2025 Issue Monitoring Memorandum

TO: Audit Committee
County Council
Cuyahoga County Executive

FROM: Cory Swaisgood, CPA, CIA
Director of Internal Auditing

DATE: February 5, 2026

In accordance with Global Internal Audit Standards, the Department of Internal Auditing (DIA) monitors progress of management action plans (MAP) communicated to DIA in response to recommendations within previously released audit reports. The objective of MAP monitoring is to determine with reasonable assurance whether management took effective action on the findings that were presented in audit reports. This memorandum provides the results of DIA's MAP monitoring completed during the period of July 1, 2025 through December 31, 2025.

DIA conducted interviews with management and staff regarding the progress of MAPs. We conducted testing and requested support documentation when necessary to verify audit findings were addressed adequately through timely corrective action and implementation of controls that effectively ensure risks identified during the audit were mitigated.

The status of each recommendation is determined and categorized as follows:

Fully Resolved	(F)	The audit finding has been adequately addressed through corrective action.
Partially Resolved	(P)	Corrective action has been initiated; however, additional action is needed to fully address the risks identified in the audit finding. Management fully intends and is actively working to address the finding
Not Resolved	(N)	The audit finding has not been addressed.
Withdrawn	(W)	The risk to the organization no longer exists or is no longer at a level that requires management's attention due to changes in the organization's operations.
Risk Accepted	(RA)	Management has accepted the risk of not taking corrective action.

In general, DIA will follow up on all recommendations within a one to two-year period from the release of the audit report based on the risk priority level of recommendations as determined during the initial audit. See *Appendix C* for more information on criteria used when assessing risk priority levels.

TESTING COMPLETED: July 1, 2025 through December 31, 2025

During the audit period, DIA completed follow-up testing on recommendations as summarized below. Out of 88 recommendations reviewed, 42 remain open and subject to further follow up.

Audit or Examination	P1 - High	P2 - Moderate	P3 - Low	Totals	Remained Open
Accounts Payable-Benford's Law	1			1	1
Auto Title Revenue and Receivables		1		1	0
Child Support Payments	2	1		3	2
Children and Family Services-Programs		1		1	1
Clerk of Courts - Collections & Enforcement Support		1	3	4	0
Development - Loan Portfolio Management	6		2	8	1
Employee Leave Payroll Review	7			7	4
Employee Recruitment/Hiring/Retention Assessment	11	5	1	17	10
Facilities-Revenue and Receivables	2	5	1	8	3
Hotel/Motel (Lodging) Tax		5	2	7	1
Housing and Community Development – ERA	3	1		4	2
Human Resources Compliance	10	1		11	9
IT Assets and Inventory Audit	4	1		5	0
Medical Examiner's Office	1			1	1
Office of Procurement & Diversity_Contract Review	1			1	0
Sheriff's Office-Discretionary Funds and Accounts	2	2		4	3
Sr & Adult Services - Contracting Process	1			1	1
Veterans Services Cash/Cash Equivalents	1	3		4	3
Totals	**52**	**27**	**9**	**88**	**42**

Details of testing results on individual recommendations are provided within *Appendix A*. The appendix also includes the number of follow-ups previously conducted. However, due to the changes in DIA processes during 2025 to implement the updated IIA Global Standards, *most* follow-ups performed during this testing cycle were counted as the first follow up even though testing may have occurred in prior testing cycles.

RESULTS – HIGH RISK (P1)

Of the 52 high risk recommendations tested, 16 (31%) have been adequately addressed. This includes all Withdrawn and Fully Resolved conclusions. DIA will conduct additional remediation testing on the 32 (61%) during 2026 and 2027. A summary of results on high-risk follow-up testing by engagement is shown below. Management accepted the risk on four (8%) high risk recommendations during the testing period.

Audit or Examination	W	F	P	N	RA	Total
Accounts Payable-Benford's Law			1			1
Child Support Payments			2			2
Development - Loan Portfolio Management		5		1		6
Employee Leave Payroll Review		3	4			7
Employee Recruitment/Hiring/Retention Assessment	1	2	4	4		11
Facilities-Revenue and Receivables			2			2
Housing and Community Development - ERA		1	1	1		3
Human Resources Compliance	1	1	5	3		10
IT Assets and Inventory Audit					4	4
Medical Examiner's Office				1		1
Office of Procurement & Diversity_Contract Review		1				1
Sheriff's Office-Discretionary Funds and Accounts		1	1			2
Sr & Adult Services - Contracting Process			1			1
Veterans Services Cash/Cash Equivalents				1		1
Total	**2**	**14**	**21**	**11**	**4**	**52**

RESULTS - ALL

Of the 88 recommendations reviewed, DIA determined that 40 (45%) have been adequately addressed. This includes all Withdrawn and Fully Resolved conclusions. Six (7%) were closed due to management's acceptance of the associated risk. DIA concluded that the accepted risk is within the County's risk appetite and tolerance for two of the six. Therefore, the remaining four recommendations will be escalated to the Audit Committee for further discussion and determination of next steps.

DIA will conduct additional remediation testing on the remaining 42 (47%) recommendations determined to be partially or not resolved. Summaries of all testing results by risk priority and audit engagement from July 1, 2025 – December 31, 2025 are shown below:

Priority Rating	W	F	P	N	RA	Total
P1 - High	2	14	21	11	4	52
P2 - Moderate	1	14	7	3	2	27
P3 - Low	2	7				9
Totals	**5**	**35**	**28**	**14**	**6**	**88**

Audit or Examination	W	F	P	N	RA	Totals
Accounts Payable-Benford's Law			1			1
Auto Title Revenue and Receivables		1				1
Child Support Payments			2		1	3
Children and Family Services-Programs			1			1
Clerk of Courts - Collections & Enforcement Support		4				4
Development - Loan Portfolio Management		7		1		8
Employee Leave Payroll Review		3	4			7
Employee Recruitment/Hiring/Retention Assessment	3	3	6	4	1	17
Facilities-Revenue and Receivables	1	4	3			8
Hotel/Motel (Lodging) Tax		6		1		7
Housing and Community Development - ERA		2	1	1		4
Human Resources Compliance	1	1	5	4		11
IT Assets and Inventory Audit		1			4	5
Medical Examiner's Office				1		1
Office of Procurement & Diversity_Contract Review		1				1
Sheriff's Office-Discretionary Funds and Accounts		1	3			4
Sr & Adult Services - Contracting Process			1			1
Veterans Services Cash/Cash Equivalents		1	1	2		4
Totals	**5**	**35**	**28**	**14**	**6**	**88**

These results were also communicated to individual departments/divisions in January 2026.

