



2026 Issue Monitoring Memorandum

TO: Audit Committee
County Council
Cuyahoga County Executive

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

DATE: September 17, 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 January 1, 2026 through June 30, 2026.

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Withdrawn	(W)	The risk to the organization no longer exists or is no longer at a level that requires management's attention due to changes in the organization's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: January 1, 2026 through June 30, 2026

During the audit period, DIA completed follow-up testing on recommendations as summarized below. Out of 60 recommendations reviewed, 20 remain open and subject to further follow up.

Audit or Examination	High	Mod	Low	Grand Total	Remained Open
Animal Shelter	2	2		4	0
County Bank Reconciliation		2	2	4	1
Criminal Justice Information Sharing (CJIS)	4	1		5	1
Development - Loan Portfolio Management	6	3	1	10	8
Employee Recruitment/Hiring/Retention Assessment	2			2	0
Facilities-Revenue and Receivables	1			1	1
Grants Management & Funding	1		1	2	0
Human Resources Compliance		1		1	0
Medical Examiner's Office		1		1	0
OBM-Encumbrance Process-Consulting		4	2	6	0
Office of Procurement & Diversity_Contract Review	1	1		2	1
Real Property- Revenues and Receivables			6	6	1
REDSS Revenue Confirmation Review		1		1	0
Sanitary-Revenues and Expenditures	1	12	1	14	7
Veterans Services Cash/Cash Equivalents		1		1	0
Grand Total	18	29	13	60	20

Details of testing results on individual recommendations are provided within *Appendix A*. This appendix also includes the number of follow-ups previously conducted.

RESULTS – HIGH RISK

Of the 18 high risk recommendations tested, 9 (50%) were adequately addressed. DIA will conduct additional remediation testing on the remaining 9 (50%) during 2027. A summary of results on high-risk follow-up testing by engagement is shown below. Management did not accept the risk on any high risk recommendations during the testing period. Therefore, no recommendations were escalated to the Audit Committee.

Audit or Examination	F	P	N	Grand Total
Animal Shelter	2			2
Criminal Justice Information Sharing (CJIS)	3	1		4
Development - Loan Portfolio Management		4	2	6
Employee Recruitment/Hiring/Retention Assessment	2			2
Facilities-Revenue and Receivables			1	1
Grants Management & Funding	1			1
Office of Procurement & Diversity_Contract Review		1		1
Sanitary-Revenues and Expenditures	1			1
Grand Total	9	6	3	18

RESULTS - ALL

Of the 60 recommendations reviewed, DIA determined that 35 (58%) have been adequately addressed. This includes all Withdrawn and Fully Resolved conclusions. Five (8%) of the 60 recommendations tested were closed as the result of management accepting the risk; however, DIA determined risk acceptance does not appear to exceed the County's risk appetite or risk tolerance.

DIA will conduct additional remediation testing on the remaining 20 (33%) recommendations determined to be partially or not resolved. Summaries of testing results by risk priority and audit engagement are shown below:

Priority Rating	W	F	RA	P	N	Total
High		9		6	3	18
Moderate	6	11	3	7	2	29
Low	3	6	2	2		13
Grand Total	9	26	5	15	5	60

Audit or Examination	W	F	RA	P	N	Total
Animal Shelter		4				4
County Bank Reconciliation		3		1		4
Criminal Justice Information Sharing (CJIS)		4		1		5
Development - Loan Portfolio Management			2	5	3	10
Employee Recruitment/Hiring/Retention Assessment		2				2
Facilities-Revenue and Receivables					1	1
Grants Management & Funding		2				2
Human Resources Compliance		1				1
Medical Examiner's Office			1			1
OBM-Encumbrance Process-Consulting	6					6
Office of Procurement & Diversity_Contract Review			1	1		2
Real Property- Revenues and Receivables	1	3	1	1		6
REDSS Revenue Confirmation Review		1				1
Sanitary-Revenues and Expenditures	2	5		6	1	14
Veterans Services Cash/Cash Equivalents		1				1
Grand Total	9	26	5	15	5	60

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

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.

