

# SUMMIT COUNTY, OHIO

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

March 28, 2005

Sherri Bevan Walsh  
County of Summit Prosecutor  
53 University Avenue, 6<sup>th</sup> Floor  
Akron, OH 44308-1680

**Re: Final Report of the County of Summit Prosecutor's Office Legal Divisions  
Preliminary Audit**

Dear Prosecutor Walsh:

Attached is the final report of the Summit County Prosecutor's Office: Legal Divisions which was discussed with members of senior management on January 12, 2005. In addition, please note that the Prosecutor Office's management action plan was incorporated into the final report.

**The report was approved by the Audit Committee at its March 21, 2005 meeting at which time it became public record.**

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

Sincerely,

Bernard F. Zaucha  
Director, Internal Audit

**COUNTY OF SUMMIT  
PROSECUTOR'S OFFICE:  
LEGAL DIVISIONS**

**Preliminary Audit  
04-Legal.Pro-24  
December, 2004**

**Approved by Audit Committee  
March 21, 2005**

**Summit County  
Internal Audit Department  
175 South Main Street  
Akron, Ohio 44308**

*Bernard F. Zaucha, Director  
Lisa L. Skapura, Assistant Director  
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**COUNTY OF SUMMIT PROSECUTOR  
PRELIMINARY AUDIT  
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**Objective 2      Review of Internal Controls**

**Human Resources**

- E. We noted after personnel file testing and interviews that **performance evaluations are not conducted**. We **strongly** recommended that all Prosecutor’s office **employees receive annual performance evaluations**. The **primary goal** of performance evaluations is **to provide a process to assess actual performance in relation to goals and expectations**. This process should be an ongoing, mutual exchange of information that **promotes professional growth and contribution to the** Prosecutor’s office staff members.
  
- F. We identified missing personnel file documentation, and a **lack of a standardized checklist identifying the contents of a personnel file** in the Prosecutor’s Human Resources Department. We recommended **creation of a standardized checklist identifying the contents of a personnel file** and review of current files to determine missing documentation and complete the files, pursuant to the checklist, if possible. This process **promotes compliance with local, state, and federal mandates** and best practices in human resource functions.

**Credit card**

- G. We noted that the department’s **tracking of current and inactive credit cards was insufficient**. We recommended that Budget & Management implement a tracking mechanism to identify current and inactive cards for monitoring and destruction purposes. This will **ensure protection of County funds**.

**ORC §321.261 Delinquent tax and assessment collection fund compliance**

- H. IAD noted that the ORC-mandated report to the Board regarding use of delinquent tax and assessment collection fund had not been filed.  
IAD recommended that the Prosecutor’s office annually submit the ORC-mandated report to Summit County Council.

**Objective 3      Review of Security**

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

**TIME FRAME**      Start Date: 11-29-2004      Completion Date: 01-11-2005

<b>BENEFITS</b>	X	Financial Impact	X	Internal Control Improvements
		Directly Recoverable Costs	X	Operational Improvements
	X	Policy Alternatives		Other

**INFORMATIONAL MATERIALS** IAD provided the Prosecutor’s office with various websites, checklists, forms and other materials relating to policies and procedures, human resources, and disaster recovery plans. IAD furnished these materials to assist the auditee with addressing the audit recommendations and offer some information on best practices.

**Internal Audit Value Added Scorecard Detail**

<b>Risk</b>	<b>Description</b>	<b>Value</b>
Lack of current, documented, and clearly defined Policies and Procedures to consistently direct day to day departmental functions and responsibilities.	The Policies and Procedures dated 12/15/03 provided to IAD during the audit consisted largely of a composition of miscellaneous memos, codified ordinance copies, and directives Policies and procedures. IAD recommended that the Prosecutor's office create formal policies and procedures for all facets of the department taking into consideration all employees, functions, and responsibilities.	Ensure that departmental staff possess accurate and timely knowledge of documented policies and procedures that direct the daily operations of the Prosecutor's office.
Independent actions of employees lacking proper documented instruction.	A written policy or procedure was not in place for Prosecutor office interaction with the press/news media. The Prosecutor's office follows the Personnel Policy and Procedures Manual for the Executive's Office. However in the Executive's Personnel manual, contact with the media is handled by the Executive's Communications Department. However, IAD noted that the Prosecutor's office follows an unwritten policy that does not involve interaction with the Executive's Communication Department. IAD recommended that the Prosecutor's office establish a written policy and procedure for communications and interaction with the press.	Consistently informed and instructed staff. Ensure that departmental personnel possess accurate and timely knowledge of documented policies and procedures that direct the media policy within the Prosecutor's office.
Lack of proper employee Human Resource documentation for employer, departmental, and governmental requirements.	A review of the personnel files and general files selected for detailed testing revealed that not all of the files reviewed contained all documentation required by the Prosecutor's HR department. IAD recommended that the Prosecutor's office bring all HR personnel files up to the current Prosecutor's file expectations where applicable.	To insure that the Prosecutor's office consistently possess the required Personnel file documentation for governmental reporting, employee benefit information, and performance evaluation.

