCCS policies and procedures were reviewed for each of the following applicable testing sections within the audit for accuracy and completeness and compared to current processes for consistency. A sample of SCCS policies and procedures was reviewed to ensure policies were properly approved by the Executive Director. The SCCS Records Retention Schedule was reviewed for completeness and compared to processes throughout the audit to ensure that the schedule contained all relevant documents.

The following issues were noted:

1. Issue:

Upon review of the SCCS policies and procedures for completeness and accuracy, IAD noted sixty-two (62) out of seventy (75), or 83%, instances where the policy has not been updated or reviewed within the last two (2) years.

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Recommendation:

IAD recommends that policies and procedures be updated or a documentation of review occur on a routine basis. Additionally, all policies be approved by the Executive Director. This will help ensure that approved policies and procedures are accurate and consistently followed by employees.

Corrective Action Prior to the End of Fieldwork:

IAD noted the policies now include a revision/review date. Additionally, a policy was implemented to review/update all policies every 5 years.

Management Action Plan:

Revised Policy & Procedure Administration policy (attachments #5 & #6) presented to Executive Team on March 3, 2022, for review; includes a “Next Review Due” date to the policy template. SCCS will use the 5-year review period outlined in ORC 111.15 as a method of documenting formal review of each SCCS policy. The Policy & Procedure Administration Policy requires that all policies and procedures must be approved by the Executive Director and by the Board of Trustees, in instances when Board approval is required, prior to implementation. Consistent with the Collective Bargaining Agreement (CBA) language, the revised policy was issued to all staff on March 10, 2022. The Revised Policy & Procedure Administration Policy went into effect on March 24, 2022.

Please note that SCCS was not provided with any legal/statutory requirement for this change in our policy, but it does serve as a best practice for policy evaluation, which is why it was implemented.

Target Date: completed.

2. Issue:

Upon discussion with SCCS personnel, IAD noted employees are not required to acknowledge receipt and review of policies and procedures.

Recommendation:

IAD recommends that the SCCS require employees to sign-off, acknowledging their receipt and review of policies and procedures on a routine basis. This will help to ensure compliance with the policy and procedure manual and best practices.

Corrective Action Prior to the End of Fieldwork:

IAD obtained the annual disclosure statement and noted the acknowledgment of policies and procedures has been added, which is required to be signed by employees annually.

Management Action Plan:

The HR Department added a statement of acknowledgement regarding SCCS policies & procedures to the Annual Disclosure Statement. The revised form will be issued to staff for 2023 compliance (attachment #7). Additionally, the Revised Policy & Procedure Administration Policy states that “staff attest annually to receipt of policies and procedures and the attestation is maintained in the personnel record.” Please note that the auditors have not provided SCCS with any requirement for this acknowledgement, but it does serve as a best practice to ensure staff have the opportunity to review our InSite policies regularly.

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3. Issue:

Upon review of policies and procedures, IAD noted insufficient policies and procedures in the following areas (including but not limited to):

- Payroll entering/approval,
- Fair Labor Standards Act,
- Beeper Pay,
- IT Asset Inventory,
- Cash collection (receiving payments in the mail), receipting, depositing, and reconciling processes,
- SCCS training (e.g., required trainings, how often, how it will be tracked/managed).

Recommendation:

IAD recommends that policy and procedures are created/updated, approved, and disseminated for all functional areas within the department. This will help to ensure that proper procedures are in place and consistently followed within the department.

Corrective Action Prior to the End of Fieldwork:

IAD obtained the check/cash handling procedure.

Management Action Plan:

Policies addressing payroll entering/approving, FLSA, beeper pay, IT asset inventory and SCCS trainings will be researched and implemented if deemed appropriate for SCCS. These policies will require SCCS Board of Trustees (BOT) approval pursuant to their Code of Regulations. The IT Asset Inventory policy will be included in a comprehensive Asset Inventory & Disposal policy which is currently being researched and written. SCCS plans to create an IT asset inventory when the agency-wide policy is in place, and integrate IT asset inventory into the agency inventory policy.