Appendix A

Issue Tracker - Testing completed between January 1, 2026 through June 30, 2026

Priority Rating: P1 - High

Audit or Examination	Issue Title	Recommendation No & Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Animal Shelter	CCAS - Inventory Controls of Controlled Substances are Inadequate	1 - Incorporate Additional Segregation of Duties into the Inventory Process	4/30/2025	1	Fully Resolved – DIA reviewed a sample of inventory receiving and disposal logs to assess segregation of duties. We noted secondary signatures documented on both receiving documents and use logs. Additionally, the use logs documented regular inventory counts conducted by two people. DIA determined appropriate segregation of duties has been applied consistently following the hiring of a Veterinary Technician in June 2025.
Animal Shelter	CCAS - Lack of Sufficient Contingency Planning	1 - Develop a CCAS specific contingency plan	5/3/2025	1	Fully Resolved - DIA reviewed the updated contingency plan and confirmed it integrated the elements outlined in the Cuyahoga County Board of Health's Contingency Plan Guidance Document and OSHA regulations. DIA also reviewed the Statement of Understanding log and confirmed that it included all employee signatures for support of the full acknowledgement of the updated contingency plan, training, and drills that had occurred on June 2, 2026.
Criminal Justice Information Sharing (CJIS)	CJIS May Be Missing Revenue	1 - Request supporting documentation	2/8/2025	1	Fully Resolved - DIA confirmed that PSJS sent a letter to all municipalities requesting detailed supporting documentation with each payment. PSJS staff follow up with municipalities that do not provide the required documentation. Although not all municipalities comply monthly, staff consistently contact them to obtain any missing support.
Criminal Justice Information Sharing (CJIS)	CJIS May Be Missing Revenue	2 - Review all payments received last 2 years	1/31/2025	1	Partially Resolved - DIA was informed that the one municipality that was noted in the report as not being current had resumed payments. However, they had not remitted payments for the period of 2023- Aug. 2025. PSJS Management was continuing to follow-up with the municipality regarding the missing payments and intend to do so until payments are made. This is done for any municipality that may be missing a payment for a month.
Criminal Justice Information Sharing (CJIS)	CJIS May Be Missing Revenue	3 - Implement Monitoring Control	2/28/2025	1	Fully Resolved - PSJS staff implemented monitoring controls which include maintaining a reconciliation of municipality payments and notes on outreach to those that have not remitted funds. Municipalities have been asked to provide detailed supporting documentation for amounts sent to the County. A sample review of this documentation showed system reports that matched the remitted amounts.
Criminal Justice Information Sharing (CJIS)	Fund and Compliance Awareness for CJIS	4 - Work with Fiscal Office as it relates to CJIS Fund balance	7/31/2025	1	Fully Resolved - DIA noted that there was no General Fund subsidy to the CJIS Fund in 2025. All of the approximately \$1.8 million had been adjusted from the PJ accounting unit to the SH accounting unit, within the CJIS Fund. All of this money would be available to use for CJIS purposes.
Development - Loan Portfolio Management	Credit Checks and Monitoring	1 - Implement Credit Checks	7/31/2024	1	Partially Resolved - DIA inquired on the status of DoD establishing a well-defined protocol for obtaining and reviewing credit check reports. Additional language and required signature have been added to loan applications. There are currently no documented reviews of the credit checks; however, updated policies and procedures manual including revised credit check procedures is estimated to be completed by 7/31/2026.
Development - Loan Portfolio Management	Financial Reporting Accuracy	1 - Loan Collectability and Write-Off Review Policy and Process	3/31/2025	1	Partially Resolved - DIA inquired on the status of DoD adoption/implementation formal loan collectability and write-off review policy and processes. DoD advised a policy and procedure is anticipated approximately July 31, 2026.
Development - Loan Portfolio Management	Financial Reporting Accuracy	3 - Review Delinquent Loan	3/31/2025	1	Not Resolved - DIA inquired on the status of DoD adoption/implementation of a collectability and write-off review policy and procedure. DoD advised a policy and procedure is anticipated approximately July 31, 2026. Upon completion, DIA will perform remediation testing based on the new policy requirements.