Risk	Description	Value
<p>Non compliance to O.R.C. and other governmental regulations.</p>	<p>1) Per O.R.C. § 2933.43 and the Prosecutor’s Internal Control Policy and Procedure for the Law Enforcement Trust Fund, the Prosecutor’s office is required to file a report with the County Auditor (Fiscal Office) no later than the 31st day of January of the next calendar year and the Attorney General no later than March 1st. There was no paperwork/documentation indicating that the 2003 LETF Proceeds from the Sale of Property Report was filed with the Fiscal Office. IAD recommended that the Prosecutor’s Office file the LETF Proceeds from the Sale of Property report with the required recipients.</p> <p>2) The Prosecutor’s office does not file an annual “report to the board regarding the use of the monies appropriated to their respective offices from the delinquent tax and assessment collection fund”. IAD recommended that the Prosecutor’s office submit the annual report to County Council as required by ORC §321.261.</p>	<p>Ensure proper reporting for compliance issues are completed.</p>

**COUNTY OF SUMMIT PROSECUTOR  
PRELIMINARY AUDIT  
BACKGROUND**

**Auditors:** Lisa Skapura, Dan Crews and Joseph George

**Additional Internal Audit Staff:** Teri Fretz and Jennifer Cuenot (Auditor Intern)

**Background:**

The Summit County Prosecuting Attorney's office has the responsibility and the authority to investigate and prosecute crimes in the County of Summit. The Prosecuting Attorney's office represents "The People of the State of Ohio." The office consists of the following divisions:

**Criminal Division**

The Prosecuting Attorney inquires into the commission of crimes within the County and prosecutes, on behalf of the State, all complaints, suits, and controversies in which the State is a party. The primary responsibility of the Criminal Division is to prosecute felony criminal cases through the judicial system. The Criminal Division is also often involved in the investigative stage.

**Civil Division**

The attorneys in the Civil Division of the Summit County Prosecutor act as Counsel to approximately 25 County Agencies, 10 Townships and 8 Unified School Districts. Representation includes the rendering of written legal opinions, review of proposed contracts, as well as acting as trial and appellate Counsel in all matters involving litigation in both state and federal courts. The Civil Division also provides legal advice to Summit County Council.

**Tax Division**

The Tax Division serves as legal representative for the Fiscal Officer related to tax foreclosures; appeals from Board of Revision decisions; collection of personal property and hotel/motel taxes; bankruptcy claims and adversary proceedings; mortgage foreclosures; and probate appropriations. The Tax Division also serves as legal representative to the Board of Revision on appeals to the BTA and acts as legal advisor to other county offices when appropriate.

**Appellate Division**

The Appellate Division handles virtually all criminal appeals that occur after the successful conviction of the criminal defendant at trial in Common Pleas Court. Representation is mostly before the Ninth District Court of Appeals, but also can occur before the Ohio Supreme Court and very occasionally before the United States Supreme Court. The Appellate Division also responds to all post-conviction proceedings including but not limited to Writs of Habeas Corpus and Writs of Mandamus.



## **Forfeiture Division**

The forfeiture division acts as the “Robin Hood” of the Summit County Prosecutor’s office by seizing assets from the corrupt drug dealer who gets rich and transferring the property to local police departments where the property is auctioned or used to combat crime. This money is shared with police agencies. The money can be used as "buy money" in future drug investigations by the law enforcement agencies. The forfeiture unit also forfeited numerous vehicles to law enforcement agencies and many of these vehicles are put back on the streets as "undercover vehicles" that are used by narcotics agents to make drug buys.

## **Juvenile Division**

The Prosecuting Attorney is responsible for prosecuting all juvenile criminal cases, whether they involve felonies, misdemeanors, traffic violations, or state offenses (such as truancy). Child neglect, dependency, and abuse cases are other responsibilities of the Juvenile Division. When children are determined to be at risk due to neglect or abuse, the Juvenile Division represents the Summit County Children Services Board at Summit County Juvenile Court.

## **Victim Services Division**

Victims of crime on all cases are notified at each level of the criminal justice system including: Arraignment, Pre-trials, Status Hearings, Pleas, Sentencing, Motion Hearings and Judicial Release. The program is designed to provide information and support to crime victims as their case proceeds through the Criminal Justice system.

Victim Services provides the following:

- Inform victims of case status.
- Advocate on behalf of victims.
- Provide emergency transportation to court.
- Inform victims of their rights.
- Connect victims to the Ohio Victims of Crime Compensation Program.

Discuss Victim safety

Provide referrals

Public speaking to community groups, block clubs, and schools on specific crime issues.