Target Date: 1/1/2024

4. Issue:

Upon review of the Records Retention Schedule (RC-2) for SCCS, IAD noted the Gift Card Acknowledgment Form was not included on the RC-2.

Recommendation:

IAD recommends that SCCS update the RC-2 to include all pertinent records and documents and submit to the appropriate parties for approval. This will help to ensure record retention is complete and accurate.

Management Action Plan:

This issue has been addressed in the updated RC-2 for SCCS. SCCS submitted revisions for the September 2022 meeting and the Summit County Records Commission returned the fully executed revised RC-2 to SCCS on November 7, 2022, noting it as effective upon our receipt. The Gift Card Acknowledgment Form is now included in the Records Retention Schedule (RC-2).

Target Date: completed.

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II. Internal Control Testing:

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

- Revenue
- Purchasing & Expenditures
- Asset Inventory
- Payroll
- Grants
- Fringe Benefits
- ORC/OAC Compliance
- Personnel Files
- SCCS Vehicles

REVENUE

SCCS policies and procedures and applicable ORC sections were reviewed, an observation was performed, staff interviews were conducted, and flowcharts were created and approved to gain an understanding of the revenue and cash receipts cycle, the laws and regulations that govern it, and internal controls in place.

A sample of revenue collection days was selected and detail testing was performed to ensure proper segregation of duties and accuracy and timeliness of the deposits. A sample of petty cash reimbursements was selected and detail testing was performed to ensure reimbursements were properly supported.

A gift card inventory was performed to ensure the gift card quantity/value tracked on the inventory listing agreed to the gift cards maintained. A sample of disbursed gift cards was obtained and detail testing was performed to ensure a gift card acknowledgement form was completed and the client receiving the gift card was a client of SCCS.

The following issues were noted:

5. **Issue:**

Upon detail testing of cash receipts, IAD noted eleven (11) out of eighteen (18), or 61%, instances where funds were not timely deposited, in accordance with ORC §9.38.

Recommendation:

IAD recommends all funds received be deposited by the next business day or a policy be written to allow up to three (3) days for daily deposits totaling less than \$1,000. This will help to ensure compliance with ORC §9.38.

Management Action Plan:

It is important to mention that several, if not all of these irregularities, took place during the pandemic shutdown/remote work period which began in March of 2020 for SCCS and continued until June 1, 2021. During the timeframe audited, SCCS maintained limited staff in the Fiscal Department and purposefully limited the number of “runs” to the County Fiscal Office/Treasurer each week. Deposits became dependent upon the combination of the availability of SCCS Fiscal staff and the check pick-up days at the County Fiscal Office.

SCCS reviewed ORC §9.38 with all applicable Fiscal staff and will follow the deposit guidelines established therein. SCCS added a reference to ORC § 9.38 to its Check/Cash handling procedure and has reviewed the procedure with the appropriate Fiscal staff members.

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Target Date: completed.

6. Issue:

Upon discussion with SCCS personnel and review of Banner expenditures, IAD noted disbursements have been made out of the petty cash fund; however, IAD noted three (3) petty cash reimbursements, totaling \$423.00, where receipts for expenditures could not be located. Additionally, IAD noted that the petty cash spreadsheet has not been maintained since February of 2017, in accordance with SCCS policies and procedures.

Recommendation:

IAD recommends the petty cash spreadsheet and supporting documentation (e.g., receipts) be maintained to track all petty cash disbursements. This will help to ensure accountability over petty cash and compliance with the SCCS policies and procedures.

Corrective Action Taken Prior to the End of Fieldwork:

IAD obtained a Banner pay-in sheet and noted the petty cash fund has been closed and the remaining funds were deposited on 2/17/22.

Management Action Plan:

As reported to IAD via email on February 11, 2022, SCCS made the decision to close the petty cash fund. As evidenced by the receipt (Attachment #13) provided to IAD on February 17, 2022, the petty cash was deposited to our Banner Account which effectively closed the petty cash fund.