Appendix A

Issue Tracker - Testing completed between January 1, 2026 through June 30, 2026

Audit or Examination	Issue Title	Recommendation No & Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Development - Loan Portfolio Management	Formal Loan Portfolio Risk Analysis	2 - Implement Risk Analysis Process	7/31/2024	1	Not Resolved - DIA inquired on the status of DoD implementing a formal loan portfolio risk analysis process to assist in governance of the loan portfolio management. Management advised a risk assessment to the Loan Portfolio as a whole is anticipated to be developed, performed and implemented as part of the updated Policy and Procure manuals with an estimated date of completion of 7/31/2026.
Development - Loan Portfolio Management	Loan Software Lacks Sufficient IT Controls	2 - System Access Policy	3/31/2025	1	Partially Resolved - DIA inquired on the status of DoD development/implementation of a system access policy to restrict access rights for users, accounts, and computing processes to only those resources absolutely required to perform legitimate functions (least privilege access) DoD advised while practices are currently in place, incorporating as formal policy and procedure is not expected until approximately July 31, 2026.
Development - Loan Portfolio Management	Loan Software Lacks Sufficient IT Controls	3 - Policy for Deactivating Access	3/31/2025	1	Partially Resolved - DIA inquired on the status of DoD development of a policy to outline the expected timeframe for deactivating access of former employees in the Portfol system. DoD advised while practices are currently in place, incorporating as formal policy and procedure is not expected until approximately July 31, 2026.
Employee Recruitment/Hiring/Retention Assessment	Conduct background checks BP #12	1 - Update the background check policy and procedure	12/31/2023	1	Fully Resolved - DIA reviewed updated HR Talent Acquisition procedures and verified they included documenting completion of background checks. Completion of background checks are now recorded on a checklist with supervisor sign off. As part of testing for recommendation #4 of this finding, DIA selected a sample of new hires during the period of 1/1/2026 through 2/9/2026 and verified completion of a checklist. No issues were noted.
Employee Recruitment/Hiring/Retention Assessment	Conduct background checks BP #12	4 - Sheriff's Office Clerk provide confirmation of fingerprint background checks	12/31/2023	2	Fully resolved - DIA obtained the fingerprint-based background checklist from HR and confirmed the list included employees hired for the period 1/26/2026-2/9/2026. DIA independently pulled the active employee list from Lawson to verify for completeness and accuracy.
Facilities-Revenue and Receivables	Lease Receivables Not Consistently Recorded or Timely Collected	1 - All bills should utilize County Lawson system when available	3/31/2024	1	Not Resolved – DIA inquired on Facilities use of the Lawson Billing Module over all their accounts receivable. Per the Fiscal Office, use of the Billing Module is being restricted due to technical issues. Thus, it is unavailable for Facilities full use. Potential for expanded use of the Billing Module is to be reconsidered after an INFOR ERP upgrade occurs. DIA will follow up after the anticipated upgrade is completed in 2026.
Grants Management & Funding	Lack of Countywide Grant Governance	3 - Oversee grant Compliance	3/31/2024	1	Fully Resolved - Management response from the audit and subsequent communications advised that departments are responsible for ensuring grant compliance. The Fiscal Office did implement a formal grants policy and maintains a listing of current grants.
Office of Procurement & Diversity_Contract Review	Data Oversight and Control Weaknesses Exist with Procurement System	2 - Identify and Protect Confidential Data	9/18/2018	1	Partially Resolved - DIA was advised that DoP leadership is looking for ways to better protect data and documents during the current Infor upgrade. The ERP upgrade is planned to start in 2026 and run through go-live in 2028. Because the current version is under an enhancement freeze, no system changes can be made. DIA will follow-up during upgrade to ensure that the recommendation is considered.

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Issue Tracker - Testing completed between January 1, 2026 through June 30, 2026

Audit or Examination	Issue Title	Recommendation No & Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Sanitary-Revenues and Expenditures	Sewer District has Insufficient Cash Balance	2 - Send cash balances to PW-Management	12/7/2023	1	Fully Resolved - DIA received support that documented that the year-end community balances were sent to Sanitary-Operating and Public Works Management. The communication highlighted communities that ended the year in a deficit.