Provide internet access to case

Revenue for the Prosecutor’s office budget flows from three main sources:

General Fund

DRETAC

Grant funds

## **Child Support Enforcement Agency**

The Summit County Child Support Enforcement Agency (CSEA) is a division of the Summit County Prosecutor’s office, however, it is not part of this Preliminary Audit review or report. CSEA will be reviewed in a separate preliminary audit at a future date.

**COUNTY OF SUMMIT PROSECUTOR  
PRELIMINARY AUDIT  
OBJECTIVES**

**Objectives:**

1. To obtain and review the current policies and procedures.
2. To review the internal control structure through employee interviews and observation.
3. To perform a general overview of the physical environment and security of the facilities, data, records and departmental personnel.

**Scope:**

An overview and evaluation of the existing policies, processes, procedures, contracts and internal control structure utilized by the department.

**Testing Procedures:**

The following were the major audit steps performed:

**OBJECTIVE 1 – POLICY AND PROCEDURES REVIEW**

1. Obtain and review the current policies and procedures.
2. Meet with the appropriate personnel to obtain an understanding of the current department processes and procedures. Compare those existing processes to the policies and procedures manual for consistency, noting all exceptions.
3. Test procedures for mandatory compliance where applicable.
4. Identify audit issues and make recommendations where appropriate.

**OBJECTIVE 2 – REVIEW OF INTERNAL CONTROLS**

5. Meet with the appropriate personnel to obtain an understanding of the control environment.
6. Document the existing control procedures in narratives and/or flowcharts.
7. Compare existing processes to the policies and procedures manual for consistency.
8. Test procedures for compliance where applicable, noting all exceptions.
9. Investigate discrepancies and summarize results.
10. Make recommendations where appropriate.

**OBJECTIVE 3 – REVIEW OF SECURITY**

11. Perform a general overview of the physical environment and security of the department/ agency being audited.
12. Interview various personnel to determine that confidential information is secure and processed only by appropriate parties.
13. Obtain and review the document retention policy and determine if policies and procedures are currently in place and being followed.
14. Test security issues where appropriate.
15. Analyze current policies and make recommendations.

**COUNTY OF SUMMIT PROSECUTOR  
PRELIMINARY AUDIT  
DETAILED COMMENTS**

*It was noted during audit planning, preparation, and fieldwork that the Prosecutor's staff was very professional and cooperative in providing requested preliminary documentation and personnel scheduling for audit questions. The Prosecutor's office was also very willing and proactive in implementing IAD recommendations and suggestions as presented. As a result, various IAD recommendations had been addressed or implemented prior to the end of fieldwork.*

**I. Policies & Procedures Review:**

The Internal Audit Department (IAD) obtained and reviewed the current Policies & Procedures for the County of Summit Prosecutor's office dated December 15, 2003. The following were issues were noted:

1) Issue

The Policies and Procedures dated 12/15/03 provided to IAD during the audit consisted largely of a composition of miscellaneous memos, codified ordinance copies, and directives dated 1/2001 to 12/2003 (*some outdated*) from within the Prosecutor's office and from other county departments.

Recommendation

IAD recommends that the Prosecutor's Office create formal policies and procedures for all facets of the department taking into consideration all employees, functions, and responsibilities.

Management Action Plan

**The Prosecutor's Office staff will work to create and distribute to all employees a formal policies and procedures manual over the next 12 months. The reason for the extended duration for the completion of the manual is due to the limited number of staff who will be assigned to work on its development. The format of this manual will be consistent with the format currently used by the Prosecutor's Child Support Enforcement Agency to maintain consistency throughout the several divisions under the direction of the Prosecutor.**

2) Issue

Per discussion and review, the Prosecutor's office follows the Personnel Policy and Procedures Manual for the Executive's Office. The Policies and Procedures dated 12/15/03 contained specific sections of the County of Summit Personnel manual for personnel issues dated 1998 and 2001.

### Recommendation

The current Personnel Policy and Procedures Manual for the Executive's Office is dated 6/2003. Therefore, IAD recommends that the Prosecutor's office remove the outdated personnel policies and procedures from the Prosecutor's Policies and Procedures manual and only include specific reference to the Executive's Personnel Policy and Procedures Manual within the Prosecutor Policies and Procedures. This will eliminate the need for updating two policy and procedure manuals when the Executive's Personnel Policies and Procedure Manual changes.

### Management Action Plan

**The Prosecutor's Office is currently in the process of obtaining the most updated versions of the Executive's policy manual. As soon as they are received, these sections will be updated and once the full manual is created we will include only references to specific sections of the Executive's policy manual and provide employees with only those sections. As specified above the full development of a policy manual will be completed over the next 12 months.**

#### 3) Issue

Working hours and employee overtime were not specifically addressed in the Prosecutor's Policy and Procedures manual.

### Recommendation

The August 24, 2004 e-mail from the Budget Management Director to all secretarial staff addressing overtime and working hours should be incorporated into future Prosecutor Policy and Procedure manuals.

