

**County of Summit**  
*Alcohol, Drug Addiction and Mental Health Services Board*  
**Audit Follow-up General Report**

**Prepared For:**

**Gerald A. Craig**  
**Audit Committee**

**Approved by Audit Committee**  
**March 24, 2014**



**Summit County**  
**Internal Audit Department**  
**175 South Main Street**  
**Akron, Ohio 44308**

*Lisa L. Skapura, Director*  
*Meredith Merry, Deputy Director*  
*Jon Keenan, Senior Auditor*  
*Jaime Vedrody, Internal Auditor*  
*Brittney Manfull, Internal Auditor*  
*Jordan Duncan, Auditor Intern*

**County of Summit**  
*Alcohol, Drug Addiction and Mental Health Services Board*  
1<sup>st</sup> Audit Follow-up – General Report

**Auditors:**

Lisa Skapura, Director; Meredith Merry, Deputy Director; Jon Keenan, Senior Auditor; Jaime Vedrody and Brittney Manfull, Internal Auditors; Jordan Duncan, Auditor Intern.

**Objectives and Methodology:**

To determine if management has implemented their management action plans as stated in the previously issued audit reports.

Follow-up audits are not required to be conducted under GAO Yellow Book Standards. Due to the nature of this engagement (e.g., following up on issues noted in the prior audit reports with limited planning/assessment of risk and no new issues identified), this audit follow-up was not conducted in accordance with generally accepted government auditing standards.

**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 prior audit process.

**Testing Procedures:**

The following were the major audit steps performed:

1. Review the prior audit final reports 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 prior audit.
3. Review any departmental/agency response documentation provided to IAD with management action plan responses following the prior 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 audit follow-up report noting the status of previously noted management actions.

**Summary:**

Of the four (4) issues and the corresponding management action plans noted in the prior audit report which required follow-up action, the Alcohol, Drug Addiction and Mental Health Services Board (ADM Board) fully implemented four (4) management action plans.

Based on the above-noted information, IAD believes the ADM Board 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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Listed below is a summary of the issues noted in the audit follow-up report and their status. Each issue number is in reference to the previously-issued audit report:

**MANAGEMENT ACTION PLANS FULLY IMPLEMENTED**

**Issue 1** - Upon review of the ADM Board Operating Policies and Procedures Manual, the following was noted:

- Several policies that need updated or removed (e.g., key audits, log of back door code changes, etc.),
- Sections of the manual that do not appear to have been revised/updated in the last two years, and no evidence of the same,
- Several policies approved by the prior Executive Director appear to be outdated,
- One section of the manual with no evidence of approval by management (Behavioral Health Outcome System),
- Sections of the manual that appear to be out of order from their assigned sections,
- Handwritten edits and notes contained in the manual.

Additionally, IAD noted insufficient or no written policies and procedure in place for the following areas:

- Requests for federal and state funding,
- Timely deposits to be in accordance with O.R.C. § 9.38,
- Tracking and disposition of asset inventory.

*Upon review of the Operating Policy and Procedure Manual, IAD confirmed the manual has been updated to comply with best practices and the bi-annual review was performed. Additionally, IAD verified that policies for Federal and State funding, timely cash receipt deposit, and tracking and disposition of asset inventory have been created and approved by management.*

**Issue 2** - Upon comparison of the ADM Board Personnel File Checklist to the personnel files, it was noted that eleven (11) of the eleven (11) files selected were not complete.

*Upon review of personnel files, IAD verified they are complete and an annual review was performed.*

**Issue 3** - Upon testing of Banner permissions for the ADM Board organization code (5335), IAD noted one (1) ADM Board user with permission to create and approve encumbrances, encumbrance change orders, invoices, and journal entries in Banner. This provides an opportunity for the user to approve a transaction that he/she created; however, during review of encumbrances, encumbrance change orders, and invoices, IAD noted this did not occur and a proper segregation of duties is being exercised.

*Upon review of Banner permissions and policies and procedures, IAD confirmed that proper segregation of duties is being exercised over encumbrances, encumbrance change orders, invoices, and journal entries.*

**Issue 4** - Upon review of mail payment cash receipts, IAD noted three (3) out of fifteen (15) deposits which were not timely deposited, in accordance with ORC §9.38.

*Upon review of policies and procedures and cash receipts, IAD confirmed that cash receipts are deposited timely in accordance with ORC §9.38.*