Priority Rating: P2 - Moderate

Audit or Examination	Issue Title	Recommendation No & Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Animal Shelter	CCAS - Record Retention Schedule is Incomplete	2 - Retain New Hiring Checklists	7/31/2025	1	Fully Resolved - The Animal Shelter provided copies of completed New Hire Training Checklists for all four new hires in 2025. DIA reviewed the checklists and confirmed they were complete and retained in accordance with CCAS's record retention schedule.
Animal Shelter	Policies and Procedures Require Updating	1 - CCAS - Update Policies and Procedures Manual	4/30/2025	1	Fully Resolved – DIA reviewed the Animal Shelter’s Policies and Procedures Manual to verify that policies were updated to align with current practices and desired daily operations. DIA confirmed that new sections addressing controlled substance management and patrolling for stray dogs were added. In addition, DIA noted that existing policies related to the pay-in process and timely cash deposits were updated to reflect current practices.
County Bank Reconciliation	Outstanding Checks for Over One Year	1 - Follow policy regarding outstanding checks	7/31/2024	1	Partially Resolved - DIA reviewed the outstanding checks from the last completed 2025 bank reconciliation. Outstanding Accounts Payable checks from 2021–2022 decreased by \$779,279 (54%) since the audit, and Payroll checks from 2018–2022 decreased by \$20,266 (7%). However, \$944,924 in checks from those periods remain open, along with an additional \$268,980 from 2023 that is now over one year old.
County Bank Reconciliation	VERBAL - Old cash code discrepancies	Verbal - See that old GL balances are resolved	7/23/2024	1	Fully Resolved - DIA viewed a 2025 bank reconciliation and the most recently completed 2026 bank reconciliation and noted that there were no longer reconciling items for the 11000 cash codes. There were also no reconciling items in K002 cash code for known cash differences between Board of Health and Soil & Water company codes from FAMIS or C001 for old over/short entries from the Treasurer's Office. Journal entries were made to make the correction.
Criminal Justice Information Sharing (CJIS)	CJIS May Be Missing Revenue	4 - Create P&P	2/28/2025	1	Fully Resolved - DIA requested any policies or procedures that documented processes relating to collection, reconciliation, or monitoring of REDSS fees. DIA received procedures for the deposit and posting of revenue received, monitoring missing payments, and performance and review of monthly reconciliations.
Development - Loan Portfolio Management	Evidentiary Support for Job Creation	1 - Require Evidentiary Support for Job Creation	7/31/2024	1	Not Resolved - DIA inquired on the status of DoD adoption/implementation of periodic reviews of evidentiary support pursuant to the rights of the County established in a given executed Loan Agreement. DoD advised a policy and procedure is anticipated approximately July 31, 2026. Upon completion, DIA will perform remediation testing based on the new policy requirements.
Development - Loan Portfolio Management	Financial Reporting Accuracy	4 - Pursue Collections or Write-off for the \$121,044.99 Loan Balance	3/31/2025	1	Partially Resolved - DIA inquired on the status of DoD efforts to pursue collections or write-off for the \$121,044.99 loan balance depending on the opinion from its legal counsel. DoD advised they are continuing to work with Law Department to rectify.

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Issue Tracker - Testing completed between January 1, 2026 through June 30, 2026

Audit or Examination	Issue Title	Recommendation No & Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Development - Loan Portfolio Management	Financial Reporting Accuracy	6 - Discern 4 Loan Balances	3/31/2025	1	Risk Accepted- DIA inquired on the status of DoD efforts to locate sufficient documentation to discern current balances for the four loans disbursed totaling \$2.7M. They advised that: Although extensive research had been conducted; they still have not been able to discern how much was previously paid due to limited availability of records as they were initially disbursed in 2008 and 2009. DoD has decided to maintain the loan balances in their loan portfolio system in effort to potentially collect at a later date in the event documentation is identified in the future. Continue to report the loan balances as \$0.00 on their financial statements due to insufficient documentation as they will not be formally written off. DIA has concluded that risk is being accepted. Upon review of DoD's most recent report of active loans, we noted the four loans represent less than 3% of their loan portfolio which totals \$98.7M. Therefore, DIA does not believe this to exceed an appropriate risk appetite for the organization based on materiality, and the priority rating is changed from a P1 (initial report rating) to a P2 since escalation is not necessary.
Human Resources Compliance	FLSA and Civil Service Compliance Not Ensured	5 - Implement controls to ensure accuracy of GHR entries	11/21/2023	1	Fully Resolved - HR reported that the Compensation team reviews GHR updates to ensure they align with PRC-approved classification and compensation changes. Our testing of three classified positions with pay grade changes authorized at the 2/3/2026 Human Resources, Appointments & Equity Committee meeting found all GHR entries accurate and consistent with the PRC’s classification plan and salary schedule. No exceptions were identified.
Medical Examiner's Office	Lack of ITGC PPM-Controls	1 - Create PPM for critical systems.	12/31/2022	2	Risk Accepted- The MEO accepted the risk, noting that developing ITGC policy and procedure manuals for critical systems would require significant vendor time and cost. DIA re-reviewed related 2020 audit testing and determined the risk is lower than originally rated. No user access or change management issues were actually found, and stronger password controls were implemented post-audit. While formal policies remain recommended, the lack of documentation alone does not justify a high-risk rating (initial report rating). DIA does not believe this to exceed an appropriate risk appetite for the organization.
OBM-Encumbrance Process-Consulting	DoIT had override access to Budget Edit Group	3 - Limit YE encumbrance decertification to appropriate staff.	2/25/2024	0	Withdrawn - This recommendation is being withdrawn due to the following: • During this consulting engagement, DIA did not have an agreement to perform follow up procedures. • DIA will be assessing many of the same risks/controls in the 2026 audit of OBM’s budget process. • None of the recommendations appear to exceed the organizational risk appetite.
OBM-Encumbrance Process-Consulting	No established procedures to manually remove encumbrances	6 - Update PPM	2/25/2024	0	Withdrawn - This recommendation is being withdrawn due to the following: • During this consulting engagement, DIA did not have an agreement to perform follow up procedures. • DIA will be assessing many of the same risks/controls in the 2026 audit of OBM’s budget process. • None of the recommendations appear to exceed the organizational risk appetite.
OBM-Encumbrance Process-Consulting	OBM decertification plan did not include Purchase Orders	4 - Implement Budget Controls	2/25/2024	0	Withdrawn - This recommendation is being withdrawn due to the following: • During this consulting engagement, DIA did not have an agreement to perform follow up procedures. • DIA will be assessing many of the same risks/controls in the 2026 audit of OBM’s budget process. • None of the recommendations appear to exceed the organizational risk appetite.

