

SUMMIT COUNTY, OHIO

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

February 1, 2005

Greg Bachman, P.E., P.S.
Summit County Engineer
538 E. South Street
Akron, OH 44311

Re: Final Report of the County of Summit Engineer's Preliminary Audit

Dear Mr. Bachman:

Attached is the final report of the Engineer's preliminary audit which was discussed with members of senior management on July 27, 2004. In addition, please note that the Engineer's management action plan was incorporated into the final report.

The report was approved by the Audit Committee at its December 17, 2004 meeting at which time it became public record.

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

Sincerely,

Bernard F. Zaucha
Director, Internal Audit

cc: Audit Committee

INTERNAL AUDIT DEPARTMENT
175 S. MAIN STREET • AKRON, OHIO 44308 – 1308
VOICE: 330.643.2504 • FAX: 330-643-8751
www.co.summit.oh.us

**COUNTY OF SUMMIT
ENGINEER**

**Preliminary Audit
04-Engineer-21
July, 2004**

**Approved by Audit Committee
December 17, 2004**

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

*Bernard F. Zaucha, Director
Lisa L. Skapura, Assistant Director
Joseph P. George, Senior Auditor In-Charge
Dan Crews, Senior Auditor
Deanna Calvin, Internal Auditor
Jennifer Cuenot, Auditor Intern*

**COUNTY OF SUMMIT ENGINEER
PRELIMINARY AUDIT
TABLE OF CONTENTS**

I.	Background.....	4-5
II.	Objectives.....	6-7
III.	Scope.....	6
IV.	Detailed Comments.....	8-18

**COUNTY OF SUMMIT ENGINEER
PRELIMINARY AUDIT
BACKGROUND**

Auditors: Lisa Skapura, Joseph George, Dan Crews, Deanna Calvin, and Jennifer Cuenot (Intern)

Background:

The Mission Statement of the Summit of County Engineer (“COSE”) is “to serve the people of Summit County by constructing, maintaining and keeping safe the County’s roads and bridges at the lowest possible cost to our citizens. Our office promotes and fosters a wise balance between economic development and the preservation of our natural and historic treasures.”

The COSE has one hundred thirty seven full-time employees and maintains 140,000 feet of county guardrail and over 483 county road lane miles, 343 bridges and over 1,200 culverts. Additionally, the COSE collaborates with other communities to help serve over 542,000 people in the county. The COSE has the following responsibilities:

1. Design, construction, inspection, and maintenance of county highways, bridges, and dedicated ditches.
2. Installation, inspection, and maintenance of traffic safety equipment, signs, traffic control devices, and pavement markings on county highways and bridges.
3. Snow and ice removal on county highways and in other communities by agreement.
4. Engineering design and other services to Summit County's ten townships.
5. House numbering services to all unincorporated areas in the County.
6. Stream monitoring in cooperation with the U.S.G.S. Stormwater management throughout the county watershed.
7. Provision of permits for construction, special hauling, and drive culverts within the county highway right-of-way.
8. Intermodal and regional transportation planning.
9. Coordination of local efforts to procure state and federal funding for infrastructure improvements.
10. Surveys for county property and improvements and for township by agreement.
11. Information and support services for a countywide Geographic Information System (GIS).

No real estate taxes, sales taxes, or general fund monies pay for County roads and bridges. The COSE funding is acquired through:

VEHICLE REGISTRATION

The Summit County Engineer's Office receives its share of vehicle registration tax revenue based on a formula calculated after amounts are deducted for state highway debt retirement, city roads, and township road improvements.

GASOLINE TAX

The gasoline tax is currently 24 cents in Ohio. The Summit County Engineer's Office is allocated 37.2% of the Local Share.

PERMISSIVE TAXES

Permissive taxes were first allowed in the 1960s. It now accounts for their second largest share of revenue. The county permissive tax is \$15.00. All of the revenue collected under this program is used for improvements within Summit County.

OTHER INCOME

Other income sources for the Summit County Engineer's Office includes interest income on deposits in the County Treasury, fines, fees for services, grants, or other aid that they receive from other governments and the sale of personal property.

The Weight Scale Enforcement Program has been formed by the Summit County Engineer's Office and Summit County Sheriff's Office. Tickets and fine monies collected from enforcement of this program will be directed into the Engineer's Office budget and will be used to repair damaged roads.

**COUNTY OF SUMMIT ENGINEER
PRELIMINARY AUDIT
OBJECTIVES**

AUDIT OBJECTIVES AND METHODOLOGY

The primary focus of this review was to provide the County of Summit Engineer with reasonable assurance, based on the testing performed, on the adequacy of the system of management control in effect for the audit areas tested. Management controls include the processes for planning, organizing, directing, and controlling program operations, including systems for measuring, reporting, and monitoring performance. Management is responsible for establishing and maintaining effective controls that, in general, include the plan of organization, methods, and procedures to ensure that goals are met. Specific audit objectives include evaluating the policies, procedures, and internal controls related to the County Summit Engineer.

Our review was conducted in accordance with Government Auditing Standards issued by the Comptroller General of the United States and accordingly included such tests of records and other auditing procedures as we considered necessary under the circumstances. Our procedures include interviewing staff, reviewing procedures and other information and testing internal controls as needed to assess compliance with policies and procedures.