Target Date: completed; and moot as the petty cash fund has been closed.

7. Issue:

Upon detail testing of Banner expenditures made out to cash, IAD noted three (3) three expenditures, totaling \$300.00, which were given to a client as an incentive with no acknowledgment the funds were received by the client. In addition, there is no policy regarding Independent Living Stipend/Cash Incentive process for clients.

Recommendation:

IAD recommends the funds given to clients be supported with an acknowledgement form. In addition, IAD recommends a policy be created, approved, and disseminated regarding this process. This will help to ensure accountability over cash expenditures and procedures are consistently followed.

Management Action Plan:

This issue has been addressed with the Independent Living supervisor and staff members. SCCS continues to search for the supporting documentation and if found it will be provided to IAD. Additionally, a procedure will be developed requiring an acknowledgement of all cash disbursements to Independent Living youth. This procedure will include an acknowledgement form that youth will sign to acknowledge receipt.

Target Date: 1/1/2024

8. Issue:

Upon detail testing of the gift card inventory, IAD noted the following:

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- Eighteen (18) instances where gift cards located in the safe exceeded the amount of gift cards logged on the gift card tracking sheet, totaling \$320.
- Eleven (11) instances where gift cards located in the safe were less than the amount of gift cards logged on the gift card tracking sheet, totaling \$364.84. IAD confirmed with SCCS these cards could not be located.

Recommendation:

IAD recommends SCCS perform reconciliations of the gift card inventory to the gift card tracking spreadsheet on a routine basis. This will help to ensure accuracy of the gift card tracking sheet and accountability of the gift cards maintained in inventory.

Management Action Plan:

SCCS agrees with the variances noted by IAD. SCCS has since completed a full reconciliation of the gift inventory and instituted new procedures to increase accountability and reduce the risk of errors. Some examples include standardizing the gift card number to be used on the Acknowledgement Form, a strict 30-day limit on the return of Acknowledgement Forms, the purchasing of a new safe to segregate gift cards and limit access thereto, and the institution of regular gift card reconciliations for decentralized inventories. The Gift Cards policy was revised on July 15, 2022.

Target Date: completed.

9. Issue:

Upon detail testing of gift card disbursements, IAD noted the following:

- Two hundred and eighty-eight (288) out of three hundred and thirty-five (335) instances, or 86%, where the fields on the gift card tracking sheet were incomplete (e.g., missing worker name, missing client name, etc.).
- Fifty-one (51) out of three hundred and twelve (312) instances, or 16%, where the gift card was disbursed; however, no documentation could be located to identify what client received the gift card. The unaccounted gift cards totaled \$1,575.
- One (1) out of two hundred and eighty-five (285) instances, where the client was not active in the Statewide Automated Child Welfare Information System (SACWIS) when the gift card was disbursed.
- Ten (10) out of two hundred and sixty-one (261) instances, or 4%, where the gift card acknowledgement form was not signed.

Recommendation:

IAD recommends SCCS include all fields associated with the disbursement of the gift card in the gift card tracking sheet. In addition, IAD recommends SCCS ensure a completed gift card acknowledgement form is received and signed by the client upon disbursement of gift cards. This will help to ensure completeness and accuracy of the gift card tracking spreadsheet and accountability over disbursed gift cards.

Management Action Plan:

See below for bullet pointed responses:

- SCCS agrees with the discrepancies noted on the gift card tracking spreadsheet. The spreadsheet has been simplified and we will ensure required fields are completed moving forward.
- Several, if not all, of the 51 gift cards noted were from programs which were run 2+ years ago. Any documentation, such as receipts, was deemed as having no administrative value and disposed of. IAD was made aware of this prior to the end of fieldwork.

