

Summit County Fiscal Office
Treasurer's Division
1st Audit Follow-up General Report

Prepared For:

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Audit Committee

Approved by Audit Committee
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Summit County
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Jon Keenan, Auditor-in-Charge
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Summit County Fiscal Office
Treasurer's Division
1st Audit Follow-up – General Report

Auditors:

Lisa Skapura, Director; Meredith Merry, Assistant Director; Jon Keenan, Auditor-in-Charge and Brandon Schmidt, 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 three (3) issues and the corresponding management action plans noted in the prior audit report (approved 3/24/16) which required follow-up action, the Treasurer's Division fully implemented two (2) and did not implement one (1) management action plans.

Based on the above-noted information, IAD believes the Treasurer's Division 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 Escrow Policy and Procedure Manual, discussion with the Deputy Fiscal Officer, and detail testing, IAD noted the Escrow Policy does not reflect current procedures in the following areas:

- Payments to the discount program exceeding total of all five (5) coupons.
- Mailing of final delinquent bills.

Upon review of the Escrow Policy and Procedure Manual, IAD confirmed the Escrow Policy reflects the current procedures in payments to the discount program exceeding total of all five (5) coupons and mailing of final delinquent bills.

Issue 2 - Upon detail testing of Escrow delinquent parcels, IAD noted four (4) out of twenty-six (26) instances where the penalty assessed and/or interest forfeited was not calculated correctly (e.g., human error, program logic), in accordance with policy and procedure and ORC §323.12. Errors totaled one hundred thirty-three dollars and forty-nine cents (\$133.49).

Upon detail testing, no issues were noted.

MANAGEMENT ACTION PLANS NOT IMPLEMENTED:

Issue 3 - Upon detail testing of parcels that defaulted on the CTIP program, IAD noted nine (9) out of twenty-eight (28) instances where IAD could not determine if a penalty should have been assessed because the postmarked envelope that is used to document the date the payment occurred was not maintained.

Upon detail testing of delinquent CTIP program participants, IAD noted twenty-six (26) out of two hundred nine (209) instances, or 12%, where IAD could not determine if a penalty should have been assessed or was assessed correctly because the postmarked envelope that is used to document the date the payment occurred was not maintained.