

Summit County Fiscal Office
Services Division
1st Audit Follow-up General Report

Prepared For:

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Audit Committee

Approved by Audit Committee
June 30, 2015



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Services Division
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Auditors:

Lisa Skapura, Director; Meredith Merry, Assistant Director; Brittney Manfull, Staff 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 seven (7) issues and the corresponding management action plans noted in the prior audit report which required follow-up action, the Fiscal Office Services Division fully implemented six (6) and partially implemented one (1) of the management action plans.

Based on the above-noted information, IAD believes the Fiscal 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 Fiscal Services' Policies and Procedures Manual for accuracy and completeness, IAD noted incorrect references made within the manual to ORC sections.

Upon review of policies and procedures, IAD noted no incorrect references made within the manual.

Issue 2 - Upon review of the Records Retention Schedule (RC-2) for Fiscal Services, IAD noted that it did not contain all relevant records including, but not limited to, Dog License Credit Memorandums

Upon review of the Fiscal Services RC-2, IAD noted the addition of Dog License Credit Memorandums.

Issue 3 - Upon detail testing and review of the daily cash-out forms, IAD noted two (2) out of six (6) instances where the same employee collected and reconciled daily cash receipts, creating an improper segregation of duties.

Upon review of the daily cash-out forms, no exceptions were noted.

Issue 4 - Upon discussion with the Deputy Fiscal Officer and review of the Kanine system, IAD noted limited reporting capabilities within the system; therefore, IAD was unable to perform detail testing of dog license revenue (e.g., accuracy of deposit, timely deposit, reconciliation, etc.).

Upon discussion with the Deputy Fiscal Officer, IAD noted that there is MIS personnel designated and located on-site to work on this project.

Issue 5 - Upon review of employee personnel files and discussion with the Deputy Fiscal Officer, IAD noted one (1) of two (2) instances where an employee did not obtain all required CPE training hours in 2013 (e.g., fourteen (14) of the eighteen (18) hours obtained), in accordance with the OAC §901.6-9.

Upon review of employee personnel files, no exceptions were noted.

Issue 6 - Upon discussion with the Director of Administration and observation of the manufactured home tax bills, IAD noted the tax bills did not contain an invoice/billing date (e.g., date indicating when they are generated); therefore, IAD was unable to verify tax bills were generated at least twenty (20) days prior to the tax due date in accordance with ORC §4503.06 (D)(6)(a).

Upon review of the manufactured home tax bills, IAD noted the invoice/billing date was added within the system.

MANAGEMENT ACTION PLANS PARTIALLY IMPLEMENTED:

Issue 7 - Upon discussion with the Deputy Fiscal Officer and Director of Administration, IAD noted one (1) employee designated as the administrator of the manufactured homes database, with limited cross-training in place.

Upon discussion with the Deputy Fiscal Officer, IAD noted that they are currently in the testing phase of the Tyler Technologies Manufactured Home Module. They are working with other Fiscal Office staff to develop a training manual. The Director of Administration and Clerical Specialist II within the Services Division will both be trained on the new system. They are currently working in a demo version to gain familiarity with the system and then will receive three (3) hours of training from Tyler Technologies. Per the Deputy Fiscal Officer, training will take

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place once employees are familiar with the system to help maximize their training session. In addition, they are hiring another clerical employee next month who will be trained on the system. Estimated date to go live will be January 2016.