

Summit County Executive Office
Department of Finance and Budget
Office Services Division
1st Audit Follow-up General Report

Prepared For:

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Audit Committee

Approved by Audit Committee
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Auditors:

Lisa Skapura, Director; Meredith Merry, Assistant Director; Jaime Mayo, Senior Auditor

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 nine (9) issues and the corresponding management action plans noted in the prior audit report which required follow-up action, the Office Services Division fully implemented seven (7) and partially implemented two (2) management action plans.

Based on the above-noted information, IAD believes the Office Services Division has made a positive effort towards implementing the management action plans as stated in response to the issues identified in the prior 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 Office Services' policies and procedures for completeness and accuracy, IAD noted the following:

- No formal approval by management,
- Outdated information,
- Limited or no reference to the Department of Finance and Budget and Executive Office Manuals and the Executive Office Employee Policies and Procedures, for shared functions/processes.

Through review of policies and procedures, IAD noted the above-noted items have been corrected.

Issue 2 - Upon review of the Office Services' policies and procedures, no written or insufficient policies and procedures were noted for the following areas:

- Paper ordering
- Contingency planning
- Microfilming
- Binding
- Laminating
- Performance Evaluations

Upon review of policy and procedure, IAD confirmed the above-noted areas have been addressed.

Issue 3 - Upon discussion with the Office Services Administrator and DFB Senior Administrator, it was noted that there is currently no backup for the Office Services Administrator functions (e.g., monthly chargebacks, administration, etc.).

Upon discussion with the DFB Senior Administrator, IAD confirmed the DFB Senior Administrator is the appointed back up for the Office Services Administrator.

Issue 4 - Upon review of the Records Retention Schedule (RC-2) for Office Services, IAD noted that it did not contain all relevant records, including but not limited to:

- Paper Requisitions
- Printer/Mail Machine reports
- Binding/Laminating Logs
- Chargeback/Billing Records
- Policy and Procedure Manual

Upon review of the Office Services RC-2, IAD confirmed the above-noted items are included.

Issue 5 - Upon review of the Office Services' personnel files, IAD noted three (3) out of five (5) personnel files were incomplete.

Upon review of corrective action taken prior to the end of fieldwork and detail testing, IAD confirmed the Office Services personnel files are complete.

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Issue 6 - Upon review of the City of Akron billing, IAD noted three (3) out of three (3) months where the billing was incorrect.

Upon detail testing, no issues were noted.

Issue 8 - Upon discussion with Office Services' personnel and review of invoices, IAD noted that the price charged for paper is not based on actual cost plus markup. Per the Office Services' procedures, cost charged for paper should reflect actual cost plus a 10% markup.

Upon review of the paper chargeback database, IAD confirmed the chargeback price is equal to actual cost plus 10%.

MANAGEMENT ACTION PLANS PARTIALLY IMPLEMENTED:

Issue 7 - Upon discussion with the Office Services Administrator, IAD noted account 99 (Batch Account) is used to charge print job and machine errors. IAD reviewed activity for the period October 2012 through September 2013 and noted a total of 20,130 prints charged to account 99. Prints charged to account 99 are not tracked or tied to the print jobs which needed to be re-worked; therefore, IAD was unable to reconcile the account.

Upon review of the number of prints charged to account 99, IAD noted a significant reduction; however, IAD noted there is no account 99 log or reconciliation being performed.

Issue 9 - Upon discussion with Office Services and Physical Plants Department staff, it was noted that there is currently no formal process for tracking paper inventory, either internally or at the South Street location.

Upon review of Sharepoint paper ordering system, IAD confirmed that it contains an inventory tracking feature; however, the Sharepoint paper ordering system has not been fully implemented. Additionally, IAD noted there is an informal system in place to track the paper orders and deliveries in the interim.