### Management Action Plan

**The new policy manual that will be developed by the Prosecutor's Office over the next 12 months will contain a section that addresses working hours and overtime for all employees.**

#### 4) Issue

A review of the Prosecutor's Policies and Procedures and employee personnel files revealed that the Prosecutor's office does not require employees to sign a form acknowledging receipt and review of the most recent Policies and Procedures manual.

### Recommendation

IAD recommends that the Prosecutor's office have their employees sign off on a form indicating that they have received, read, and understand the policies and procedures presented to them. This sign off should be maintained in each individual's personnel file.

## Management Action Plan

**In December 2004, a form was developed, which requires an employee's signature to acknowledge receipt of the current office policy and procedures manual. This manual is given to all employees upon orientation on the first day of employment by the personnel manager. Once the new policy manual is created over the next 12 months, we will require all personnel to sign this form to acknowledge receipt of the new manual. This form and the form currently being used for new employees will be kept in the employee's personnel file.**

## **II. Internal Control Testing:**

Internal control testing and/or observations were performed in the following areas:

- Interviews
- Personnel File review
- Furtherance of Justice Fund testing
- Law Enforcement Trust Fund testing
- Federal Law Enforcement Trust Fund testing
- Education Account testing
- Expenditure testing
- Credit Cards
- DRETAC reporting

## INTERVIEWS

To gain an understanding of the Summit County Prosecutor's office, IAD interviewed the following positions within the department:

- Summit County Prosecutor
- Chief Counsel – Criminal Division
- Chief Counsel – Civil Division
- Budget Management Director
- Victim Services Director
- Chief Assistant Prosecutor – Tax Division
- Chief Administrator - Administrative Support
- Support Services Administrator
- Chief Investigator – Investigative Division

The following issues were noted:

### 5) Issue

It does not appear that all employees are aware of the Policy & Procedure regarding Conflicts of Interest that is stated in the Personnel Policy and Procedures Manual for the Executive's Office.

Recommendation

IAD recognizes that the Code of Professional Responsibility, as well as other codes of conduct direct attorneys. However, these statements are not applicable for support staff. All employees should be made aware of the Conflicts of Interest policy as noted in the Personnel Policy and Procedures Manual for the Executive's Office.

Management Action Plan

**The Prosecutor's Office will make all employees aware of the Conflicts of Interest Policy as noted in the Personnel Policy and Procedures Manual for the Executive's Office as soon as the newest manual is received from the Executive's Office. This manual was requested on 3/2/05. A reference to this policy will be included in the Prosecutor's new policy and procedures manual to be completed over the next 12 months.**

6) Issue

Based on interviews, it appears that a formalized /documented training, cross training, and orientation program does not exist for all areas of the Prosecutor's office. However, IAD observed orientation programs and training tools for select employee areas.

Recommendation

IAD recommends that a formalized/documentated training, cross training, and orientation program be developed and implemented within the Prosecutor's office, where applicable.

Management Action Plan

**Where applicable, the Prosecutor's Office has developed and implemented a formal, documented orientation for all new employees within their first week of employment. We have implemented cross training in our civil, criminal and juvenile divisions amongst the appropriate staff.**

7) Issue

A written policy or procedure was not in place for Prosecutor office interaction with the press/news media. Per discussion and review with Prosecutor office management, the Prosecutor's office follows the Personnel Policy and Procedures Manual for the Executive's Office. However in the Executive's Personnel manual, contact with the media is handled by the Executive's Communications Department. Per interviews with the Prosecutor employees, the unwritten policy followed by the Prosecutor's Office does not involve interaction with the Executive's Communication Department.

### Recommendation

IAD recommends that the Prosecutor's office establish a written policy and procedure for communications and interaction with the press. This policy/procedure should be conveyed to the staff and clarified in relation to the existing Policy and Procedure noted in the Executive's Personnel Policy and Procedures Manual.

### Management Action Plan

**A written memorandum has been issued to all employees by the Support Services Administrator responsible for communications and interaction with the press. A formal written policy and procedure will be issued with the development of the office policy and procedure manual over the next 12 months.**

### PERSONNEL FILE REVIEW

IAD obtained and reviewed employee personnel files maintained at the Prosecutor's office to verify that appropriate file documentation is maintained for all Prosecutor personnel. The Prosecutor's Policies and Procedures manual does not cover the specific personnel file documentation customarily contained in the Prosecutor's personnel files, therefore, IAD obtained the Prosecutor HR file documentation requirements per discussion with the Prosecutor's Fiscal Officer. IAD then haphazardly selected 25 employees from the Prosecutor's current active employee list for personnel file testing. IAD then tested the personnel files for the applicable documentation contained in the HR files.

The following issues were noted:

#### 8) Issue

Per discussion and review with the Fiscal Officer and Budget Management Director on 12/02/04, IAD determined that the Prosecutor's office follows the Executive's Personnel Policies and Procedures Manual. However, IAD noted that the Prosecutor's office did not possess the most updated version of the Executive's Personnel Policies & Procedures Manual. The manual on file at the Prosecutor's office was dated 1998/2001. The Prosecutor's office also does not distribute the manuals to the employees, nor do they require a sign off sheet acknowledging the receipt, responsibility, and understanding of the Personnel Policy & Procedure Manual.

