

## REDSS – CUYAHOGA COUNTY INTERNAL AUDITOR FINANCIAL REVIEW

Recommendation	Estimated Completion Date	Update	Status (Not Started, In Process, Completed)
<b><u>Review of General Accounting Procedures</u></b>			
<p>1. The CRIS Board may want to implement a finance committee or dedicate a portion of the meetings to talk about the financial position of CRIS. The records are maintained in FAMIS, BRASS, and a comprehensive contract tracking list is maintained by OBM. The OBM listing has each contract, its inception date, the original contract amounts, any amendments, and each payment that is made on the contract. It is not clear that this information is being communicated to the Board.</p>	September 2012	A vote will be held at the September 27 Board Meeting to have the Finance Committee combined with the Executive Committee.	In Process
<p>2. A policy on regular financial reporting must be implemented to make sure that the Board members are comfortable with the financial operations of the Board.</p>	August 2012	The Business Services Manager for the Department of Public Safety attended the August 24 Board Meeting and discussed the County fiscal and accounting process. She also shared sample of reports that can be presented to the Board on a regular basis. The Board agreed that supplying the PJ2 and an Excel spreadsheet with 2011 and 2012 itemized breakouts will suffice for	Completed/ Ongoing

		the monthly meetings. These will be presented at all meetings moving forward.	
<b><u>Review of Revenue Monitoring</u></b>			
1. Some municipalities knowingly only pay \$5 per ticket not following the Ohio Attorney General's opinion that the County uses. The legal department would need to intervene to address this issue.	TBD	Correspondence was sent to all the municipalities advising of the correct fee and asking for a confirmation that the city/court was collecting correctly. Most are collecting correctly; some have advised they would correct their collections. Andrea Rocco and the Law Dept. are in discussions to resolve the discrepancies.	In Process
2. The correct back-up documentation would eliminate the challenges with the misapplying of payments, because the payment support documents would clearly show where the revenues should be applied. (Bedford Court - Exhibit #1)	September 2012	We will provide written correspondences with the Courts on proper back-up documentation being submitted with payments. We have begun drafting the letter.	In Process
3. The CRIS office uses QuickBooks for their invoices. QuickBooks has the functionality to produce aging reports that would facilitate the past due balances being billed and tracked. Aging reports should be generated, past due balances should be billed, and due diligence for their collection should be performed. Financial reports including the aforementioned items should be presented and approved at all regular meetings.	October 2012	In June 2012, 2 additional staff in the Business Services Section has been trained in QuickBooks to assist and backup Carolyn. In addition, QuickBooks has been updated to the most recent version, Pro 2012. We are still working on setting up the QuickBooks Pro application to allow for the needed reports.	In Process

<p>4. Based on the responses from the letter sent to all of the municipalities, there may be a need to educate the municipalities regarding the appropriate methodology for fee collection and disbursement of the fees to the County.</p> <p>5. The parking ticket issue came up during interviews with CRIS staff. CRIS provides nine municipalities with traffic tickets at the cost of \$.09/ticket. A review of the number of tickets for the month of April shows that 6,903 tickets were printed. At the cost of \$.09/ticket, the total amount of revenue generated is \$621. If we extrapolate that out for a year, the annual revenue is approximately \$7,500. The paper for the tickets cost about \$1,750/per year and we pay the postage. If we factor in labor, ink, and processing time, it may be determined that the Board may want to re-evaluate the price of this service.</p>	<p>TBD</p> <p>October 2012</p>	<p>Correspondence was sent to all the municipalities advising of the correct fee and asking for a confirmation that the city/court was collecting correctly. Most are collecting correctly; some have advised they would correct their collections. Andrea Rocco and the Law Dept. are in discussions to resolve the discrepancies.</p> <p>A review of this process and costs associated with it is currently being conducted by Norberto Colon. It is the intent to complete this review in time for the announcement of the updated subscriber fees.</p>	<p>In Process</p> <p>In Process</p>
<p><b><u>Review of Chargeback's</u></b></p>			
<p>1. As noted the chargeback process is a pervasive question throughout the County. Post County reform, a CIO has been appointed by the Executive. The CIO, Jeff Mowry, is reviewing the chargeback process and will be making changes.</p> <p>2. A copy of the detail behind the charges has been attached to this report for the Board's review. It appears that additional training and explanation on charge backs needs to be provided. The CRIS Board or their designee needs to attend this training</p>	<p>N/A</p> <p>TBD</p>	<p>This item does not require action from the Board.</p>	<p>N/A</p> <p>Not Started</p>

<p>(Exhibit #2).</p> <p>3. In the interim, while waiting for training opportunities and for the CIO's new methodology, the Board should have a designee speak with ISC directly to determine and understand their charges.</p>	TBD		Not Started
<b><u>Review of Capital Purchases and CRIS Assets</u></b>			
<p>1. In line with prior recommendations, as part of the financial reports that should be presented to the Board, the CRIS staff should present details for capital purchases and assets regardless of the funding source.</p>	September 2012	<p>Norberto Colon presented at the August 24 Board Meeting a beginning list of all servers currently managed by REDSS. The Business Services Manager for the Department of Public Safety will meet with the Executive Committee to review the procurement process for the county. In addition, we will discuss the process of presenting items to the Board.</p>	Not Started
<b><u>Review of other Miscellaneous Concerns</u></b>			
<p>1. The Board has a statement that addresses conflicts of interest for Board members. The Board should take it a step further and have each Board member sign a sworn statement that they will not have undisclosed conflicts of interest (Exhibit #4).</p> <p>2. The Board should not approve 911 expenditures, even though based on interviews with staff; there has been no occurrence of the CRIS Board approving 911 expenditures in the past.</p>	<p>October 2012</p> <p>N/A</p>	<p>A one page form has been created and was distributed via email and hard copy at the August 24 REDSS Board meeting. We will follow up and ensure all Board members have submitted.</p> <p>This item does not require action from the Board.</p>	<p>Pending</p> <p>N/A</p>