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- There is no requirement that a case be “active” in order to be offered support through the gift card program. For example, many of our Independent Living youth continue to be supported after emancipating from agency custody.
- SCCS, when presenting a child with a gift in the form of a gift card, does not require the child to sign the Acknowledgement Form. As part of the revised policy, SCCS will seek a caregiver’s signature as witnessing the receipt thereof. If the caregiver’s signature cannot be secured, SCCS will secure the child’s acknowledgment. The Gift Cards policy was revised on July 15, 2022.

Target Date: completed.

PURCHASING & EXPENDITURES

SCCS policies and procedures were reviewed, interviews were conducted, and flowcharts were created and approved to gain an understanding of the purchasing & expenditures process. A sample of purchase orders was judgmentally selected and detail testing was performed to test for proper documentation and approvals in accordance with the SCCS Procurement Plan.

A sample of expenditures was haphazardly selected and detail expenditure testing was performed to verify that funds do not remain encumbered for prior year purchase orders, confirm proper approval, proper authorizations, funds were encumbered prior to incurring the expense, the transaction appeared free from conflict of interest, and the appropriate vendor and amount were paid.

Additionally, a sample of merchandise purchases was haphazardly selected and detail testing was performed to ensure a proper segregation of duties exists over the ordering and receiving functions.

A sample of procurements was selected to ensure a Procurement Approval Form was completed prior to procurement in accordance with the SCCS Procurement Plan.

The following issues were noted:

10. Issue:

Upon detail testing of purchases, IAD noted nineteen (19) of nineteen (19) instances, or 100%, where IAD could not determine proper segregation of duties over the purchasing and receiving process because the packing slip was not initialed. Additionally, IAD noted that a policy does not exist over the ordering and receiving process (e.g., addressing segregation of duties, maintaining packing slips, etc.).

Recommendation

IAD recommends that an employee independent of the employee who placed the order, reconcile the items received to the packing slip and initial the slip. Additionally, IAD recommends that a policy be created, approved, and disseminated over the ordering and receiving functions. This will help to ensure a proper segregation of duties and that proper procedures are in place and consistently followed.

Management Action Plan:

SCCS will develop a procedure to ensure segregation of duties.

Target Date: 1/1/2024

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11. Issue:

Upon detail testing of expenditures, IAD noted twenty-six (26) out of twenty-six (26) or 100%, instances where the Procurement Authorization Form was not completed for the purchase, in accordance with the SCCS Procurement Plan.

Recommendation

IAD recommends that a Procurement Authorization Form be completed for all purchases. This will help to ensure compliance with the SCCS Procurement Plan.

Corrective Action Taken Prior to the End of Fieldwork:

IAD noted the requirement of the procurement authorization form has been removed.

Management Action Plan:

On April 26, 2022, the SCCS Board of Trustees approved changes to the agency's Procurement Plan (attachment #8) in order to remove the Procurement Authorization form. Agency staff were not using the form as intended, and it was determined that the form no longer had any administrative value.

Target Date: completed.

ASSET INVENTORY

SCCS policies and procedures were reviewed and staff interviews were conducted to gain an understanding of the asset inventory process and internal controls in place. A sample of IT assets was selected and detail testing was performed to verify the existence of the assets and accuracy of the asset tracking spreadsheet.

The following issues were noted:

12. Issue:

Upon discussion with SCCS personnel, IAD noted SCCS does not have a formal policy regarding the tracking of general assets; therefore, IAD was unable to perform detail testing to verify the accuracy of the general asset inventory listing.

Recommendation

IAD recommends a policy be created, disseminated to employees and approved regarding the general asset inventory process. This will help to ensure that proper procedures are in place and consistently followed within the department.

Management Action Plan:

SCCS plans to create an Asset Inventory and Disposal Policy.

Target Date: 1/1/2024

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13. Issue:

Upon discussion with SCCS personnel, IAD noted SCCS does not have a formal policy regarding general asset and IT asset disposals; therefore, IAD was unable to perform detail testing over the general asset/IT asset disposal process.

Recommendation

IAD recommends a policy be created, disseminated to employees and approved regarding the general asset/IT asset disposal process. This will help to ensure that proper procedures are in place and consistently followed within the department.

