

To: Honorable Sheriff Scott Lewis
From: Brent Statler, County Auditor 
Subject: Sheriff Department Review Follow-up

Date: August 30, 2018

The County Auditor's Office conducted a follow-up review of the Sheriff Department report dated February 9, 2017. The status of the reported observations is detailed in the attached report.

The analysis was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and consisted of examining sufficient evidence to afford a reasonable basis for our findings. Since this was a status update, management responses are not necessary, but added if the planned action has changed.

If you have any questions or concerns pertaining to the observations or recommendations included in this report, please feel free to call me.

Attachment

Copy to: Joann Leykam, Director of Administration
Honorable County Council

Status Review

Control – Prisoner Transport

Discussion and Background	Cause	Recommendation	Management Response	Action Plan Status
<p>Sheriff’s Department Prisoner Transport Deputies complete transports of prisoners to and from the County Department of Corrections (DOC). The Police Department Dispatchers will notify Deputies when a transport is needed. The Deputy will notify Dispatch throughout the transport to document when they are enroute to the location, have the prisoner in custody, are returning to DOC, etc. Once the deputy arrives at DOC with the prisoner, they will complete all required paperwork so that the prisoner can be booked. After the transport, the Deputies also complete a report of their activities for internal tracking purposes. If the Deputy worked overtime during the transport, they will complete an overtime form that is reviewed and approved by the Prisoner Transport Sergeant, Lieutenant, and Sheriff before it is submitted to the Administrative Assistant for payroll entry.</p>	<p>The following was noted during a review of Sheriff’s Department overtime:</p> <ol style="list-style-type: none"> 1) Several instances of overtime could not be verified with a specific transport due to insufficient information provided on the overtime form and/or transport reports; and 2) Several on-call (overtime) transports start and end times exceeded thirty minutes prior to departure time and after prisoner booking. <p><u>Note 1:</u> Of the eighteen dispatch-verified transports reviewed, there were six (33.3%) transports where the reported start time was greater than thirty minutes prior to the enroute time; whereas, three were greater than one hour with the longest at 2.7 hours.</p> <p><u>Note 2:</u> There were thirteen (54.6%) of twenty-four verified transports where the end of the charged duty-time exceeded 30 minutes after the booking time. There were five instances where the time was greater than one hour, with the longest at 1.4 hours.</p>	<p>The Sheriff’s Department should ensure that:</p> <ol style="list-style-type: none"> 1) Overtime forms and transport reports include sufficient documentation regarding the duties completed during the shift; and 2) Reported overtime hours accurately reflect the hours worked. 	<p>I concur with your recommendations. In approximately May of 2016 I began requiring additional detail to be included on overtime request forms. Forms should now include location prisoner was transported from, prisoner’s last name and associated report number. Additionally, a daily activity report is to be completed by each deputy transporting prisoners and those reports are kept on the sheriff’s shared drive, so they can be reviewed by supervisory staff and the sheriff’s administrative assistant.</p> <p>As a result of information provided by the county auditor, an internal investigation was conducted into the possibility overtime funds were inappropriately paid. Appropriate disciplinary action was taken.</p>	<p>Closed: The Department has new guidelines in place for on-duty and off-duty reporting and activities that can be completed while on overtime. Several transports reviewed traced to adequate supporting documentation and had on-duty and off-duty times that appeared to be appropriate.</p>

Control - Payroll

Discussion and Background	Cause	Recommendation	Management Response	Action Plan Status
<p>All Sheriff's Department employees complete leave and overtime forms which are submitted to their supervisor(s) for review. After approval, the forms are given to the Administrative Assistant. Several days prior to payroll entry, the forms are submitted to the Sheriff for final review. Following his approval, the Administrative Assistant will enter the leave and overtime based on the forms. The Time Entry Proof is printed and then reviewed and approved by the Sheriff before it is sent to the Finance Department for further processing.</p> <p>The Sheriff's Department's Paid Time Off (PTO) policy states that employee leave is considered unscheduled if the supervisor is notified less than 24 hours prior to the absence, with the following exceptions: 1) inclement weather, 2) PTO is authorized by supervisor and minimum manpower is met for the shift, and 3) early departure or late arrival with prior approval of supervisor.</p>	<p>The following was noted during a review of Sheriff's Department payroll:</p> <p>1) The Administrative Assistant does not receive schedules and/or timesheets to use for payroll entry; and</p> <p><u>Note 1:</u> Currently, no employees complete a timesheet. The Court Services Division has a schedule, but this is not provided to the Administrative Assistant.</p> <p>2) Leave and additional pay forms were not submitted to the Sheriff for approval prior to the leave taken.</p> <p><u>Note 2:</u> Seven (35.0%) of the twenty leave forms reviewed were entered as scheduled leave when the employee did not submit the leave form until the date of the absence.</p> <p><u>Note 3:</u> It's unclear if the leave met the criteria of the exceptions listed in the Department Policy due to the documentation available.</p>	<p>The Sheriff's Department should ensure that:</p> <p>1) Schedules and/or timesheets are properly completed and submitted to the Administrative Assistant to use for payroll entry; and</p> <p>2) Properly completed payroll forms are submitted for all approvals in a timely manner.</p>	<p>I will review what form(s) other county departments are using to properly document and review payroll.</p> <p>For the first four months after I took office as sheriff, I was located in a temporary office in the Highway Department. Overtime and leave request forms were approved at the division commander level (Lieutenant) and forwarded to the payroll clerk at the police department for processing.</p> <p>Upon the relocation of my staff and the hiring and training of my administrative assistant I began reviewing them, approximately June of 2015. In all cases the leave forms should have been approved by the division commander prior to the leave being taken.</p> <p>Scheduled and unscheduled leave is determined by department policy and is now documented on the leave request form.</p>	<p>Closed: Employees submit paid leave requests to the Sheriff for approval. A review of recent payroll entries showed that submissions and approvals were provided in a timely manner. The Administrative Assistant enters time based upon established office hours and approved compensatory/leave forms.</p>