#### Recommendation

IAD recommends that the Prosecutor's office obtain and distribute the most recent version of the Executive's Personnel Policy & Procedure Manual. Additionally, all employee personnel files should contain current personnel manual sign off sheets acknowledging receipt and review of the most recent Personnel Policy & Procedures manual.

### Management Action Plan

**The Prosecutor's Office requested the most recent version of the Executive's Personnel Policy & Procedure Manual on 3/2/05. All appropriate sections of this manual referenced in the Prosecutor's Policy and Procedure manual will be distributed to all employees. We have developed an employee signature form that acknowledges receipt and review, which will be distributed and collected upon distribution of the manual.**

#### 9) Issue

Upon review of the Prosecutor's office HR and personnel files, IAD noted the following:

- a. There were several separate general files located with the Fiscal Officer of the Prosecutor's office, in which each file contained a single type of form or document for all employees in the Prosecutor's office (*i.e. Oath of Office, Attorney Registrations, Internet & Electronic Policy forms, LEADS policy forms, and Emergency Information Sheets*).
- b. There was no separation of public and confidential sections in the personnel files. All information for an employee was in one file, including documents with social security numbers and copies of driver's licenses.

#### Recommendation

- a. To better consolidate employee personnel files and information, IAD recommends that all employee HR documentation be contained in the applicable individual's personnel files.
- b. IAD recommends that a separate confidential file be kept for each employee that includes social security numbers and any other confidential information that should not be available for public viewing.

### Management Action Plan

**The Prosecutor's Office (specifically the Fiscal Officer and Budget Management Director) are in the process of integrating the separate general files into individual personnel files. We are also creating separate confidential files to be maintained in a separate pocket within the employee's personnel file. \*Please note that at no time was confidential employee information ever made public through a records request. There is currently a procedure in place whereby the Fiscal Officer reviews all personnel files and withholds confidential employee information before a personnel file is made available through a records request.**



10) Issue

IAD noted during discussion and review with the Fiscal Officer on 12/02/04 that the HR files are not maintained in locked file cabinets in her office. However, per the Fiscal Officer, her office door is locked at all times when she is away.

Recommendation

IAD recommends that the file cabinet containing personnel files and all other HR employee documentation be locked at all times when specifically not in use. This will enhance the security of employee information and confidential documents.

Management Action Plan

**The cabinet containing personnel files is currently secure and locked when not in use.**

11) Issue

IAD noted that the Prosecutor's office utilizes the Executive's Personnel Policies and Procedures Manual and that performance evaluations are noted as a requirement in the manual. IAD noted through discussion with the Fiscal Officer on 12/02/04, and review of the personnel files, that the Prosecutor's office does not complete performance evaluations.

Recommendation

IAD recommends that all prosecutor employees receive annual performance evaluations to measure employee performance as stated in the Personnel Policy & Procedure Manual for the Summit County Executive, under the Employee Development & training Section

Management Action Plan

**The Prosecutor's Office is currently in the process of implementing annual performance evaluations for all classified, non-bargaining personnel. All classified, non-bargaining personnel will have a performance evaluation in the year 2005.**

12) Issue

It was noted upon review of the Prosecutor's office personnel files that there was no standard listing of required forms/documentation for Prosecutor Human Resource personnel files contained in the Policies & Procedures manual.

Recommendation

IAD recommends that the Prosecutor's office establish/create a listing of all required forms/documents that are to be maintained in the personnel files. The checklist for New Hire Paperwork that is currently being utilized by the Fiscal Officer could assist in the formulation of the listing and be included in each personnel file to document receipt of all required documents.

### Management Action Plan

**The Fiscal Officer and Budget Management Director are in the process of developing a checklist for all required forms/documents that are to be maintained in the personnel files. This checklist will be located in each personnel file to assure the required documentation is maintained in the record. This project will be completed by 5/1/05.**

#### 13) Issue

As a result of IAD's discussion with the Fiscal Officer and Budget Management Director on HR file requirements, the review of the personnel files and general files selected for detailed testing revealed the following:

- One of twenty-five personnel files did not contain either a resume or application. Per the Fiscal Officer on 12/02/04, all files should contain a resume or application from at least February 2001 forward.
- One of twenty-five personnel files did not contain a copy of a PERS History form.
- Three of twenty-five personnel files did not contain a copy of an employee State Withholding IT-4 form.
- One of twenty-five personnel files tested did not contain a copy of the Federal W-4 form.
- Ten of twenty-one applicable personnel files did not contain an I-9. *(Four of the twenty-five employees tested were hired prior to the I-9 requirement date of November 1986. Therefore, only twenty-one employees of the twenty-five sampled were applicable because their hire dates were subsequent to the filing requirement.)*
- IAD was unable to locate one of twenty-five Oath's of Office in the general file for Oath's of Office.
- There were ten of twenty-five employees required to have attorney registrations. Of the ten, IAD was unable to locate two of the registrations in the Attorney Registration general file.
- IAD was unable to locate four of twenty-five employee's Emergency Information Sheets.
- Seven of twenty-five employees did not sign off on the LEADS Practitioner Training receipt indicating that they read and received the LEADS manual.