Management Action Plan:

SCCS plans to create an Asset Inventory and Disposal policy.

Target Date: 1/1/2024

PAYROLL

An interview was conducted and policies and procedures were obtained to gain an understanding of the payroll process. A payroll approval report was generated and reviewed to determine appropriate authorizations and to confirm a proper segregation of duties. Additionally, a sample of non-exempt employees was selected and detail testing was performed to ensure employees are compensated for compensatory time/overtime earned in accordance with the Fair Labor Standards Act (FLSA).

A sample of employees who received beeper pay (after hour employee on call) during the audit period was selected and detail testing was performed to ensure beeper pay hours in Kronos agreed to the beeper pay form, the payout amount in Kronos agreed to the beeper pay form and the beeper pay form was approved in accordance with SCCS policies and procedures. In addition, a listing of SCCS employees who also are Akron Police Department (APD) officers was obtained and detail testing was performed to ensure these employees did not work for SCCS and APD simultaneously.

The following issues were noted:

14. Issue:

Upon discussion and review of employment personnel files, IAD noted thirteen (13) APD officers that are classified as employees of SCCS. Upon review of IRS regulations, these officers appear misclassified and should be classified as independent contractors.

Recommendation:

IAD recommends that SCCS terminate the employment of the thirteen (13) APD officers and re-establish the relationship as independent contractors. This will help to ensure compliance with IRS Regulations and reduce the liability (e.g., OPERS benefits, time off accruals, insurance premiums, etc.) to SCCS.

Management Action Plan:

SCCS has notified the APD and the individual security officers that there is no employment relationship. Further, the security officers were given an opportunity to complete a Form 1099 due to their Independent Contractor status. All APD officers will be off the payroll as of 1/1/2023.

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Target Date: 1/1/2023

15. Issue:

Upon discussion with personnel and review of payroll records, IAD noted thirteen (13) SCCS employees, who are also APD officers, that do not enter their time daily into Kronos. IAD noted this is inconsistent with SCCS practices for all other employees (excluding managers).

Recommendation:

IAD recommends that APD officers enter their time into Kronos daily. This would help to ensure consistency and accuracy over the payroll process.

Management Action Plan:

There will be no need for independent contractors to enter their time into Kronos daily and this concern should become moot.

Target Date: 1/1/2023

GRANTS

An interview was conducted to gain an understanding of the grants process. A listing of grants received by SCCS was obtained and a sample of grants was selected for detail testing. Grant documents for the Wendy's Wonderful Kids grant, the Ohio Sobriety, Treatment and Reducing Trauma (START) grant, and the Human Services Research Institute (HRSI) grant were reviewed and attributes were developed for detail testing to ensure compliance with grant requirements.

The following issues were noted:

16. Issue:

Upon detail testing of the Wendy's Wonderful Kids (WWK) grant, IAD was unable to confirm Recruiter Monthly Statistical Online Database Reports and Supervisor Monthly Statistical Online Database Review Reports were submitted by the due dates outlined in the grant agreement.

Recommendation:

IAD recommends that the SCCS retain supporting documentation to document when the Recruiter Monthly Statistical Online Database Reports and Supervisor Monthly Statistical Online Database Review Reports were submitted. This will help to ensure compliance with the grant agreement.

Management Action Plan:

SCCS contracts with Caring for Kids, as Caring for Kids is the administrator of the Wendy's Wonderful Kids grant through the Dave Thomas Foundation. Caring for Kids timely submits the reports in the Dave Thomas Foundation for Adoption database as required every month. SCCS will request Caring for Kids to submit monthly recruitment reports to SCCS. SCCS will document its request to Caring for Kids and will retain supporting documentation received from Caring for Kids.