Control - Prisoner Transport Petty Cash Fund

Discussion and Background	Cause	Recommendation	Management Response	Action Plan Status
<p>The Sheriff's Department maintains a petty cash fund for the Prisoner Transport Division. Deputies submit reimbursement request forms and receipts for expenses (meals, tolls, parking, etc.) incurred when transporting prisoners. The forms and documentation are reviewed by the Division Sergeant and then sent to the Corporal in charge of the fund to pay out the reimbursements. The Department's Administrative Assistant may also assist in processing reimbursements. All reimbursements are tracked in a log book that is manually maintained by the Corporal and Administrative Assistant. Deputies initial the log next to their reimbursements when receiving payment.</p> <p>The fund is replenished through the Finance Department's petty cash fund by submitting a Petty Cash Reimbursement Form and all reimbursement requests and corresponding documentation.</p> <p><u>Note:</u> The Sheriff implemented a new written policy on 8/15/16.</p>	<p>A sample of Prisoner Transport Petty Cash Fund replenishments revealed that several were not processed timely, adequately supported, or traced to the Department's log book.</p>	<p>The Sheriff's Department should:</p> <ol style="list-style-type: none"> 1) Replenish the fund to its stated balance, tracking any overages and shortages; 2) Ensure that reimbursement requests are properly reviewed and supported; and 3) Require reimbursement requests to be submitted in a timely manner. 	<p>I concur with your recommendation. As noted in your report I established General Order 07-10 on 08-15-16 and at that time reassigned responsibility for petty cash and other provisions of this G.O. to Cpl. Frank Spencer.</p>	<p>Closed: The Department has implemented procedures to track petty cash balances and reconcile to a stated balance. A review of transactions revealed supporting documentation and overall processed on a timely basis.</p>

Control – Fines Collection Booth

Discussion and Background	Cause	Recommendation	Management Response	Action Plan Status
<p>The Fines Collection Booth is operated by one clerk from the Circuit Court and one clerk from the Sheriff's Department. The clerks collect traffic fines, criminal fines, and bond payments. Payments can be made using cash, money order, cashier check, and credit card. Credit card payments are processed through MunicIPAY, a third-party vendor.</p> <p>Each clerk has a change fund of \$150 that is provided by the County. The change funds are used to provide change for cash transactions, and to also break larger bills for other customers and employees.</p> <p>The Fines Collection Booth does not collect payments for the Civil Division. The Civil Division collects their own payments; however, they require that customers make exact payments. If a customer does not have the exact cash amount, they are sent to the Fines Collection Booth to get change.</p>	<p>The following was noted during review of the Fines Collection Booth:</p> <p>1) Procedures are not consistent among the Fines Clerks; and</p> <p><u>Note 1:</u> Differing procedures include accepting or denying partial payments and retaining or destroying the Credit Card payment report.</p> <p>2) Clerks in the Fines Collection Booth do not have a sufficient change fund to adequately provide change to customers.</p> <p><u>Note 2:</u> Clerks may keep the prior day's deposit (or several days' deposits) in their change drawer to trade out the larger bills for smaller bills when a fine is paid. Deposits may not be turned in to the Court's Accounting Division until all of the small bills have been traded out (typically 1-2 days).</p>	<p>The Sheriff should request additional funds for the Fines Collection Booth change fund and work with the Circuit Clerk to develop one set of operating procedures.</p>	<p>I concur with your recommendations. Adequate planning was not conducted prior to the creation of the county police department on January 1, 2015. The entire administrative support staff became part of the police department and the sheriff's department had no staff to process payroll, personnel, training, fiscal management, property control, records, evidence, etc. Upon the retirement of one of the fines collection office staff, the position was not filled, and an administrative assistant position was created. The Circuit Clerk was not consulted in this decision and she placed a member of her staff in the office resulting in one staff member being a county employee reporting to the sheriff and one state employee reporting to the circuit clerk.</p> <p>Upon reviewing your findings and recommendations I have met with circuit clerk and her staff and procedures manual has been adopted by both offices. Funds available in the cash drawers have been sufficiently increased.</p>	<p>Closed: The Sheriff and Circuit Clerk adopted a policy/procedure manual and increased the change fund by \$300.00.</p> <p><u>Note:</u> All clerks in the Fines Collection Booth are now Circuit Clerk employees.</p>