See *Appendix A* for details of testing results on individual recommendations. The table below also provides a list of recommendations to be escalated[1] to the Audit Committee for further discussion:

Audit or Examination	Issue Title	Recommendation Title
IT Assets and Inventory Audit	Formal Policies and Procedures Not Established	2 - Ensure optimal use of Cherwell for IT inventory
IT Assets and Inventory Audit	The System of Record Was Incomplete and Inaccurate	3 - Record held in storage inventory upon receipt
IT Assets and Inventory Audit	The System of Record Was Incomplete and Inaccurate	4 - Implement 3-way match for effective internal controls
IT Assets and Inventory Audit	The System of Record Was Incomplete and Inaccurate	5 - Track cost of assets

See *Appendix B* for a summary of all open and outstanding recommendations scheduled for future follow up testing.

DIA would like to express our appreciation to the various departments within Cuyahoga County that assisted throughout this process for their courtesy and cooperation.

---

[1]*P1 (High Risk) Recommendations are escalated to the Audit Committee after two follow-up attempts without full resolution and discussion with Executive Management.*

Issue Tracker - Testing completed between July 1, 2025 through December 31, 2025

Priority Rating: P1 - High

Audit or Examination	Issue Title	Recommendation Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Accounts Payable-Benford's Law	Duplicate Payments Exist And Are Not Prevented	3 - SaaS solution or recovery firm	11/30/2021	1	Partially Resolved - Fiscal advised they will be working with the Department of Information Technology on an improved tool or report for duplicate payment analysis by mid-2026.
Child Support Payments	CCF #12 Inaccurate Order Recordation Not Detected	1 - Formalized Review of OBM	8/21/2022	1	Partially Resolved - DIA inquired on the status of implementing an SOP requiring secondary review to ensure OBM's child support order recordation accuracy. OCSS indicated that the SOP was updated in October 2025 to require five quality assurance reviews per worker per month for all employees; however, QA reviews have so far only been performed for probationary employees. Because the update was made recently, OCSS has not yet been able to extend QA reviews to existing staff.
Child Support Payments	CCF #9 Segregation of Duties – Cash Collections	3 - Require balancer send spreadsheet	8/21/2021	1	Partially Resolved - DIA reviewed four weeks of Reconciliation Spreadsheets used at the three cash collection points to verify there were no unexplained gaps or voids in sequentially numbered paper receipts. For two of the three locations, we identified a total of eight unaccounted receipt gaps or voids that were not documented or investigated by the Office of Child Support. These exceptions indicate that required documentation and follow-up procedures were not consistently followed.
Development - Loan Portfolio Management	Financial Reporting Accuracy	5 - Report of $500,000 Loan Balance to Fiscal Office	3/31/2025	1	Fully Resolved - Management submitted the 701.07E report to the Office of Budget and Management on January 24, 2025, documenting the inclusion of the $500,000 loan balance in the 2024 ACFR. DIA has verified that the loan balance was correctly added, supporting compliance with County Code and ensuring accurate financial reporting.
Development - Loan Portfolio Management	Formal Loan Portfolio Risk Analysis	1 - Enforce Expectations of the Underwriting Process	7/31/2024	1	Fully Resolved – DIA reviewed DoD loans processed during 2025 and verified each had risk rating matrices completed. This suggests DoD enforces use of their risk-rating tool consistent with their policy.
Development - Loan Portfolio Management	Loan Committee Meetings Accessibility and Transparency	1 - Add Public Comment to Agenda and Post Minutes	7/31/2024	1	Fully Resolved - DoD consulted with the Law Department who confirmed that the CCCIC is not considered a public body under Section 105.01 of the County Code and the County Charter. Per DoD, transparency is promoted by publishing agendas online and minutes can be obtained through public records requests.
Development - Loan Portfolio Management	Loan Committee Oversight	1 - Update Policy on CCCIC Approval	7/31/2024	1	Not Resolved - Policy updates in progress and expected for completion some time in 2026. Although it is understood which loan types receive loan committee approval, this still needs formalized in a policy.
Development - Loan Portfolio Management	Loan Disbursement and Receipts Reconciliation	1 - Perform Reconciliation	7/31/2024	1	Fully Resolved - We requested a reconciliation for a recent month. Review indicates the reconciliation process appears to be in place and effective.
Development - Loan Portfolio Management	Loan Software Lacks Sufficient IT Controls	1 - Complex Passwords	3/31/2025	1	Fully Resolved - DIA verified that Portfol now enforces complex password requirements, including a minimum of eight characters with numeric and alphabetic mixed-case. The documentation provided included audit logs and user communications showing that the updated password policy was activated on April 23, 2025, and that users are reminded and required to comply every 60 days.
Employee Leave Payroll Review	Inaccurate Pays and Leaves	3 - Consult with Law Department on recovering overpayments and rectifying underpayments identified.	11/2/2022	1	Partially Resolved - DIA requested the status of payroll corrections for errors identified during the audit. HR confirmed resolution on 9 of 18 discrepancies (50%) requested and noted most others are pending Law Department review.

Issue Tracker - Testing completed between July 1, 2025 through December 31, 2025

Audit or Examination	Issue Title	Recommendation Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Employee Leave Payroll Review	Leave Donations and Separation Payouts Lack Controls	1 - Add a policy for secondary review and two sets of signatures	11/18/2022	1	Partially Resolved - DIA inquired about the status of HR implementing a policy requiring secondary review and two signatures to document the review and completion of leave donations. We also tested a sample of 30 donor-donee transactions and noted the following: The leave donation process is documented; however, it does not explicitly require secondary review or two signatures. It does reference completion of the leave donation form, which includes signature fields. Use of the updated form, which includes sign-off for transaction completion and review, is inconsistent. Not all donations reviewed used the updated form. When the updated form was used, required signatures were missing. Despite inconsistent form usage and missing signatures, all donations tested were accurate in meeting eligibility requirements and transaction completion. DIA recommended HR ensure consistent form use and completion going forward.
Employee Leave Payroll Review	Manual Pay Adjustments & Checks Lack Support and Review	2 - Discontinue the Practice of Issuing Manual Pay Adjustments and Paychecks for paid leave not yet loaded in the System.	7/3/2022	1	Fully Resolved - Our review indicates that unsupported 'call-in' pay adjustments no longer occur. We tested a random sample of 60 entries from 25,206 pay register records for one pay period in 2025. All tested hours matched the register or reflected documented retroactive timesheet adjustments. No exceptions were identified beyond these supported changes.
Employee Leave Payroll Review	Manual Pay Adjustments & Checks Lack Support and Review	4 - Review Manual Pay Adjustments and Paychecks to ensure Policy was followed.	7/3/2022	1	Fully Resolved - Our review indicates that unsupported 'call-in' pay adjustments no longer occur. We tested a random sample of 60 entries from 25,206 pay register records for one pay period in 2025. All tested hours matched the register or reflected documented retroactive timesheet adjustments. No exceptions were identified beyond these supported changes.
Employee Leave Payroll Review	Paid After Termination	3 - Consult with the Law Department on recovering the two erroneous pays	10/11/2022	1	Partially Resolved - DIA inquired on the status of addressing two identified erroneous payments issued to terminated employees totaling a net amount of $1,677.21. HR advised they were referred to the Law Department for review. However, determination or completion of appropriate recovery action have not been completed.
Employee Leave Payroll Review	Paid After Termination	5 - Adopt a formal overpayment recovery process	11/23/2022	1	Fully Resolved – HR has adopted an Overpayment Recoupment Policy and procedure, formally approved by the Administrative Rules Board. While the policy addresses most elements in DIA's recommendation—including referrals to the Law Department and, when appropriate, the Prosecutor's Office—it lacks a defined tracking mechanism to ensure timely resolution. HR management has indicated there are no plans to implement formal tracking. DIA recommends HR implement a tracking mechanism and monitoring control to ensure all identified overpayments are resolved promptly.
Employee Leave Payroll Review	Pays Lacking Support and Authorization	1 - Management should consult with the Law Department on recovering Pays not completed.	10/31/2022	1	Partially Resolved - DIA inquired on the status of HR's consultation with the Law Department regarding the potential of recovery in unsupported payroll identified during the audit. While HR indicated that some were under review by the Law Department, they have not made determinations if recovery of potential overpayments is appropriate. A timeline for completion was not provided.
Employee Recruitment/Hiring/Retention Assessment	Benchmarks to measure efficiency and seamlessness in the hiring process. BP #39	1 - Implement additional recruitment, hiring, and retention related benchmarking and properly use	12/31/2024	1	Not Resolved - DIA inquired on the status of HR benchmarking additional recruitment, hiring, and retention related metrics such as: time-to-apply, time-to-screen, time-to-interview, time-to-offer, time-to-fill, yield ratios, offer accept rate, offer decline rate, cost per hire. As of March 2025, HR advised they will evaluate, with the Office of Innovation and Performance, after the Strategic Plan is completed by the Executive Office. As of December 2025, the Strategic Plan had not been implemented.