Target Date: 8/1/2023

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17. Issue:

Upon detail testing of the Ohio START grant, IAD noted the following:

- The Ohio START 2020 Program Budget was not sent to the Public Children Services Association of Ohio (PCSAO) in accordance with the grant agreement.
- Ohio Start Program and Financial Reports are being sent to the PCSAO quarterly, not monthly, in accordance with the grant agreement.
- Ohio START invoices for the period April 2021 through June 2021 were not submitted within sixty (60) calendar days after the end of the state fiscal year, in accordance with the grant agreement.

Recommendation:

IAD recommends that the SCCS submit Ohio START program budgets, program and financial reports and invoices in accordance with the grant agreement. This will help to ensure compliance with the grant agreement.

Management Action Plan:

SCCS will submit Ohio START program budgets, program, financial reports and invoices to PCSAO, in accordance with the grant agreement.

Target Date: 1/1/2024

FRINGE BENEFITS

Detail testing of the following areas was performed, if applicable, to confirm that the SCCS is properly processing fringe benefits in accordance with IRS tax code:

- Travel and meals reimbursement,
- Cash incentives, awards, gift awards and/or bonuses,
- County paid life insurance policies over \$50,000,
- Uniforms and clothing allowances,
- Employment contracts,
- Agency vehicle usage,
- Allowances for firearms or tasers and/or any other non-lethal weapon,
- Tuition assistance and reimbursement,
- Subcontracted employees,
- Domestic partnership.

No issues were noted.

OHIO REVISED CODE (ORC)/ OHIO ADMINISTRATIVE CODE (OAC) COMPLIANCE

Applicable ORC sections were reviewed and attributes were developed to ensure compliance with the following rules and regulations:

- Each county shall have a public children services agency. Any of the following: A) A County Children Services Board, B) A County Department of Job and Family Services or C) A private government entity, in accordance with ORC §5153.02

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- Each of the members shall be appointed for the term of four years, but the board shall stagger their terms so that the terms of not more than two of the required members of the board expire in one year, in accordance with ORC §5153.03.
- A county children services board appointed under section 5153.03 of the Revised Code shall elect one of its members as chairperson and another as secretary. The board shall meet at least once a month and called or adjourned meetings may be held at any time, as the board determines, in accordance with ORC §5153.04.
- Executive Director contract does not exceed three (3) years, in accordance with ORC §5153.06.
- After a PCSA caseworker's first year of continuous employment as a PCSA caseworker, the caseworker annually shall complete thirty-six (36) hours of training in areas relevant to the assigned duties, in accordance with ORC §5153.122.
- After a PCSA caseworker supervisor's first year of continuous employment as a PCSA caseworker supervisor, the supervisor annually shall complete thirty (30) hours of training in areas relevant to the assigned duties, in accordance with ORC §5153.123.
- The Executive Director shall adopt rules as necessary to implement the training requirements of sections 5153.122 and 5153.123 of the Revised Code, in accordance with ORC §5153.124.
- The Executive Director or designated person shall compile and forward the data collected from the completed assessments to the regional training center established under section 5103.42 of the Revised Code for the training region the agency is located in, in accordance with ORC §5153.127.
- The Executive Director shall give a bond to the county in such sum as is fixed by the public children services agency, with sufficient surety, conditioned upon the faithful performance of official duties and the full and faithful accounting of all funds and properties of the agency or county coming into the executive director's hands, in accordance with ORC §5153.13.
- The Executive Director shall give bond to the probate court, with sufficient surety, conditioned upon the full and faithful account of all trust funds with the Executive Director holds on behalf of wards. The amount of the bond shall be determined by the court and maybe modified by the court, provided that the minimum amount of the bond shall be five (5) thousand dollars, in accordance with ORC §5153.13.
- The Executive Director shall prepare and submit an annual report to the public children services agency at the end of each calendar year and shall file copies of such report with the Department of Job and Family Services, the Board of County Commissioners, and the Juvenile Court. The Executive Director shall submit the inspection reports required under section 5153.16 of the Revised Code and such other reports as are required by law, by the rules of the Director of Job and Family Services, or by the Board of County Commissioners to specified governmental bodies and officers and shall provide reports to the public, when so authorized, in accordance with ORC §5153.14.
- The Executive Director, annually, before the first Monday of January, shall file with the auditor a detailed and itemized statement, verified by the Executive Director, as to the manner in which the fund has been expended during the current year, and if any part of such fund remains in the executive director's hands unexpended, forthwith shall pay that amount into the county treasury, in accordance with ORC §5153.35.

