

# SUMMIT COUNTY, OHIO

BERNARD F. ZAUCHA, CPA, MBA, CIA, DIRECTOR

October 20, 2005

John A. Donofrio  
Fiscal Officer  
175 S. Main Street  
Akron, OH 44308

Dear Mr. Donofrio:

Attached is the final Follow-up Audit report regarding the issues that were identified in the Fiscal Office: Services Department Preliminary Audit report dated February 1, 2005. The follow-up report was approved by the Audit Committee on September 28, 2005 at which time it became public record. We appreciate the cooperation and assistance received during the course of this follow-up audit.

## **FOLLOW-UP AUDIT SUMMARY**

The follow-up process monitors and ensures 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 are considered in determining appropriate follow-up procedures:

- 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.

Sincerely,

Bernard F. Zaucha

cc: Audit Committee

INTERNAL AUDIT DEPARTMENT  
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**FISCAL OFFICE SERVICES**  
**Follow-up Audit**

**Auditors:**

Dan Crews, Senior Auditor

**Objective:**

To determine if management has implemented their corrective management action plans as stated in response to the previously issued Preliminary Audit reports.

**Scope:**

An overview and evaluation of policies, processes, and procedures implemented by the department/agency as a result of management actions stated in the corrective 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, where applicable.
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 to address the original preliminary audit issues.
5. Review applicable support to evaluate management actions.
6. Determine implementation status of management action plans.
7. Complete follow-up report noting status of previously noted management actions.

**FISCAL OFFICE SERVICES**  
**Follow-up Audit**  
**COMMENTS**

The Internal Audit Department (IAD) conducted a follow-up audit of the Fiscal Office Services Preliminary Audit. The original Preliminary Audit concluded in March 2004 and was approved by the Summit County Audit Committee on December 17, 2004.

The accompanying follow-up comments to previously stated Preliminary Audit issues present an overall summary of the current status of the corresponding management action plans.

During our follow-up audit, IAD noted that a majority of the applicable management action plans were fully implemented. We commend the Fiscal Office Services department for their efforts and appreciate the cooperation of the Fiscal Office Services Deputy Auditor during the course of the follow-up audit.

Listed below is a summary of the major issues/management action plans and their current status:

**Management Action Plans fully implemented:**

- Completion of an employee acknowledgement sheet signed by the Fiscal Office Services employees agreeing to abide by departmental policies and procedures.
- Addition of effective/revision dates for Fiscal Office Services policies and procedures manual.
- Creation of a procedure for processing inaccurate dog license renewal forms and inclusion into the policies and procedures manual.
- Employee sign off on the Computer and Telecommunications Policy and inclusion into the employees' personnel files.
- Completion and inclusion of classification specification timeframes into the policies and procedures manual.
- Correction of an Ohio Revised Code (ORC) reference on the Commercial Meter Test form.
- Completion of daily balancing and cash counting in a separate and more secure work area.
- Inclusion of signature lines on the Daily Cash Sheets and Animal Control Worksheets to indicate those completing the tasks.

**Management Action Plans not implemented:**

- Fiscal Office Services purchase of a laptop software program for daily inspector use.

*Per Lynn Vallee, Deputy Auditor – Services, on 6/13/05, the purchase of laptop computers/software programs for daily inspector use has not yet been accomplished. The department has purchased one laptop computer for use in the Fuel Quality testing program which is scheduled to begin June 15, 2005. Per the Deputy Auditor, once the usage of the laptop for the fuel quality testing is proven effective, the department will look into the purchase of additional laptops/software for other inspectors. Target date for all inspectors utilizing laptops in daily inspection process is January 2007.*

**Conclusion:**

Based on the above noted information, IAD believes that the Fiscal Office Services department has made a positive effort towards implementing their corrective management action plans as stated in response to the audit issues identified during 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>.