



# SUMMIT COUNTY, OHIO

## INTERNAL AUDIT DEPARTMENT

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December 9, 2006

Andrew Bauer  
Court Executive Officer  
Court of Common Pleas General Division  
209 South High St.  
Akron, Ohio 44308

Dear Mr. Bauer:

Attached are the results of Follow-up Audit regarding the issues that were identified in the County of Summit Court of Common Pleas General Division Preliminary Audit report dated July 6, 2005.

### **FOLLOW-UP AUDIT SUMMARY**

The primary focus of this follow up was to provide the County of Summit Court of Common Pleas General Division (COCPG) with reasonable assurance, based on the testing performed, on the adequacy of the system of management control in effect for the audit areas tested. 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.

Our follow up was conducted in accordance with Government Auditing Standards issued by the Comptroller General of the United States and accordingly included such tests of records and other auditing procedures as we considered necessary under the circumstances. Our procedures include interviewing staff, reviewing procedures and other information and testing internal controls as needed to assess compliance with the stated management action plans.

The follow-up process should monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action. Follow-up by internal auditors is defined as a process by which they determine the adequacy, effectiveness, and timeliness of actions taken by management on reported engagement observations.

Factors that should be considered in determining appropriate follow-up procedures are:

- The significance of the reported observation.
- The degree of effort and cost needed to correct the reported condition.
- The impact that may result should the corrective action fail.
- The complexity of the corrective action.
- The time period involved.

We appreciate the cooperation and assistance received during the course of this follow-up audit. If you have any questions about the audit or this report, please feel free to contact me at (330) 643-2655.

Sincerely,

Bernard F. Zaucha  
Director, Internal Audit

**County of Summit Court of Common Pleas General Division  
Follow up Audit  
(APPROVED BY AUDIT COMMITTEE DECEMBER 19, 2006)**

**Auditor:**

Joseph George, Senior Auditor

**Objective:**

To determine if management has implemented their management action plans as stated in the previously issued Preliminary Audit report.

**Scope:**

An overview and evaluation of policies, processes, and procedures implemented by the department/agency as a result of management actions stated in the management action plans during the Preliminary Audit process.

**Testing Procedures:**

The following were the major audit steps performed:

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

**Summary**

Of the ten issues and corresponding management action plans noted in the Preliminary Audit Report, the COCPG implemented eight and did not implement two.

Based on the above noted information, IAD believes that the COCPG has made a positive effort towards implementing the management action plans as stated in response to the issues identified in the preliminary audit.

**Security Follow-Up:**

Security follow-up issues noted during fieldwork are addressed under separate cover in the accompanying report in compliance with Ohio Revised Code §149.433<sup>248</sup>.

**County of Summit Court of Common Pleas General Division**  
**Follow up Audit**  
**Comments**

The Internal Audit Department (IAD) conducted a Follow-up Audit of the COCPG. The original Preliminary Audit was approved by the Summit County Audit Committee on July 6, 2005.

Listed below is a summary of the issues noted in the Preliminary Report and their status. Each issue number is in reference to the preliminary report:

**Management Action Plans Fully Implemented:**

- Issue 1 - IAD noted during the review of the Court of Common Pleas Office Handbook/Operations Manual that there is no effective date of revision indicated in the manual.
- Issue 2 - IAD noted during interviews that there is no written policy on interaction with the press.
- Issue 3 - Upon review of the personnel files selected for detailed testing of the HR file requirements, the following issues were noted:
  - a. One of ten personnel files did not contain an application and/or resume.
  - b. Two of ten personnel files did not contain a PERS form.
  - c. One of ten personnel files did not contain an Acknowledgement of Receipt of Employee Security Badge form.
  - d. One of ten personnel files did not contain a Certificate of Attendance for mandatory Substance Abuse Training.
  - e. One of nine applicable personnel files did not contain performance evaluations for 2003 and three of nine applicable personnel files did not contain performance evaluations for 2004. The sample was reduced to nine because one of the ten employees selected for testing was hired on 12/27/04 and was not employed for 90 days, which is when the first evaluation is completed.
  - f. Three of eight applicable personnel files did not contain an Employment Eligibility Verification Form (I-9). The sample size was reduced to eight because two of the ten employees were hired prior to the requirement date of November 1986 for I-9's.
- Issue 4 - It was noted upon review of the Common Pleas personnel files and handbook that there was no standard listing of required forms/documentation for Common Pleas personnel files contained in the Personnel Manual or the Common Pleas Handbook/Operations Manual.
- Issue 5 - Complete purchase request forms were not submitted for four of the seventeen applicable purchase transactions selected for testing. (The original sample chosen was twenty-five, however, some transactions such as court reporter services, a transaction for workers compensation completed by the Fiscal Office, monthly contract service payments, and special meal purchases for sequestered jurors do not fall under normal purchase request criteria. Therefore, the applicable transactions were reduced to seventeen.)
- Issue 6 - A review of the purchase transactions entered into the Chief Executive Officer's spreadsheets, which require the recording of requisition and date; purchase order number and date of purchase; and

invoice date, number, and amount paid per the Court of Common Pleas General Division Policies and Procedures handbook, revealed the following:

*(The original expenditure sample chosen was twenty-five, however, some transactions such as monthly subscription updates, travel reimbursement requests, and a transaction for workers compensation initiated by the Fiscal Office limited the applicable amount of transactions noted. Therefore, the applicable transactions were reduced to nineteen)*

- a. Three of the nineteen applicable transactions entered into the Chief Executive Officer's spreadsheets did not indicate a purchase date.
  - b. Two of the nineteen applicable transactions entered into the Chief Executive Officer's spreadsheets did not indicate an invoice number and date.
- Issue 7 - A review of twenty-four applicable expenditure transactions revealed that invoices for four transactions were not stamped with a completed "Approved to Pay" invoice stamp signed by the ordering or responsible employee. (The original expenditure sample chosen was twenty-five, however, a transaction for workers compensation initiated by the Fiscal Officer limited the applicable amount of transactions noted. Therefore, the applicable transactions were reduced to twenty-four).
  - Issue 8 - A review of the purchasing policies and procedures noted in the Summit County Court of Common Pleas Policies and Procedures handbook/manual revealed the following:
    - a. The policies and procedures do not indicate that the Part II travel reimbursement form must be submitted to the Court Executive Officer (CEO) for his approval. Per discussion with the CEO on 3/29/05, approval of the Part II travel reimbursement request by the CEO is required.
    - b. The policies and procedures did not specifically address the purchase initiation / purchase request form usage for items obtained for juror expenses (i.e. sequestered juror meal expenses), court reporter services obtained, or reoccurring monthly service charges.

**Management Action Plans Not Implemented:**

- Issue 9 - A review of the twenty-five sampled expenditure transactions revealed that three expenditures were processed against Purchase Orders that were originated in 2002 and 2003 that contained specific usage and time frame limitations. These expenditures and purchase orders consisted of the following:
  - a) An expenditure transaction with Exchange Printing dated 7/1/04 for Mediation Department supplies was noted for \$207.00. This was processed against a blanket Purchase Order G19702-99 dated 5/1/02 for Miscellaneous Training and Travel for Mediation Department in the amount of \$3,000.00 Per ORC § 5705.41(D), blanket purchase orders are not to run beyond the end of the current fiscal year.
  - b) An expenditure transaction with Stenograph Corporation dated 2/3/04 for supplies was noted for \$593.65. This was processed against a Stenograph Corporation Purchase Order G2365800 dated 6/12/03 for "Binders, ribbons and steno paper for General Division Court Reporters for a period July through September, 2003". This stated usage period is imposed by the Chief Executive's Office – Court of Common Pleas.
  - c) An expenditure transaction with Ohio State Bar Association dated 11/1/04 for Jury Service pamphlets was noted for \$111.50. This was processed against a purchase order G2030900 dated 2/11/03 "To cover the cost of informational pamphlets for the General Division for the

period January through June, 2003”. This stated usage period is imposed by the Chief Executive’s Office – Court of Common Pleas.

*IAD obtained and reviewed a listing of all purchase orders (P.O.) from the Fiscal Office - Manager of Accounting, on 11/21/06). It was noted that there are 42 P.O.’s established prior to 2006 that are still open and have not been discharged. The Court Executive Officer, provided IAD with an “Open Encumbrance Report” on 12/5/06, which he receives from the Fiscal Office Accounting Department). This report indicates the date the P.O. was established. Upon further review it was noted that the date the P.O. was established does not agree to the P.O. prefix. For example a P.O. established in 2005 should begin with P05XXXXX. IAD reconfirmed the accuracy of the listing of P.O.’s obtained from the Fiscal Office Manager of Accounting. IAD then spoke with two Fiscal Office - Computer System Software Analyst 3’s, who created the report and who currently generates the report. They confirmed that the date in report was not accurate. Per the Court Executive Officer these P.O.’s are currently being discharged, with the exception of Probation Fees because it is a continuing account, and this will be completed by 12/31/06.*

- Issue 10 - Upon review of the manually completed Referral Log and discussion with the Psycho-Diagnostic Clinic’s Director, IAD noted the following:
  - a) The referral logbook utilized to track incoming referrals to the clinic contain referral dates, court dates noted in the referral journal entries, evaluation delivery dates, and disposition results of each evaluation/referral. Other pertinent information identifying the referral is also included within the log. IAD noted that evaluation delivery dates and dispositions were not always completed within the log even though file documentation noted evaluation completion, delivery, and case disposition.
  - b) The handwritten logbook is the main source of tracking incoming referrals as they enter the clinic and details subsequent activity of case progression. However, it is a manually completed document, which has no back-up support in the case of destruction.

*IAD obtained and reviewed backup procedures from Asst. Court Executive Officer on 9/28/06. Per the procedure the log is photocopied and stored in the MIS department, which is in the same building as the Psycho Diagnostic Clinic. IAD was informed via email from the Court Executive Officer that he will push for the creation of an access database. Per the Network Manager, on 11/21/06; this will be completed by January 15, 2007.*