No issues were noted.

PERSONNEL FILES

An interview was conducted and SCCS policies and procedures were reviewed to gain an understanding of the personnel file process. A sample of personnel files was haphazardly selected and compared to the personnel file checklist to ensure files were complete. A sample of classified employees was haphazardly selected and detail testing was performed to ensure an annual performance evaluation was performed, in accordance with SCCS policies and procedures. Employee job descriptions were obtained and reviewed for positions that require professional licensures or certifications and detail testing was performed to ensure the professional licensures or certifications were obtained, when applicable.

In addition, a sample of caseworkers was selected and detail testing was performed to ensure Ohio Administrative Code (OAC) training requirements for caseworkers were satisfied. A sample of SCCS employees was selected and

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detail testing was performed to ensure SCCS required internal training requirements were satisfied in accordance with SCCS policies and procedures.

A sample of Family Medical Leave Act (FMLA) recipients was selected (general FMLA and COVID FMLA) and detail testing was performed to ensure compliance with the Family Medical Leave Act and the SCCS internal FMLA policies. Additionally, a sample of leave donation donors and recipients was selected and detail testing was performed to ensure compliance with SCCS policies and procedures.

The following issues were noted:

18. Issue:

Upon detail testing of personnel files, IAD noted twenty-five (25) out of thirty-seven (37), or 68%, instances where an employee personnel file appeared to be incomplete, in accordance with the personnel file checklist. (e.g., missing documents, etc.).

Recommendation:

IAD recommends that the SCCS review employee personnel files to ensure files contain all relevant documents regardless of hire date, based on the SCCS checklist. This will help to ensure completeness and accuracy of personnel files.

Management Action Plan:

SCCS has reviewed the documents which IAD believes should be in all employee files regardless of date of hire:

- FCRA (fair credit) Acknowledgement Form
- Acknowledgement of Receipt of Substance Abuse Consent Form
- Acknowledgement of Receipt of Fraud Reporting System
- Criminal Offenses Prohibiting Employment Acknowledgement Form

SCCS does not concur that all of these forms can/should be included in a personnel file for an employee hired after the date of implementation at SCCS. For example, SCCS has no ability to make pre-employment inquiries for employees which would invoke the FCRA Acknowledgement Form.

Although not part of their initial onboarding documents, all SCCS employees are provided information and training about the Summit County Substance Abuse policy every three (3) years per Page 6 of 10th the terms of our CBA. Additionally, the agency publishes a Table of Discipline (attachment #9) on InSite which identifies the statutory language resulting in disciplinary action. See Group I #23 and Group III #20. When this Table of Discipline is updated, it is shared with all staff similar to our policy and procedure notification process.

Finally, SCCS concurs that the information regarding the Fraud Reporting System is valuable information and will ensure that a communication is made to all staff to ensure that those hired prior to October 1, 2020 receive this information, and we will maintain information regarding this on our InSite for future reference of all staff. This will be included in the Annual Disclosure and referenced on InSite.

Target Date: 1/1/2024

19. Issue:

Upon detail testing of Assessor Rules for Foster Care and Adoption, IAD noted seven (7) out of ten (10) instances, or 70%, where a level of training was completed by an Adoption Assessor; however, the Ohio

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Department of Job and Family Services (ODJFS) was not notified within ten (10) business days, in accordance with ODJFS Assessor Rules for Foster Care and Adoption.

Recommendation:

IAD recommends that SCCS notify ODJFS within ten (10) business day of any change in Adoption Assessor Training status. This will help to ensure compliance with the ODJFS Assessor Rules for Foster Care and Adoption.