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Issue Tracker - Testing completed between January 1, 2026 through June 30, 2026

Audit or Examination	Issue Title	Recommendation No & Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
OBM-Encumbrance Process-Consulting	OBM decertification plan did not include Purchase Orders	5 - Establish Process	2/25/2024	0	Withdrawn - This recommendation is being withdrawn due to the following: • During this consulting engagement, DIA did not have an agreement to perform follow up procedures. • DIA will be assessing many of the same risks/controls in the 2026 audit of OBM’s budget process. • None of the recommendations appear to exceed the organizational risk appetite.
Office of Procurement & Diversity_Contract Review	Data Oversight and Control Weaknesses Exist with Procurement System	8 - Improve Input Controls	5/28/2021	1	Risk Accepted - Per DoP management, risk acceptance is appropriate as: While dates are manually entered into OnBase and it may still be possible to have an incorrect entry, OnBase dates are not an official record and use is limited for agenda planning purposes only. Resolution or applicable approval dates serve as the "final record" and authority. The original audit report noted a minimal number of incorrect entries and a reduced risk of financial impact. DIA does not believe this to exceed an appropriate risk appetite for the organization.
REDSS Revenue Confirmation Review	Inaccuracies in Collections Spreadsheet	2 - Implement Reconciliation	1/1/2026	1	Fully Resolved - PSJS maintains a spreadsheet that shows each municipality, their monthly payments, and records of revenue batches submitted into Lawson. There is also a tab for documenting past due payments and follow-up communication. DIA reviewed the month of March 2026, it was noted on the spreadsheet that 45 of 46 municipalities had remitted their March 2026 payment. DIA confirmed those payments were received by viewing check images in Lawson and properly posted. There were notes regarding contact with the municipality that had not yet remitted their payment.
Sanitary-Revenues and Expenditures	Inconsistent Engineering and Inspection Records	1 -Have engineering and inspection hours in EAM	3/31/2024	1	Withdrawn - DIA inquired of PW-Fiscal Management if engineering and inspection hours and total dollar amount charges could be input into their EAM system. DIA was informed that still was not occurring and that the functionality was not presently available in EAM. DIA inquired if any sort of upgrade would be considered to the system. DIA was informed that it has been discussed as recommended; however, changes could not occur within the INFOR EAM until at least 2028. DIA will consider these risks during the ERP upgrade implementation engagement beginning in 2026.
Sanitary-Revenues and Expenditures	Inconsistent Engineering and Inspection Records	3 - Create procedures for engineering and inspection expenses	3/31/2024	1	Fully Resolved - Although a full policy and procedure manual (PPM) is not estimated for completion until September 2026, Sanitary has developed guidance for various functions which included how to reconcile Engineer costing data to County payroll. DIA reviewed the guidance and recommends it be enhanced to include documenting completion and/or secondary review prior to being incorporated within the PPM.
Sanitary-Revenues and Expenditures	Lack of Controls Over Municipal Balances and Billing Reconciliation	1 - Document approval of municipal balances	3/31/2024	1	Fully Resolved- DIA requested support of municipal balances being approved by PW- Fiscal. DIA received support of emails sent to PW-Fiscal Management that included municipal balances for approval. While not formally approved by PW- Fiscal Management, there was documented communication between Sanitary-Fiscal and PW-Fiscal Management regarding municipal balances.
Sanitary-Revenues and Expenditures	Lack of Controls Over Municipal Balances and Billing Reconciliation	2 - Reconciliation of billing reviewed and approved	3/31/2024	1	Partially Resolved - DIA inquired on the status of Sanitary implementing a documented review and approval of monthly billing and payment reconciliations. Public Works fiscal management provided documentation showing reconciliations are still performed; however, documented confirmation of review and approval completion has not been implemented. They are currently discussed during meetings and verbally approved.
Sanitary-Revenues and Expenditures	Lack of Controls Over Municipal Balances and Billing Reconciliation	3 - Document in Policies and Procedures	3/31/2024	1	Partially Resolved - Sanitary informed DIA the PPM is being drafted and should be completed in September 2026.