Issue Tracker - Testing completed between July 1, 2025 through December 31, 2025

Audit or Examination	Issue Title	Recommendation Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Employee Recruitment/Hiring/Retention Assessment	Comprehensive exit interviews BP #13	1 - Implement continuous monitoring of exit interview	9/30/2023	1	Not Resolved - HR is developing an electronic process to streamline exit interviews and share results with directors; however, no estimated implementation date was provided.
Employee Recruitment/Hiring/Retention Assessment	Conduct background checks BP #12	2 - Require background screening verification	12/31/2023	1	Not Resolved - DIA inquired if HR consulted with IT to establish a control in Infor which would require background checks to be marked complete before hiring actions proceed. HR indicated that this cannot be revisited until after the ERP upgrade, which is expected in 2026. HR also advised they have created an on-boarding checklist, which includes background checks, for use starting January 1, 2026. This should act as a mitigating control until it can be determined if a system control is available.
Employee Recruitment/Hiring/Retention Assessment	Conduct background checks BP #12	3 - Review background screenings	12/31/2023	1	Partially Resolved - DIA inquired on the status of implementing a control which ensures background checks are completed and review is formally documented. Management has indicated that the process will be incorporated within their revised Talent Acquisition Process starting January 1, 2026, using the Talent Acquisition Employee Screening (TAES) checklist.
Employee Recruitment/Hiring/Retention Assessment	Documented Employer Value Proposition BP #18	1 - Development of a documented EVP	12/31/2024	1	Not Resolved - DIA inquired on the status of developing and implementing a documented Employer Value Proposition (EVP). As of March 2025, HR advised efforts are still in progress with HR staff have been assigned to the project including review of sample EVPs.
Employee Recruitment/Hiring/Retention Assessment	Environmental, Social and Governance Strategy (ESG) written and easily accessible to potential employees and current employees BP #43	1 - Ensure that an Environmental, Social, and Governance Strategy (ESG) is accessible to potential and current employees BP #43	9/30/2024	1	Withdrawn - Based on our review, the Department of Sustainability's 5-Year Sustainability Strategy effective 2024 addresses the environmental, social, and governance elements outlined in an ESG framework by establishing a clear vision, measurable goals, defined KPIs, and collaboration with County Council and other departments. The plan is readily accessible to potential and current employees via the County's public website, satisfying the accessibility component of the original recommendation. Furthermore, the 2022 Standard & Poor's Ratings Direct Report notes that the County's ESG framework effectively mitigates social and environmental risks through proactive lakefront planning and a stable, diverse economy, resulting in environmental risks being considered neutral with no negative impact on the County's credit rating. Therefore, we withdraw the HR-focused audit recommendation while noting that the Sustainability Department has effectively implemented DIA's initial recommendation.
Employee Recruitment/Hiring/Retention Assessment	Formal recruitment and succession plan BP #14	1 - Draft a strategic plan for recruitment and succession planning	9/30/2024	1	Partially Resolved - DIA inquired on the status of implementing a strategic plan for recruitment and succession planning. HR advised they focused on implementing a successful performance management program during 2025 which should begin discussions regarding succession planning.
Employee Recruitment/Hiring/Retention Assessment	Formal recruitment and succession plan BP #14	2 - Draft a policy and procedure covering the roles and necessary procedures for monitoring performance with recruitment and succession planning	9/30/2023	1	Fully Resolved - Although not formally documented in policy or procedure, HR has implemented a performance management program which would support succession planning. DIA observed multiple HR communications (In the Know) and training sessions offered on the program throughout 2025.
Employee Recruitment/Hiring/Retention Assessment	Needs assessments for development and training BP #37	1 - Implement a periodic training needs assessment process	9/30/2023	1	Partially Resolved – HR has taken steps by identifying countywide training priorities through the Organizational and Employee Development team (i.e. Civil Treatment conducted in 2024-2025). However, departmental training needs assessments have not been established.