Corrective Action Taken Prior to the End of Fieldwork:

IAD noted the policy was updated to address failure to report the status of their license or certification could result in termination was implemented.

Management Action Plan:

The Protective Specialized Services and Placement Departments have implemented a process to ensure that all notifications are made in accordance with ODJFS Assessor rules. Additionally, SCCS has updated our Professional Licenses policy to clearly outline the requirement for staff in these units to maintain current Adoption Assessor certifications (attachment #10). Additionally, the position descriptions for these job classifications have been updated to require maintenance of these certifications.

Target Date: completed.

20. Issue:

Upon detail testing of caseworker training, IAD noted six (6) out of seventeen (17) instances, or 35%, where the caseworker's annual training hours were not satisfied in accordance with OAC 5101:2-33-55.

Recommendation:

IAD recommends that SCCS ensure all caseworkers are satisfying training requirements established in the OAC. This will help to ensure compliance with the OAC.

Management Action Plan:

The Professional Development & Training Department issues a monthly update for all Child Welfare Caseworkers and Child Welfare Supervisors outlining their compliance with statutory training requirements. The email notice was previously addressed to Social Services Department Directors only and now includes the supervisory staff. Amy Davidson, Deputy Executive Director of Social Services, has also reminded all staff of the expectation regarding mandatory training. Going forward, staff who failed to meet their annual training hours will be subject to progressive disciplinary action and notation on their annual performance evaluation.

Target Date: completed.

21. Issue:

Upon detail testing of FMLA, IAD noted the following:

- Forty-eight (48) out of three hundred and forty-six (346) instances, or 14%, totaling three hundred and five hours and forty-five minutes (305 hours and 45 minutes), where the FMLA timecode was used in Kronos for non-FMLA related leave.

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- Two (2) out of seventeen (17) instances, or 12%, where the designation notice was not sent to the employee within five (5) days of receiving the medical certification.

Recommendation:

IAD recommends that SCCS ensure all FMLA related leave submitted for payroll is accurate. This will help to ensure an employee's FMLA time is not reduced for non-FMLA leave. Additionally, IAD recommends SCCS provide a designation notice to the employee within five (5) days of receiving medical certification. This will help to ensure compliance with SCCS policies and procedures.

Management Action Plan:

SCCS will develop an internal department procedure to ensure that FMLA compliance is met, including any changes or updates by the Department of Labor. The HR Director will complete an audit at least annually to ensure that all components of the procedure are being followed by HR Staff.

Target Date: 1/1/2024

22. Issue:

Upon detail testing of COVID related FMLA instances, IAD noted the process for handling COVID related FMLA varies from the regular FMLA process (e.g., employee's didn't work for 12 months or at least 1,250 hours, doctor certification wasn't required, etc.). While this is allowed per the FMLA Rules and Regulations, the SCCS policy is not consistent with how COVID related FMLA was handled.

Recommendation:

IAD recommends a policy be created, approved by the Board, and disseminated to staff regarding the COVID FMLA process. This will help to ensure procedures are consistently followed.

Management Action Plan:

SCCS will amend its FMLA policy to include information specific to COVID related FMLA, noting that the process for handling any abnormalities and/or intermittent situations (such as COVID) as outlined by the Department of Labor and/or their designated authority. Such abnormalities or intermittent changes to the FMLA policy will terminate when the Public Health Emergency ends and/or the DOL declares it as terminated.

Target Date: 6/1/2023

SCCS VEHICLES

An interview was conducted and SCCS policies and procedures were reviewed to gain an understanding of the SCCS pool vehicle process. A listing of employee classifications requiring a driver's license was obtained and detail testing was performed to ensure employees authorized to drive an SCCS vehicle have a valid driver's license. In addition, a sample of SCCS vehicles was selected and detail testing was performed to ensure a current e-check has been performed in accordance with Ohio Environmental Protection Agency (EPA) regulations, the vehicle title is maintained, the vehicle is properly insured, and the vehicle has an active registration.

No issues were noted.

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II. Security:

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