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Issue Tracker - Testing completed between January 1, 2026 through June 30, 2026

Audit or Examination	Issue Title	Recommendation No & Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Sanitary-Revenues and Expenditures	Lack of Segregation of Duties or Controls Relating to Payment Collections.	1 - Perform reconciliations of deposits to EAM	3/31/2024	1	Partially Resolved - DIA received documented procedures for the daily submission of an issued permits report and deposit information necessary for PW- Fiscal to perform a reconciliation. However, DIA was informed by PW- Fiscal that there is no formally documented approval of the reconciliation of the deposit and system recorded permit information.
Sanitary-Revenues and Expenditures	Lack of Segregation of Duties or Controls Relating to Payment Collections.	2 - Receive listing of all permit numbers	3/31/2024	1	Fully Resolved - DIA received a daily listing of permit numbers and deposits for a requested week that were sent by the Sanitary Permits Coordinator to PW-Fiscal staff. DIA did not note any voids or missing permit numbers.
Sanitary-Revenues and Expenditures	Lack of Segregation of Duties or Controls Relating to Payment Collections.	3 - Develop P&P for reconciliation	3/31/2024	1	Partially Resolved- DIA inquired of PW Fiscal if there were documented procedures for reconciliation of revenue collected for Sanitary permits. DIA received some procedures that noted the documents that were to be sent to PW- Fiscal as support for revenue received. However, the procedures do not note having a form of review of the reconciliation.
Sanitary-Revenues and Expenditures	Lack of Support for Other Revenue and Expenses.	1 - Maintain complete accounting of Other revenue and expenses	3/31/2024	1	Fully Resolved - DIA obtained the 2025 year-end community balance spreadsheet to assess if "Other Revenue and Expenses" was maintained with a complete accounting. DIA noted that Other Revenue and Expenses was no longer in use. Per the Sanitary Business Manager, other revenue and expenses have been individually incorporated into their direct bill communities.
Sanitary-Revenues and Expenditures	Lack of Support for Other Revenue and Expenses.	2 - Develop P&P for maintaining Other revenue and expenses	3/31/2024	1	Withdrawn - As referenced for recommendation 1, DIA noted that Other Revenue and Expenses category was no longer in use. As such, it is unnecessary to document Other revenue and expenses within a Policy and Procedure Manual.
Sanitary-Revenues and Expenditures	Sanitary Fiscal - Lack of Policies and Procedures Manual	1 -Create Policies and Procedures	4/30/2024	1	Partially Resolved - DIA inquired with Sanitary Fiscal if there had been any Policies and Procedures created for the operations of the division. DIA was informed that Policies and Procedures had not yet been created. There was some guidance created for various functions of Sanitary Fiscal but not a complete manual. Sanitary estimated completion by September 2026.
Sanitary-Revenues and Expenditures	Sanitary Fiscal - Lack of Policies and Procedures Manual	2 - Document reasons for qualitative methods for allocating costs	12/6/2023	1	Partially Resolved - Within the Management response to the original report, Sanitary advised a quantitative method would be used to calculate indirect costs (vs qualitative factors previously used). DIA will base our remediation conclusion on results of Recommendation #1 (documented Policies and Procedures Manual (PPM) including indirect cost application methodology). Provided the PPM documents indirect costs based on quantitative methodology, DIA will withdraw this recommendation at that time.

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Issue Tracker - Testing completed between January 1, 2026 through June 30, 2026

Audit or Examination	Issue Title	Recommendation No & Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Veterans Services Cash/Cash Equivalents	Lack of camera or lock	1 - Add camera and lock	2/21/2024	2	Fully Resolved - VSC advised enhanced physical security of gift cards has been implemented at their new facility. This includes electronic key card access and security camara monitoring of their safe room and reception area. As priority ratings were not used in this audit report being a consulting engagement, we relied upon auditee inquiry responses to determine the testing conclusion.