Issue Tracker - Testing completed between July 1, 2025 through December 31, 2025

Audit or Examination	Issue Title	Recommendation Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Employee Recruitment/Hiring/Retention Assessment	Pay progression model BP #16	1 - Implementing a pay progression mechanism	12/31/2023	1	Partially Resolved – HR advised they have initiated steps toward a broader compensation strategy, including engaging a consultant in late 2024. DIA reviewed the contract and found the scope could support strategy development, though it primarily focuses on job evaluations and pay band assessments. DIA has not received further updates or noted any actions by HR regarding a uniform pay progression mechanism for non-bargaining employees.
Employee Recruitment/Hiring/Retention Assessment	Setting job performance goals and monitoring performance levels BP #38	1 - Implement a monitoring control over its employee performance management	12/31/2023	1	Fully Resolved – HR rolled out the Performance Management module within INFOR beginning in January 2025 starting with all Executive Agency non-bargaining employees. DIA noted several organization notifications (In the Know) and training sessions offered throughout the year. HR has advised evaluation of the program will be ongoing, and refresher training will be part of the process.
Facilities-Revenue and Receivables	Lease Receivables Not Consistently Recorded or Timely Collected	2 - Until AR module should bill for lessees and document payments received	3/31/2024	1	Partially Resolved - Public Works (PW) maintained spreadsheets of revenue received by year. They included leases. DIA obtained the 2024 and 2025 spreadsheets to validate adequacy including verification: Inclusion of the three lessees previously noted as not billed in the original audit. Documented review and approval of reconciliation between the County's financial system and PW tracking of accounts receivable. DIA noted that none of the three previously unbilled lessees were included in the 2024 spreadsheet and two of the three were not included on the 2025 spreadsheet. It was also noted that review of the spreadsheets is not documented. Upon further inquiry, DIA was advised: The three lessees were not billed as one was paid early in the year prior to start of the billing process and the other two having variable terms. The PW Business Service Manager regularly reviews the annual spreadsheets; however, nothing requires approval. As revenue has not been received since 2023 from one of the lessees and documented reconciliation does not occur, DIA will consider this Partially Resolved.
Facilities-Revenue and Receivables	Lease Receivables Not Consistently Recorded or Timely Collected	3 - Run accounts receivables report on regular basis from Lawson, when available	3/31/2024	1	Partially Resolved - DIA received the accounts receivable reports that are run from Lawson for the Airport. We reviewed a sample of the leases and determined that they were being accurately billed for, and payments are received and applied. DIA was informed that PW Management received the reconciliations; however, do not review the receivable reports for the Airport. PW Management over the Airport receivables had recently changed and advised they would explore possibilities of implementing review procedures.
Housing and Community Development - ERA	Retroactive Payments	1 - DOP - Transparency of Material Contract Amendment Changes	11/30/2024	1	Fully Resolved - Upon review of the updated briefing memos, DIA confirmed that the revised language appropriately directs agencies to provide sufficient detail regarding amendments (e.g., changes to service rates or costs, retroactive applicability of rate changes) and enables Purchasing to verify that all proposed contract changes are clearly communicated in the briefing memo.
Housing and Community Development - ERA	Retroactive Payments	2 - Increases to Contract Rates Should be Disclosed	11/30/2024	1	Partially Resolved - Although the briefing memo was updated on 10/14/25 directing agencies to provide sufficient detail on amendments, the timing of the update leaves little opportunity to observe its use in practice by year end. Therefore, DIA will review future amendments to determine whether the revised language effectively promotes proper disclosure. Until then, the recommendation will be considered partially resolved.
Housing and Community Development - ERA	Retroactive Payments	3 - Recovery of Duplicate Payment	11/30/2024	1	Not Resolved - At the time of inquiry, HCD management indicated that recovery of the overpayment was still under investigation; however, anticipates completion by year end 2025.

Issue Tracker - Testing completed between July 1, 2025 through December 31, 2025

Audit or Examination	Issue Title	Recommendation Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Human Resources Compliance	HR ADA Accessibility Non-Compliance	1 - ADA Accessibility - New Assessment	12/31/2023	1	Partially Resolved - While HR has established a compensating control by providing direct assistance to applicants needing accessibility support, full remediation depends on the County's planned migration to the upgraded Infor multi-tenant version in 2026, which is expected to enhance ADA and WCAG compliance.
Human Resources Compliance	Insufficient Safety Monitoring	1 - EHS - Finalize and approve policies	12/31/2023	1	Partially Resolved - DIA inquired on the status of EHS finalizing their safety policies and procedures manual. EHS has made progress by outlining program areas, roles and responsibilities, and an annual review cycle with department leadership involvement. However, the manual is not yet finalized. Key areas include facility-based safety programs, position-based occupational health and safety (including Job Hazard Analyses), incident reporting, and training. Implementation is expected by year-end 2026.
Human Resources Compliance	Insufficient Safety Monitoring	2 - Implement formal job hazard analysis	12/31/2023	1	Partially Resolved - DIA inquired on the status of EHS implementing a countywide Job Hazard Assessment (JHA) process. EHS has begun developing a template for departments to use and has completed drafts of five JHAs to date. EHS will take a more active role in developing JHAs for higher-risk areas such as Corrections and labor-intensive roles, while other departments will use the new template with guidance and support from EHS to document hazards for their positions. Initial assessments for Public Works (including custodial and field-based roles) and a final template package are anticipated by year-end 2026.
Human Resources Compliance	Insufficient Safety Monitoring	3 - Identify training gaps	12/31/2024	1	Not Resolved - EHS has not yet identified all safety requirements, including personal protective equipment (PPE), training and other related measures, because it is still in the process of developing Job Hazard Assessments (JHAs). Initial assessments for Public Works (including custodial and field-based roles) and a final template package are planned for completion by year-end 2026.
Human Resources Compliance	Insufficient Safety Monitoring	4 - Inform departments of training requirements	3/31/2024	1	Not Resolved - EHS has not yet developed departmental training of required safety and OSHA-related procedures because it is still in the process of developing Job Hazard Assessments (JHAs). Initial assessments for Public Works (including custodial and field-based roles) and a final template package are planned for completion by year-end 2026.
Human Resources Compliance	Insufficient Safety Monitoring	5 - Monitor training compliance	3/31/2024	1	Partially Resolved - Environmental Health & Safety (EHS) advised they have established a standardized Job Hazard Analysis (JHA) process and begun implementation with Public Works roles. Completion of JHAs, onboarding checklists, and training (such as PERRP/OSHA) tracking through the Learning Management System (LMS) is expected by the end of 2026.
Human Resources Compliance	PRC Not Performing Charter Charged Responsibilities	1- PRC - Adopt established auditing methodology	11/1/2025	1	Partially Resolved - PRC experienced turnover during 2025 and does not have any staff with sufficient knowledge to conduct audit related work. During 2026-2027 County Council budget hearings, the PRC requested additional funding to add additional audit staff. DIA will follow up as needed.
Human Resources Compliance	Pre-Employment Screening Not Ensured	1 - Locate missing pre-employment screening documentation	12/31/2023	1	Withdrawn - HR indicated most missing documentation cannot be recovered due to loss of access to the prior cloud-based screening system after December 31, 2022. The three-year retention requirement will be satisfied by the end of 2025; therefore, remaining missing records pose no risk, and further efforts to locate them are unnecessary.
Human Resources Compliance	Pre-Employment Screening Not Ensured	2 - Create policy for pre-employment screening	7/31/2024	1	Partially Resolved - DIA inquired on the status of HR implementing a formal pre-employment screening process including documented secondary review. Management has advised that the process will be incorporated into the revised Talent Acquisition Process starting January 1, 2026. Screening will be documented using the Talent Acquisition Employee Screening (TAES) checklist; however, management noted that the secondary review will not be formally documented. DIA has not yet evaluated how the checklist operates in practice or whether it will sufficiently document completion and review of pre-employment screenings.