#### Recommendation

IAD recommends that the Prosecutor's office bring all HR personnel files up to the current Prosecutor's file expectations where applicable.

### Management Action Plan

**The Prosecutor's Office (specifically the Fiscal Officer and Budget Management Director) are in the process of bringing the files up to current expectations based on the developed checklist as discussed above. This project will be completed by 5/1/05.**

FURTHERANCE OF JUSTICE FUND, LAW ENFORCEMENT TRUST FUND, AND EDUCATION ACCOUNT TESTING

IAD obtained and reviewed the 2003 and 2004 bank statements for the checking accounts utilized by the Prosecutor's office. The following issue was noted:

14) Issue

IAD noted that the bank statements for the Furtherance of Justice Fund, the Law Enforcement Trust Fund, and the Education Account were addressed to the attention of the previous Budget Management Director. However, the current Budget Management Director was hired on 01/06/03.

Recommendation

IAD recommends that the Prosecutor's office have the name addressed on the bank statements changed to the current Budget Management Director's name. This will prevent the possibility of access to the Furtherance of Justice, Law Enforcement Trust Fund, or Education Account information by previous employees.

*Prior to completion of fieldwork, IAD noted that the Prosecutor's office sent a memo to National City Bank in regards to removing the previous Budget Management Director's name from the Furtherance of Justice, Law Enforcement Trust Fund, and Education Account bank statements on 01/07/05.*

Management Action Plan

**As of 3/9/05, National City Bank has failed to correct the accounts as requested. On 3/9/05 a phone call was placed to the branch office that opened the account and another letter was faxed to them the same day. The branch office will forward the letter to the commercial department to correct. The Budget Management Officer will follow up in four weeks to make sure this is corrected.**

FURTHERANCE OF JUSTICE FUND (FOJ) TESTING

IAD met with the Budget Management Director to gain an understanding of the Furtherance of Justice Fund within the Prosecutor's office and obtained a written narrative describing the operational procedures for this account. In addition, reviewed Ohio Rev. Code §325.12 to gain an understanding of annual appropriation and reporting requirements for the Furtherance of Justice Fund in the Prosecutor's office. Additionally, the Auditor of State Bulletin was reviewed to analyze what constituted an appropriate expenditure for this fund.

IAD obtained monthly documentation and performed the following testing procedures:

- Reviewed the account summary for 2003 detailing the expenditure type and amount of the expenditure.
- Haphazardly selected three months for detailed testing of every transaction.

- Traced and agreed the date, check number, payee, description, attendee and amount on the FOJ account summary to the applicable supporting expenditure for each of the three months.
- Traced and agreed each transaction to the bank statement for accuracy and completeness.
- Traced and agreed the beginning balance on the FOJ Order Fund Account Summary to the FOJ account summary for 2003 and to the January 2003 bank statement.

For the remaining nine months not selected for detailed testing, the following was performed:

- Traced and agreed all transactions contained on the 2003 account summary to supporting documentation for that particular expenditure.

No additional issues were noted aside from the bank statements being addressed to the attention of the previous Budget Management Director.

#### LAW ENFORCEMENT TRUST FUND (LETF) TESTING

IAD met with the Budget Management Director to gain an understanding of the Law Enforcement Trust Fund within the Prosecutor's office and obtained a written narrative describing the operational procedures for this account. In addition, reviewed Ohio Rev. Code §2933.43 and Codified Ordinances 197.03 and 134.02 to gain an understanding of the guidelines that apply to the Prosecutor's office. IAD also reviewed the Prosecutor's Internal Control Policy and Procedure for the LETF dated 4/11/90 with amended dates of 11/20/90, 6/11/01, and 12/16/03. Upon examination of the Prosecutor's internal control policies and procedures, IAD noted that the requirements for adopting an internal control policy in Ohio Rev. Code §2933.43 were met. The 2003 LETF Amended Proceeds from the Sale of Property Annual Report was also obtained and reviewed.

IAD obtained monthly documentation and performed the following testing procedures:

- Reviewed the LETF account summary for 2003 detailing the manner in which the fund was funded and expended.
- Haphazardly selected three months for detailed testing of every transaction.
- Traced and agreed the date, check number or receipt number, payee, description, attendee and amount on the LETF account summary report to the applicable supporting expenditure record for each of the three months.
- Traced and agreed each transaction to the bank statement for accuracy and completeness.
- Traced and agreed the beginning balance on the 2003 LETF Account Summary Report to the ending balance on the 2002 LETF Account Summary Report to verify that the correct balance was carried over for calendar year 2003.
- IAD traced and agreed the ending balance on the 2003 LETF Account Summary Report to the Balance on Hand on the Amended 2003 Proceeds From the Sale of Property Annual Report.