P3 - Low

Audit or Examination	Issue Title	Recommendation No & Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
County Bank Reconciliation	Lack of Documented Review of Consolidated Reconciliation	1 - Document review of consolidated reconciliation	5/31/2026	1	Fully Resolved - DIA was informed by Fiscal Management that there was review of the Consolidated Bank Reconciliation by someone that did not participate in the preparation of the bank reconciliation. DIA noted that reviewer initials and date were recorded on bank reconciliation.
County Bank Reconciliation	Lack of Documented Review of Consolidated Reconciliation	2 - Document review procedures	5/31/2024	1	Fully Resolved - DIA confirmed with Fiscal Management that procedures for reviewing the Consolidated Bank Reconciliation were added to Policies and Procedures. DIA noted a requirement for review and approval by a Manager or Accountant 3 who did not prepare the reconciliation.
Development - Loan Portfolio Management	Financial Reporting Accuracy	2 - Fiscal Office Review	3/31/2025	1	Risk Accepted - DoD chose not to request a Fiscal Office review for GAAP conformity, stating that such a review is unnecessary because the Fiscal Office only reports on loans and does not assess their collectability or approve write-offs. During the follow up process, the DIA Director re-evaluated the assigned risk level and determined it appropriate to revise it from a P1-High to a P3-Low as this action would not significantly impact the risk of inaccurate financial statements and misstatements. As such, DIA does not believe this to exceed an appropriate risk appetite for the organization.
Grants Management & Funding	Grant Listing on Purchasing Website Inconsistent	1 - Increase transparency to grants listing on Purchasing website	3/31/2024	1	Fully Resolved - DIA reviewed the grants database of the County website. Grants were no longer being routed to the Contracts database. The Grants database had more grants listed than during the audit and had more recent grants available.
OBM-Encumbrance Process-Consulting	Lack of automation in decertification	1 - Consult on automation of Lawson system in managing appropriation and encumbrance processes.	5/25/2024	0	Withdrawn - This recommendation is being withdrawn due to the following: • During this consulting engagement, DIA did not have an agreement to perform follow up procedures. • DIA will be assessing many of the same risks/controls in the 2026 audit of OBM's budget process. • None of the recommendations appear to exceed the organizational risk appetite.
OBM-Encumbrance Process-Consulting	Lack of automation in decertification	2 - Establish process	5/25/2024	0	Withdrawn - This recommendation is being withdrawn due to the following: • During this consulting engagement, DIA did not have an agreement to perform follow up procedures. • DIA will be assessing many of the same risks/controls in the 2026 audit of OBM's budget process. • None of the recommendations appear to exceed the organizational risk appetite.

Appendix A

Issue Tracker - Testing completed between January 1, 2026 through June 30, 2026

Audit or Examination	Issue Title	Recommendation No & Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Real Property- Revenues and Receivables	C/I Triennial Procedures	1 - Create written procedures for triennial updates as to what information is used and how it was utilized in selecting factors	1/1/2026	1	Withdrawn - Appraisal roles and responsibilities are governed by a combination of Ohio Revised Code, Ohio Administrative Code, and Ohio Department of Tax Equalization (DTE) compliance requirements. Upon further inquiry, DIA noted the triennial appraisal cycles require an Appraisal Project Plan be submitted and approved by the DTE. The Appraisal Project Plan essentially functions as a policy document outlining the methodologies, standards, and procedures the County will use to complete this more complex revaluation cycle. DIA was provided with County-specific procedures governing the annual maintenance appraisal cycle. These procedures describe the operational steps used by County staff to perform routine valuation updates and system processes. Per Appraisal, the County relies on the same documented annual maintenance procedures for reoccurring operational tasks regardless of appraisal cycle (sexennial, triennial, or annual maintenance).
Real Property- Revenues and Receivables	Lack of Procedures regarding review of exempt parcels during sexennial	2 - If field review is necessary than plan for how to complete	4/30/2024	1	Fully Resolved - DIA inquired of Appraisal Manager how it compensates for staffing shortages that may contribute to not being able to field review all exempt parcels. DIA was informed that Department of Taxation Equalization (DTE) asked the County to field review all exempt parcels at least once over a six-year appraisal cycle. As opposed to annual review, as required by ORC. Annually, appraisal staff will field check about 20% of the exempt population.
Real Property- Revenues and Receivables	Lacking Policies and Procedures	1 - Create or Revise Policy and Procedure Manuals	6/30/2023	1	Partially Resolved - DIA will maintain a Partially Resolved status overall as the conclusion varies by department. See specific departmental statuses below: Treasury - Fully Resolved: Department advised procedures have been completed and receive regular reviews. Real Property - Fully Resolved: Department advised policies are complete and updated as cross training is completed. Transfer & Recording (T&R) - Partially Resolved. Department advised several updates are needed within their PPM. The expected completion date is July 2026. Appraisal - Withdrawn: Roles and responsibilities are governed by a combination of Ohio Revised Code, Ohio Administrative Code, and Ohio Department of Tax Equalization (DTE) compliance requirements. Both sexennial and triennial appraisal cycles require an Appraisal Project Plan be submitted and approved by the DTE. The Appraisal Project Plan essentially functions as a policy document outlining the methodologies, standards, and procedures the County will use to complete these more complex revaluation cycles. DIA was provided with County-specific procedures governing the annual maintenance appraisal cycle. These procedures describe the operational steps used by County staff to perform routine valuation updates and system processes. Per Appraisal, the County relies on the same documented annual maintenance procedures for reoccurring operational tasks regardless of appraisal cycle (sexennial, triennial, or annual maintenance.) The Office of Innovation and Performance (OIP) is currently in the process of documenting Property Tax procedures. DIA met with OIP and discussed this process on May 26, 2026 and confirmed our understanding on June 1, 2026.
Real Property- Revenues and Receivables	Missing valuation sheets for sexennial appraisal	1 - Work with Microfilm to assure scanning is completed and available	5/31/2023	1	Fully Resolved - DIA inquired of Appraisal Manager if the scanning of valuation sheets for 2018 and 2024 had been completed and indexed in such a way that they could be easily located. DIA was informed that the scanning was complete and documents were indexed by book and page.