Issue Tracker - Testing completed between July 1, 2025 through December 31, 2025

Audit or Examination	Issue Title	Recommendation Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Human Resources Compliance	Pre-Employment Screening Not Ensured	3 - Ensure FCRA compliance with new provider	10/1/2023	1	Fully Resolved – DIA selected a sample of 15 Executive Agency new hires and requested support of pre-authorization for background checks supporting FCRA compliance. Of the 15, documented pre-authorization was obtained for 14 (93%). DIA considered testing on the 14 forms provided sufficient to suggest HR is ensuring pre-authorization for background checks is consistently being obtained.
IT Assets and Inventory Audit	Formal Policies and Procedures Not Established	2 - Ensure optimal use of Cherwell for IT inventory	8/20/2024	2	**Risk Accepted** - To evaluate whether DoIT ensures completeness and accuracy of asset logging in Cherwell, DIA relied on testing results summarized in this report. Physical inventory testing (33% error rate) and three-way matching (50% error rate) revealed significant inconsistencies, indicating gaps in the current process. DoIT also did not provide evidence of alternative reconciliation procedures to confirm regular review and accuracy of asset data. Given the similar testing results in prior years and this has been assessed as High Risk, DIA: • Concludes this represents risk acceptance beyond an appropriate risk appetite. • Will escalate the matter to the County Audit Committee at its February 5, 2026 meeting. Additionally, an audit of countywide inventory governance, including DoIT's practices, is scheduled in DIA's 2026 Audit Plan.
IT Assets and Inventory Audit	The System of Record Was Incomplete and Inaccurate	3 - Record held in storage inventory upon receipt	8/20/2024	2	**Risk Accepted** - As part of our physical inventory and 3-way matching testing, we verified the completeness and accuracy of assets recorded in the inventory system (Cherwell) or, when information was unavailable (e.g., items still in boxes), in an alternative spreadsheet or log. During testing of 60 items, we found inconsistencies between the inventory list (Cherwell) and physical observation for 20 items (33% error rate). A log tracking in-stock items in storage by asset type and location was also reviewed; however, because it does not reference PO numbers, we could not confirm that it included all purchased assets missing from the inventory listing. Given the similar testing results in prior years and this has been assessed as High Risk, DIA: • Concludes this represents risk acceptance beyond an appropriate risk appetite. • Will escalate the matter to the County Audit Committee at its February 5, 2026 meeting. Additionally, an audit of countywide inventory governance, including DoIT's practices, is scheduled in DIA's 2026 Audit Plan.

Issue Tracker - Testing completed between July 1, 2025 through December 31, 2025

Audit or Examination	Issue Title	Recommendation Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
IT Assets and Inventory Audit	The System of Record Was Incomplete and Inaccurate	4 - Implement 3-way match for effective internal controls	8/5/2020	2	**Risk Accepted** - For 3-way matching testing, we compared purchase documentation to the inventory listing, using purchase order (PO) numbers and serial numbers to identify assets. Our testing of 10 invoices in 2025 identified missing or incorrect PO references and purchased assets absent from the inventory for 5 invoices (50% errors rate), indicating that 3-way matching is not consistently applied and gaps still exist in asset tracking. DoIT is in the process of implementing a new IT service management system (HaloITSM) with enhanced inventory capabilities, which DIA will recommend incorporating necessary controls to ensure proper 3-way matching. Given the similar testing results in prior years and this has been assessed as High Risk, DIA: • Concludes this represents risk acceptance beyond an appropriate risk appetite. • Will escalate the matter to the County Audit Committee at its February 5, 2026 meeting. Additionally, an audit of countywide inventory governance, including DoIT's practices, is scheduled in DIA's 2026 Audit Plan.
IT Assets and Inventory Audit	The System of Record Was Incomplete and Inaccurate	5 - Track cost of assets	8/20/2024	2	**Risk Accepted** - We reviewed a recent inventory report to determine if purchase information for each asset in Cherwell was tracked in accordance with County inventory policy. After reviewing the report, we determined that while purchase order (PO) numbers were generally referenced next to each asset, our 3-way matching testing revealed instances of missing or incorrect PO number references for 5 of 10 invoices reviewed (50% error rate), indicating that purchase information is not consistently tracked. DoIT is in the process of implementing a new IT service management system (HaloITSM) with enhanced inventory capabilities, which DIA will recommend incorporating the necessary controls (e.g., required field for PO number, cost of assets) to ensure purchase information is easily attainable. Given the similar testing results in prior years and this has been assessed as High Risk, DIA: • Concludes this represents risk acceptance beyond an appropriate risk appetite. • Will escalate the matter to the County Audit Committee at its February 5, 2026 meeting. Additionally, an audit of countywide inventory governance, including DoIT's practices, is scheduled in DIA's 2026 Audit Plan.
Medical Examiner's Office	Lack of ITGC PPM-Controls	1 - Create PPM for critical systems.	12/31/2022	1	Not Resolved - DIA inquired three times on the status of the Medical Examiner's Office (MEO) developing ITGC policy and procedure manuals for critical systems including VertiQ and Justice Trax. However, the MEO failed to respond. DIA will attempt follow up again in 2026.
Office of Procurement & Diversity_Contract Review	Control Weaknesses Noted on Payments to One Vendor Responsible for Large County Project	2 - Contract Payments Should Not be Made Without Encumbrances	8/29/2018	1	Fully Resolved - DIA reviewed a listing of all 2024 purchases for the County. DIA filtered this by contracts to verify each contract purchase had a Purchase Order (PO) # associated with it. Having a PO# with each contract payment indicates that there was a reduction in the contract balance as each payment would be posted against an encumbrance. No issues noted.

Appendix A

Issue Tracker - Testing completed between July 1, 2025 through December 31, 2025

Audit or Examination	Issue Title	Recommendation Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Sheriff's Office-Discretionary Funds and Accounts	Commissary Bank Reconciliation and Ledger Balance	5 - Void Checks that have been Outstanding for over a year	12/31/2021	1	Fully Resolved - DIA reviewed the Inmate Trust Fund's outstanding checks and noted only three from late 2024, which were within a reasonable time to retain before submitting as unclaimed funds. DIA testing in 2024 and 2025 confirmed funds from outstanding checks prior to 2024 were sent to the Treasurer's Office for unclaimed funds. Checks continue to be issued only for transfers to other institutions, not for individual inmate releases.
Sheriff's Office-Discretionary Funds and Accounts	Commissary Bank Reconcilliation and Ledger Balance	7 - Create A Policy and Procedure Manual	12/31/2021	1	Partially Resolved - DIA received Policies and Procedures relating to Inmate Funds which included performing bank reconciliations. It notes completion of monthly reconciliations, supervisor review, and the process of listing outstanding checks, deposits in transit, and other pertinent information. However, it does not include procedures on how specifically Cuyahoga County Inmate Funds bank reconciliation should be performed (i.e. when outstanding checks should be voided or types of system reports to be included in the bank reconciliation.)
Sr & Adult Services - Contracting Process	Incomplete, Inappropriate, or Missing Support	2 - Reviews of Supporting Documentation should be a Part of Monitoring	1/31/2023	1	Partially Resolved - DIA contacted DSAS management and inquired if additional staff had been hired or if providers were giving activity logs and signature sheets when providing supporting documentation for payment. DIA was informed that new staff had been hired, new software was being implemented, and that supporting document reviews would occur by early 2026.