For the remaining nine months not selected for detailed testing, the following was performed:

- Traced and agreed all transactions contained on the 2003 LETF account summary to supporting documentation for that particular expenditure.

The following issues were noted:

15) Issue

IAD noted that the amount seized by the Akron Police Department for Marshall gift cards for the Law Enforcement Trust Fund (\$738.92) did not agree to the amount reported in the Prosecutor's year-end reconciliation and the 2003 Amended LETF Proceeds from the Sale of Property Report (\$824.53). Per O.R.C. § 2933.43, the LETF report must be filed with the Ohio Attorney General and the Summit County Fiscal Office, however the amount on the 2003 Amended LETF Proceeds from the Sale of Property Report was greater than the amount on the seized property report. Further discussion and review with the Assistant Prosecuting Attorney on 12/22/04, the Budget Management Director on 12/21/04 and 01/07/05, and a Sergeant from the Akron Police Department on 01/06/05 indicated that there was no explanation for the difference in amounts.

Recommendation

No recommendation noted

Management Action Plan

**No action necessary.**

16) Issue

Per O.R.C. § 2933.43 and the Prosecutor's Internal Control Policy and Procedure for the Law Enforcement Trust Fund, the Prosecutor's office is required to file a report with the County Auditor (Fiscal Office) no later than the 31<sup>st</sup> day of January of the next calendar year and the Attorney General no later than March 1st. Per the Budget Management Director on 01/07/05, there was no paperwork/documentation indicating that the 2003 LETF Proceeds from the Sale of Property Report was filed with the Fiscal Office.

Recommendation

IAD recommends that the Prosecutor's office file the LETF Proceeds from the Sale of Property report with the required recipients. This will ensure that the Prosecutor's office is in compliance with O.R.C. § 2933.43.

*Prior to fieldwork completion, IAD noted that the Prosecutor's office submitted the 2003 LETF Proceeds from the Sale of Property report to the Fiscal Office on 01/07/05.*

Management Action Plan

**The Prosecutor's Office will annually submit the Proceeds from the Sale of Property report to the Fiscal Office in future years. No further action necessary.**

## FEDERAL LAW ENFORCEMENT TRUST FUND (FLETf) TESTING

IAD met with the Budget Management Director to gain an understanding of the Federal Law Enforcement Trust Fund (FLETf) within the Prosecutor's office and obtained a written narrative describing the operational procedures for this account. In addition, IAD reviewed the Federal Equitable Sharing Agreement to gain an understanding of the required guidelines and internal controls to be followed by the Prosecutor's office in relation to the FLETf. Annual reports must be submitted to the U.S. Department of Justice/ACA Program, the U.S. Department of the Treasury-Executive Office for Asset Forfeiture, and the U.S. Attorney in the district in which the recipient law enforcement agency is located. Therefore, IAD obtained and reviewed the Federal Annual Certification Report. It was noted that the report must be submitted within 60 days after the close of the Prosecutor's fiscal year. Upon review of the agreement and the Federal Certification Report, it appeared that the Prosecutor's office was in compliance.

IAD obtained monthly documentation and performed the following testing procedures:

- Reviewed the FLETf account summary report for 2003 detailing the manner in which the FLETf was funded and expended.
- Haphazardly selected three months for detailed testing of every transaction.
- Traced and agreed the date, check number, payee, description, attendee and amount on the FLETf account summary report to the applicable supporting expenditure record for each of the three months.
- Traced and agreed each transaction to the bank statement for accuracy and completeness.
- Traced and agreed the beginning balance on the 2003 FLETf Account Summary Report to the ending balance on the 2002 FLETf Account Summary Report to verify that the correct balance was carried over for calendar year 2003.

For the remaining nine months not selected for detailed testing, the following was performed:

- Traced and agreed all transactions made from the FLETf account on the 2003 account summary to supporting documentation for that particular expenditure.

No issues were noted.

## EDUCATION ACCOUNT TESTING

IAD met with the Budget Management Director to gain an understanding of the Education Account within the Prosecutor's office and obtained a written narrative describing the operational procedures for this account. In addition, reviewed Ohio Rev. Code §2933.43, Part D(3)(a)(ii) and the Prosecutor's Internal Control Policy and Procedure for the Law Enforcement Trust Fund (LETf) to gain an understanding of the guidelines that apply to the Prosecutor's office. The Education Account is funded by certain percentage requirements of the proceeds and forfeited monies deposited into the LETf.