Appendix A

Issue Tracker - Testing completed between January 1, 2026 through June 30, 2026

Audit or Examination	Issue Title	Recommendation No & Title	Targeted Implementation Date	Follow Up Count	Follow Up Testing Conclusion
Real Property- Revenues and Receivables	Short Staffing in Fiscal Office and Treasurer's Office	1 - Increase Staffing to create controls	12/31/2022	1	Risk Accepted- DIA inquired about the vacancy rates noted in the audit report and was informed that some departments still had openings, though fewer than originally reported. The departments with vacancies reported no operational issues. Given the County’s 2025 hiring freeze, DIA does not believe this to exceed an appropriate risk appetite for the organization.
Real Property- Revenues and Receivables	Short Staffing in Fiscal Office and Treasurer's Office	2 - Create additional controls which may increase responsibilities on existing staff	12/31/2022	1	Fully Resolved - DIA inquired of Fiscal management if unable to fill vacancies as to if alternative controls were present to address potential weaknesses associated with lack of personnel. The departments reported that they either were fully staffed or had controls in place to mitigate risks associated with any vacancies.
Sanitary-Revenues and Expenditures	Direct Bill Municipalities Not Allocated Indirect Costs.	1 - Implement methods to allocate indirect costs to direct bill municipalities	4/30/2024	1	Partially Resolved - DIA inquired if Sanitary determined to allocate indirect costs to direct bill municipalities. Per the Fiscal Manager, Sanitary is updating direct billing communities to allow for administrative (indirect) charges in 2027 and provided an updated contract example. The changes will be incorporated into a Policy and Procedure Manual upon full implementation.

Appendix B

Issue Tracker Status as of 06/30/2026

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	3	2	1	0
Office of Homeless Services	4/30/2021	4	-	2	2	1	0	1	0
Accounts Payable - Benford's Law 2019	8/9/2021	13	13	-	-	1	1	0	0
Office of Child Support Services	8/9/2021	25	11	14	-	3	2	1	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	1	0	0	1
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	12	10	2	0
Veterans Services Commission Consulting Engagement	10/24/2023	15	5	10	-	2	1	1	0
Human Resources Compliance	11/21/2023	25	13	10	2	12	10	2	0
Sanitary Revenue & Expenditures	12/6/2023	18	3	13	2	8	0	7	1
Grant Management & Funding	12/26/2023	7	5	1	1	3	2	1	0
Lodging Tax	1/12/2024	7	0	5	2	1	0	1	0
Development - Economic Development Loan*	6/11/2024	22	15	1	6	13	7	2	4
Bank Reconciliation	7/23/2024	3	0	1	2	1	0	1	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	6	1	3	2
Animal Shelter - Compliance and Operations	4/2/2025	24	9	12	3	15	7	6	2
Clerk of Courts: Collection & Enforcement Support	8/8/2025	19	0	13	6	15	0	12	3
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
Continuous Monitoring 2025	1/15/2026	5	0	1	4	4	0	0	4
IT Security - Cybersecurity	7/6/2026	2	0	2	0	2	0	2	0
Totals		455	170	209	76	164	68	72	24

* DIA Director determined it appropriate to reduce assigned risk for one open recommendation from P1 to P2.

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