Issue Tracker - Testing completed between July 1, 2025 through December 31, 2025

Audit or Examination	Issue Title	Recommendation Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Veterans Services Cash/Cash Equivalents	Lack of gift card policy	1 - Appropriate classification of gift cards	2/21/2024	1	Not Resolved - DIA inquired on the status of the Fiscal Office implementing a governance policy over the use of gift cards within departments, particularly as it relates to an annual inquiry process. The Fiscal Office advised they anticipate completion by December 31, 2025

Priority Rating: P2 - Moderate

Audit or Examination	Issue Title	Recommendation Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Auto Title Revenue and Receivables	Lack of Approval on Daily Cashier Balances	1 - Cashiers should initial their end of day money balances.	2/1/2023	1	Fully Resolved - DIA reviewed a sample of daily cashier reconciliations to determine if there were cashier and management noted approval. DIA determined that both cashier and management approval were being noted on daily cashier balances compared to ATPS reports at all branches in accordance with policies and procedures.
Child Support Payments	CCF #7 Manual Cash Receipting	1 - Electronic record-keeping system	8/1/2021	2	**Risk Accepted** - After careful consideration by the Office of Child Support Services (OCSS) and Department of Information Technology, management has elected to accept the residual risk associated with the manual child support payment receipting and reconciliation process at the Clerk of Courts and Juvenile Court. The total dollar amount collected through these locations is immaterial, and the cost of implementing an automated system is determined to outweigh the potential benefit. Given the existence of compensating controls and the limited impact of potential losses, this risk is considered to fall within the County's risk appetite. However, as discrepancies were noted during our most recent review, the Department of Internal Audit will continue to follow up on the Clerk of Courts' manual reconciliation process and will escalate concerns to the Executive's Office if additional deficiencies are identified.
Children and Family Services- Programs	Incorrect Foster Home Payment Amounts	3 - A review of date of birth to stipend amounts should be performed monthly	12/31/2021	1	Not Resolved - DIA inquired with DCFS Management if there had been any changes to the Foster care stipend review process to include comparing the child's age to the payment level. DIA was informed there had been no process changes to review child age versus stipend received.
Clerk of Courts - Collections & Enforcement Support	Lack of Documented Review of Cashier Voids	1 - Documented Review of the Void/Deletion report	4/30/2025	1	Fully Resolved - As per the management response within the report, corrective action was implemented prior to report release. Clerk's Office management provided support documentation showing that review of void reports is currently being conducted and documented.
Employee Recruitment/Hiring/Retention Assessment	Benefits materials are accurate, up-to-date, easy to read and promotional in nature BP #21	1 - Implement a process to review benefits materials	12/31/2023	1	Fully Resolved - HR reported that they worked with the Department of Communications and the benefits consultant to update the benefits materials in 2024 and again in 2025. DIA noted their website includes guidance and materials on: Current information related to all insurance coverages (medical, dental, vision, prescription, and life) along with annual benefit guides, Annual wellness program, Retirement, Other benefits including tuition reimbursement, RTA discounts, and Flexible Spending and Health Savings Accounts

Issue Tracker - Testing completed between July 1, 2025 through December 31, 2025

Audit or Examination	Issue Title	Recommendation Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Employee Recruitment/Hiring/Retention Assessment	Employee referral system BP #9	1 - Implement an employee referral system	9/30/2023	1	Withdrawn - As a public entity subject to Civil Service law, the County would need County Council approval by ordinance to introduce any new hiring or compensation practices. Management and Council have expressed concerns with adopting such a program in the past. Failure to have such a program would not be an impact to the County as a government entity. Additionally, referral bonuses are uncommon among government entities, and the absence of such incentives is unlikely to materially affect recruitment efforts. Therefore, this risk is considered to fall within the County's overall risk appetite.
Employee Recruitment/Hiring/Retention Assessment	Track hiring manager and applicant satisfaction with recruitment process. BP #6	1 - Implement a formal hiring/recruitment satisfaction survey BP #6	9/30/2023	1	Partially Resolved - HR, in consultation with the Department of Information Technology, determined that automating surveys through the ERP system is not feasible. As an alternative, HR is exploring the use of Constant Contact to distribute surveys to new hires and managers. Until HR has implemented the use of Constant Contact and provided support for new hires, the recommendation remains not fully resolved.
Employee Recruitment/Hiring/Retention Assessment	Use of automated recruiting management system #7	1 - Increase use of automated functionality within HR Talent	9/30/2024	1	Partially Resolved - HR has automated many recruiting functions in Infor Talent, including candidate profiles and requisition processes. Some gaps remain, such as completing automation of employee information and time-to-fill metrics. HR is working with DoIT to finalize these functions with the upcoming implementation of the Transition Management module and with Innovation & Performance to develop procedures.
Employee Recruitment/Hiring/Retention Assessment	Wellness programs BP #27	1 - Implementing appropriate governance over the wellness program	1/1/2024	1	**Risk Accepted** - HR has determined not to implement a wellness committee or track additional key performance indicators beyond participation. However, DIA does not believe this to exceed an appropriate risk appetite for the organization.
Facilities-Revenue and Receivables	Lack of Policies and Procedures Manual-PW-Fiscal	1 - Create Policies and Procedure Manual	9/7/2023	1	Partially Resolved - DIA requested Policies and Procedures from Public Works–Fiscal and received a manual. The manual includes procedures for accounts receivable invoicing for the Justice Center and Sanitary Inspection, payment follow-up and escalation, and check processing. However, it does not address processes such as: • Reconciliation of accounts receivables • Noting all types of billing that PW-Fiscal performs • Safeguarding of checks
Facilities-Revenue and Receivables	Lease Receivables for Justice Center Not Timely Collected or Written Off	1 - Develop Procedures for invoicing Cleveland for Justice Center	7/30/2023	1	Fully Resolved - DIA received emails from PW Management that indicated there was communication regarding what would be acceptable variance amounts in which justifications should be made when submitting the invoice. DIA also received emails between PW and City of Cleveland that showed communication and the setting of a meeting in order to discuss the invoice and billing process.
Facilities-Revenue and Receivables	Lease Receivables for Justice Center Not Timely Collected or Written Off	2 - Communicate procedures with Cleveland	7/30/2023	1	Fully Resolved - DIA reviewed communication between Public Works and City of Cleveland regarding Justice Center billing and payments. Communication indicated that Public Works had a meeting (3/12/25) with Cleveland employees responsible for reviewing Justice Center billing in order to discuss process of billing and payment.
Facilities-Revenue and Receivables	Lease Receivables for Justice Center Not Timely Collected or Written Off	3 - If continued problems with payment then obtain legal assistance with contract or obtain approval for portion of bills unpaid	7/30/2023	1	Fully Resolved - DIA was informed by PW Management that there has never been a need to write-off amounts of an invoice. DIA reviewed prior year invoices to see if full amounts had been paid by Cleveland. DIA determined that full amounts were paid for 2021 and 2022 or that invoices were revised to reflect accurate amounts owed. The 2023 and 2024 invoices have not been fully paid but are ongoing. DIA has not seen any instances of outstanding amounts being written off.
Facilities-Revenue and Receivables	Lease Receivables Not Consistently Recorded or Timely Collected	4 - Add procedures for billing and AR reporting in P&P Manual	3/31/2024	1	Fully Resolved - DIA reviewed the procedures that were received from PW-Fiscal and noted a section on invoicing and logging this into invoice tracking spreadsheet. This also includes a note regarding reporting to management if there is continued outstanding invoices. While the procedures are not specific for all types of PW- Fiscal billing, the basics of the process are included.