IAD obtained monthly documentation and performed the following testing procedures:

- Reviewed the Education Account Summary Report for 2003 detailing the manner in which the account was funded and expended.
- Due to the small amount of transactions, all transactions were selected for detailed testing.
- Traced and agreed the date, check number, payee, description, attendee and amount on the Education Account Summary Report to the applicable supporting expenditure records for each transaction.
- Traced and agreed each transaction to the bank statement for accuracy and completeness.
- Obtained and reviewed the 2003 LETF Deposit Report which listed all proceeds and forfeited monies deposited into the LETF account from 01/01/03-12/31/03.
- Traced and agreed all receipt numbers and deposit amounts to the LETF Account Summary report to verify that the LETF Deposit Report was complete and accurate.
- Verified that the Prosecutor's office was in compliance in 2003 with the percentage funding requirements under O.R.C. §2933.43 Part D(3)(a)(ii) and the Prosecutor's Internal Control Policy.

No additional issues were noted aside from the bank statements being addressed to the attention of the previous Budget Management Director.

#### EXPENDITURE TESTING

Obtained and reviewed limited Policies and Procedures provided by the Prosecutor's office relating to expenditures. IAD also obtained and reviewed a narrative from the Budget Management Director describing operational procedures for the expenditure process. IAD also obtained the 2003 Prosecutor's Office Expense Report. IAD haphazardly selected 25 expenditures for detail testing of the voucher packets supplied by the Budget Management Director to ensure proper authorization and support documentation.

No issues were noted.

#### CREDIT CARDS

IAD obtained and reviewed all credit card accounts maintained and utilized by the Prosecutor's office in 2003. The credit card statements were reviewed to verify that the charges were appropriate, adequately supported, and the amounts agreed with the supporting documentation.

The following issues were noted:

##### 17) Issue

IAD noted that the monthly credit card statements for 2003 and 2004 were addressed to the attention of the previous Budget Management Director, however the current Budget Management Director was hired on 01/06/03.

### Recommendation

IAD recommends that the Prosecutor's office have the name addressed on the credit card statements changed to the current Budget Management Director's name. This will prevent the possibility of access to the credit card information by previous employees.

### Management Action Plan

**The name addressed on the credit card statements has been changed by National City.**

### 18) Issue

IAD noted that there is no updated tracking of credit cards maintained by the Prosecutor's office. Per discussion and review with the Budget Management Director on 12/30/04, an inactivated credit card in the name of the prior Budget Management Director was located in a file maintained by the current Budget Management Director. IAD confirmed with the bank that this card was not active.

### Recommendation

IAD recommends that the Prosecutor's office update their current tracking of credit cards maintained and utilized by the department to include: 1) all issued credit cards (*activated or inactivated*), 2) issue and expiration dates, and 3) all authorized cardholders. In order to reduce the risk of activation and inappropriate use, IAD also recommends that the Prosecutor's Office destroy the inactivated card.

*Prior to completion of fieldwork, IAD noted that the Prosecutor's office sent a memo to National City Bank in regards to closing the inactivated account number on 01/04/05.*

### Management Action Plan

**The Budget Management Director currently maintains the single credit card issued in the name of the Summit County Prosecutor, including the issue and expiration date and the single authorized cardholder's information. The inactivated card was destroyed on 1/5/05.**

## DRETAC REPORTING

To gain an understanding of the Delinquent Tax and Assessment Collection Fund (DRETAC) utilized by the Prosecutor's office, IAD obtained and reviewed a memo from the Fiscal Office for the DRETAC fund that included the DRETAC bill. Obtained and reviewed the policies and procedures utilized by the Fiscal Office Tax Settlement Division in the Real Estate Tax Settlement Balancing process from the Tax Administrator. These procedures describe the process the Fiscal Office utilizes to determine the delinquent tax amounts, which are used in the calculation of the amount paid into the DRETAC fund. Obtained and reviewed a narrative from the Budget Management Director describing the Prosecutor's interaction with the DRETAC fund. Obtained and reviewed a listing of transactions from the DRETAC fund (20571) for the Prosecutors office. Traced and agreed the Transfer Sheet for October 2003 Tangible Personal Property Tax, August 2003 Real Estate Settlement Transfer Sheet, and the February 2003 Real Estate Settlement Transfer



Sheet, to the listing of transactions from the DRETAC fund. This was performed to ensure that the correct amount of revenue from delinquent taxes was posted to the DRETAC fund.

19) Issue

Per review with the Budget Management Director, the Prosecutor's office does not file an annual "report to the board regarding the use of the moneys appropriated to their respective offices from the delinquent tax and assessment collection fund." as required by Ohio Revised Code (ORC) §321.261.

Recommendation

IAD recommends that the Prosecutor's office submit the annual report to County Council as required by ORC §321.261 to ensure that the Prosecutor's office complies with the ORC.

Management Action Plan

**The Prosecutor's Office will submit an annual report to County Council regarding the use of monies appropriated from the delinquent tax and assessment collection fund by 6/1/05 and continue to submit an annual report on a regular basis in future years.**

**Security:**

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