Issue Tracker - Testing completed between July 1, 2025 through December 31, 2025

Audit or Examination	Issue Title	Recommendation Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Hotel/Motel (Lodging) Tax	Incorrect Journal Entry	1 - Review spreadsheet used to make journal entries	1/31/2024	1	Fully Resolved - DIA received the most recent Distribution Report, which is used to support journal entries. DIA noted that the report now includes an added control showing the annual cap amount to be sent to Rocket Mortgage Fieldhouse and tracking year-to-date amounts to ensure the cap is not exceeded. There is no formal, documented approval process for the Distribution Report; however, discussions were held with Management regarding its use and the additional controls it contains.
Hotel/Motel (Lodging) Tax	Incorrect Journal Entry	2 - Include journal entry process in PPM	1/31/2024	1	Fully Resolved - DIA received procedures outlining the process and required support for journal entries. The procedures did not include a formal, regular review but noted the use of the Distribution Report, which contains an additional control.
Hotel/Motel (Lodging) Tax	Not currently monitoring to ensure taxpayer registration	1 - Begin utilizing MUNIRevs Compliance module	3/31/2024	1	Not Resolved - DIA inquired if the Compliance Module of MUNIREVS was in use. DIA was informed that this module was still not operational due to technical issues. It was believed that it will be operational in September 2025. The delays in implementation were attributed to the vendor.
Hotel/Motel (Lodging) Tax	Not currently monitoring to ensure taxpayer registration	2 - Incorporate usage of Compliance module into PPM	3/31/2024	1	Fully Resolved - DIA inquired if the Compliance Module of MUNIREVS was in use. DIA was informed that this module was still not operational. However, DIA received procedures that had been created for the Compliance Module for when it is operational.
Hotel/Motel (Lodging) Tax	Reconciliations lack review or approval	1 - Have monthly reconciliation reviewed and approved by someone other than preparer	3/31/2024	1	Fully Resolved - DIA received the procedures for monthly reconciliations of revenue received, which note that the reconciliation is to be performed by Examiners and reviewed by the Audit Manager. DIA also reviewed a completed reconciliation. It was noted that there is no formal documented approval of the reconciliation; however, the reconciliation amount is then used by the Supervisor to distribute funds.
Housing and Community Development - ERA	Untimely Submission	1 - Establish an internal control that ensures timely submission.	10/15/2024	1	Fully Resolved - Based on Housing & Community Development's most recent Emergency Rental Assistance 2 (ERA2) filing for Q2 2025, the report was submitted by the U.S. Treasury deadline of 7/15/2025. Accordingly, internal controls over timely submission are operating effectively.
Human Resources Compliance	Untimely and Incomplete Accident Reporting	2 - Provide training to supervisors	12/31/2023	1	Not Resolved – DIA inquired on the status of implementing a required annual Workers' Compensation training for County supervisors. EHS has not yet developed or rolled out the training as it is intended to launch alongside a new Electronic Incident Reporting System (EIRS). The EIRS, currently in development with IT, will streamline and automate the required process for workplace incidents and safety-related events. EHS anticipates both the system rollout and corresponding training to be operational by year-end 2026.
IT Assets and Inventory Audit	Assets Not Returned or Reassigned at Termination/Offboarding	3 - Review wireless plans	9/4/2020	2	Fully Resolved - DIA inquired on the status of implementing a control to ensure unnecessary costs are not incurred as a result of unused phone lines (i.e. after employee separation). DoIT has a quarterly process to review inactive devices for timely deactivation. Based on DIA's testing, DoIT is deactivating phone lines in a timely manner upon employee termination or when zero usage is identified. DoIT is in the process of implementing a new IT service management system (HaloITSM) with enhanced inventory capabilities, which DIA will recommend incorporating the necessary controls to ensure accurate tracking of mobile devices.
Sheriff's Office-Discretionary Funds and Accounts	Bank Reconcilliation Approvals	2 - Have Civil Bank Reconciliation Approved	12/31/2021	1	Partially Resolved - DIA obtained the most recent bank reconciliations for the Sheriff's Civil Division. DIA noted that there was documented approval of the bank reconciliation that occurred in a timely manner. However, DIA was informed that there were no completed Policies and Procedures for the Civil Division that noted bank reconciliation procedures.

Issue Tracker - Testing completed between July 1, 2025 through December 31, 2025

Audit or Examination	Issue Title	Recommendation Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Sheriff's Office-Discretionary Funds and Accounts	Lack of Reimbursement Tracking	2 - Add procedure to current Policies and Procedures	12/31/2021	1	Partially Resolved - DIA inquired if there had been any revisions to the extradition credit card policies. DIA received revised policies and procedures that were not yet formalized and approved. The drafted policies and procedures did note sending invoices to the Prosecutor's Office and handling received check. However, did not explicitly note tracking or escalation to management if checks are not received in timely manner. It was noted that the extradition tracking spreadsheet maintained by the Sheriff's Office did have a listing of extraditions for the Prosecutor's Office and when invoices were sent and payment received.
Veterans Services Cash/Cash Equivalents	Governance: Policy and Procedure Manual	1 - Implement the recommendations on gift cards	2/21/2024	1	Fully Resolved - All applicable recommendations from this report have been incorporated into VSC policy and procedures. DIA will continue to follow up on implementation of physical controls (safe, cameras etc) around gift cards.
Veterans Services Cash/Cash Equivalents	Lack of camera or lock	1 - Add camera and lock	2/21/2024	1	Partially Resolved - Per VSC, progress has been made toward enhancing physical security over gift cards including saferoom storage. Plans are in place to relocate them to an enhanced secured area in the new Veterans Services building once construction and a security assessment are complete. The new facility is expected to be ready for staff by the end of November 2025, with client operations and gift card distribution resuming in January 2026.
Veterans Services Cash/Cash Equivalents	Lack of gift card policy	1 - Fiscal Office - Establish a Gift Card Policy	2/21/2024	1	Not Resolved - DIA inquired on the status of the Fiscal Office implementing a governance policy over the use of gift cards within departments. The Fiscal Office advised they anticipate completion by February 2/28/2026.

Priority Rating: P3 - Low

Audit or Examination	Issue Title	Recommendation Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Clerk of Courts - Collections & Enforcement Support	Lack of Cashier Adherence to Policies and Procedures	1 - Policy and Procedure Adherence	4/30/2025	1	Fully Resolved - Per the Clerk's Office management response within the report, the recommendation has been implemented.
Clerk of Courts - Collections & Enforcement Support	Lack of Cashier Adherence to Policies and Procedures	2 - Policy and Procedure Training	12/31/2025	1	Fully Resolved - Per the Clerk's Office management response within the report, the recommendation has been implemented.
Clerk of Courts - Collections & Enforcement Support	Lack of Periodic Counts of Petty/Stored Cash	2 - Periodic counts of stored cash practices segregation of duties	4/30/2025	1	Fully Resolved - Per the Clerk's Office management response within the report, the recommendation has been implemented.
Development - Loan Portfolio Management	Effective Loan Monitoring Not Ensured	2 - Document Loan Monitoring	7/31/2024	1	Fully Resolved - Management asserted that they are documenting on-site review activities as time permits. However, going forward, new borrowers will be required to provide financial statements directly.
Development - Loan Portfolio Management	Financial Due Diligence Review	2 - Require Support of Borrower's Financial History	7/31/2024	1	Fully Resolved - DoD Management has advised evidentiary financial support - such as tax returns and other documentation from the principal of newly formed borrower entities - is required when the entity itself lacks financial history. Exceptions exist for certain project types or loan programs where such information is not applicable or available. This information is also obtained when the principal serves as a guarantor to assess the strength of the pledged guaranty.
Employee Recruitment/Hiring/Retention Assessment	Hiring process is largely digital and seamless on the candidate facing side BP #8	1 - Implement an e-signing and self-service system	9/30/2023		Withdrawn – It was determined this recommendation should be categorized as a P4, as it represents a process improvement rather than a control deficiency. HR is taking steps to implement a system. Accordingly, the recommendation is withdrawn.

Appendix A

Issue Tracker - Testing completed between July 1, 2025 through December 31, 2025

Audit or Examination	Issue Title	Recommendation Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Facilities-Revenue and Receivables	Unrestricted Revenue Erroneously Posted to Special Revenue Fund	1 - Adopt appropriate accounting unit to record revenue	9/30/2023	1	Withdrawn - DIA found that revenue from a leased parking space was still deposited into the same fund; however, the Fiscal Office confirmed it is part of the General Fund, not a special revenue fund.
Hotel/Motel (Lodging) Tax	Bed tax recipients may not receive proper oversight	1 - Either follow required oversight or revise language	5/31/2024	1	Fully Resolved - DIA received an updated Code of Regulations for Transient Guests which states "That the procedures performed by the Auditor of State are appropriate to meet the intended purpose of providing assistance in the evaluation of the Destination's Cleveland certain transactions collected, remitted, and/or disbursed under ORC573.09". This change reflects the level of oversight that the County will follow and is more in line with Bed Tax Reallocation Agreement.
Hotel/Motel (Lodging) Tax	Policies and Procedures require updating	1 - Create or revise PPM	6/30/2024	1	Fully Resolved - DIA received procedures for the Lodging Tax Dept. DIA reviewed the procedures and noted that they included sections mentioned as should be included during the audit. This included procedures relating to reconciliations, MUNIRevs, audits, penalty & interest, and recording payments.

Appendix B

Issue Tracker Status as of 12/31/2025

Audit	Issue Date	Report Recommendation Count				Open Recommendation Count			
		Total	High	Mod	Low	Total	High	Mod	Low
Procurement Process - IT Contracts	8/29/2018	57	15	31	11	4	2	2	0
Office of Homeless Services	4/30/2021	4	-	2	2	1	0	1	0
Office of Child Support Services	8/9/2021	25	11	14	-	3	2	1	0
Accounts Payable - Benford's Law 2019	8/9/2021	13	13	-	-	1	1	0	0
Medical Examiner's Office	9/20/2021	5	3	-	2	1	1	0	0
Sheriff's Office Funds	9/27/2021	15	7	8	-	4	1	3	0
Children and Family Services Programs	11/30/2021	31	-	21	10	1	0	1	0
Senior & Adult Services	8/12/2022	9	3	6	-	1	1	0	0
Employee Leave Payroll Review	10/28/2022	18	18	-	-	6	6	0	0
Real Property Revenue & Receivables	11/18/2022	28	8	10	10	6	0	0	6
Facilities Revenue & Receivables	7/12/2023	21	3	14	4	7	3	4	0
Employee Recruitment, Hiring & Retention Assessment	7/14/2023	30	21	7	2	14	12	2	0
Veterans Services Commission Consulting Engagement	10/24/2023	15	5	10	-	3	1	2	0
Human Resources Compliance	11/21/2023	25	13	10	2	13	10	3	0
OBM Encumbrance Consulting Engagement	11/27/2023	6	-	4	2	6	0	4	2
Sanitary Revenue & Expenditures	12/6/2023	18	3	13	2	15	1	13	1
Grant Management & Funding	12/26/2023	7	5	1	1	5	3	1	1
Lodging Tax	1/12/2024	7	0	5	2	1	0	1	0
Development - Economic Development Loan	6/11/2024	22	15	1	6	15	10	1	4
Bank Reconciliation	7/23/2024	3	0	1	2	2	0	2	0
Emergency Rental Assistance - Housing & Community Dev.	10/15/2024	15	13	2	0	11	10	1	0
Public Records Management - Microfilm	12/2/2024	22	0	15	7	21	0	14	7
Criminal Justice Information Sharing (CJIS)	1/27/2025	10	4	4	2	10	4	4	2
Animal Shelter - Compliance and Operations	4/2/2025	24	9	12	3	19	9	8	2
Clerk of Courts: Collection & Enforcement Support	8/8/2025	19	0	13	6	15	0	12	3
Regional Enterprise Data Sharing System (REDSS)	12/5/2025	1	0	1	0	1	0	1	0
Sheriff's Office Overtime	12/11/2025	6	3	3	0	6	3	3	0
County Council ARPA Community Grant	12/18/2025	4	1	3	0	4	1	3	0
Totals		460	173	211	76	196	81	87	28

Appendix C

Priority Level Criteria for Recommendations

High (P1)	The department's **Highest-Ranking Officer's immediate attention** is required on one or more of the criteria below. Corrective action is strongly recommended (30 days).
	- Financially material loss or potential loss – 7% of budget of function under review - Lack of or failure of internal controls requiring considerable time and resources to correct - Non-compliance with laws, regulations, and policies resulting in significant loss of funds, large fines, or substantial restrictions - Significantly negative effect on the County's reputation or public perception
Moderate (P2)	The department's **Senior Management's attention** is required on one or more of the criteria below. Corrective action is recommended (90 days).
	- Financial loss or potential loss - Internal controls exist: They are not effective, or they are not consistently applied. - Non-compliance with laws, regulations, and policies resulting in loss of funds, fines, or restrictions - Negative effect on the County's reputation or public perception
Low (P3)	The department's **Management's attention** is required on one or more of the criteria below. Corrective action is recommended (180 days).
	- Financial loss or potential loss is minimal - Internal controls exist, but could be improved - Non-compliance with laws, regulations, and policies is at minimal risk - No effect on the County's reputation or public perception