Based on the results of our review, we prepared specific issues and recommendations for improvement that were discussed with management. These recommendations, as well as management's written response, can be found in the following sections of this report.

Objectives:

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

Scope:

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

Testing Procedures:

The following were the major audit steps performed:

OBJECTIVE 1 – POLICY AND PROCEDURES REVIEW

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

OBJECTIVE 2 – REVIEW OF INTERNAL CONTROLS

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

OBJECTIVE 3 – CONTRACT REVIEW

11. Obtain and review the current operating contracts, i.e., vendor contracts, union contracts, and service contracts.
12. Determine that contracts are current, properly executed, and applicable.
13. Test the contracts for departmental performance, where appropriate, noting all exceptions.

OBJECTIVE 4 – REVIEW OF SECURITY

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

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

I. Policies & Procedures Review:

The COSE Personnel Policies and Procedures manual dated July 2004 was obtained and reviewed by the Internal Audit Department. It was noted by IAD that this manual was comprehensive, concise and well organized.

Issue

No issues noted.

II. Internal Control Testing:

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

- Interviews
- Personnel Files
- Cash
- Competitive Bidding Process
- Employee Terminations
- Payroll Segregation of Duties
- Expenditures
- Change Orders
- Prevailing Wage

INTERVIEWS:

To gain an understanding of the COSE, IAD interviewed the following individuals:

1. David White, Planning Engineer
2. Brian Stormer, Director of Administration/ Governmental Affairs
3. Michael Stith, Engineer/ General Counsel
4. Marie Shreiner-Newlove, Budget and Management Director
5. Patrick Dobbins, Assistant Director of Administration
6. David Ruckman, Engineer
7. Jim Simon, Director of Administration/Support Services
8. Candice Carlyon, Legal Department
9. Greg Bachman, Summit County Engineer
10. Bob Bunnell, Chief Deputy Engineer

The following issues were noted:

1) Issue

A written policy for interaction with the press is included in the COSE Policies and Procedures Manual Section 13: Department of Government Affairs Procedures – Government Relations (Point 11). Based on interviews, it does not appear that this policy is communicated to COSE staff.

Recommendation

IAD recommends that the COSE media policy be communicated to all employees. This will ensure that all employees are aware of the appropriate procedures in the event they are contacted by the media.

Management Action Plan

Brian Stormer, Director of Administration for Governmental Affairs, disseminated the Office's Media policy to employees by email dated August 9, 2004.

2) Issue

A conflict of interest policy is included in the COSE Personnel Policy Manual (Section 25 p.88) that is distributed to new employees, but the policy does not cover the language contained in the Ohio Revised Code Section 2921.01. IAD obtained and reviewed a draft Ethics Policy before the end of fieldwork which addresses Ohio Revised Code Section 2921.01(A) as well as various other Ohio Ethics law interpreted by the Ohio Ethics Commission.

Recommendations

IAD recommends that this policy be added to the COSE Personnel Policy Manual

Management Action Plan

Prior to October 31, 2004, we will finalize and implement the draft Ethics Policy. We will add a supplemental question and answer section to the policy to provide practical guidance to COSE employees on Ohio Ethics Law.

3) Issue

Based on interviews with various personnel, it does not appear that there is a formal disaster recovery plan. IAD obtained and reviewed the draft COSE Safety Manual and noted that the COSE does have a formal written disaster plan.

Recommendations

IAD recommends that the COSE disaster plans be communicated to all employees. This will ensure that all employees are aware of the appropriate procedures in case of a disaster.

Management Action Plan

Prior to October 31, 2004, we will finalize and implement the Office's Disaster Recovery Plan consistent with the draft we provided to IAD.

PERSONNEL FILES:

IAD tested employee personnel files maintained by the COSE Human Resources to verify that appropriate file documentation was included for all COSE personnel as listed on the Personnel File Structure list. It was noted by IAD that the personnel files were very structured and methodical. Twenty-Five employees were randomly selected from a listing provided by the Assistant Director of Administration/Human Resources for testing. There was only one file that was missing documentation, which was considered an isolated incident by IAD. It was also noted that the Personnel File Structure list should be updated regarding documentation location. This was completed by the end of fieldwork.

CASH:

The County of Summit Engineer Policies and Procedures Manual Section 9: Administration Department Procedures – Budget & Management Section were obtained and reviewed to gain an understanding of the cash process. The cash collection procedures were also discussed with the Director of Budget and Management. IAD then reviewed the 2004 Deposit Slips, Cash Receipts Listings, and Cash Receipts Prelistings as of 7/9/04. The cash receipt process as performed by the receptionist and the preparation of the weekly deposit by the Accountant I were also observed. The following issues were noted:

1) Issue

Per the COSE Policies and Procedures Manual Section 9: Administration Department Procedures – Budget & Management Section, COSE makes deposits with the Treasurer's office on a weekly basis (every Friday). ORC § 9.38 requires next-day deposits of funds over \$1,000.00. IAD noted several instances in 2004 of receipts in excess of \$1,000.00 on a single check

Recommendations

COSE should develop a cash receipts policy to ensure compliance with ORC § 9.38.

Management Action Plan

This Office previously made deposits at least weekly. We routinely deposited large reimbursement checks by the business day after our receipt of the check. We have already implemented a procedure to provide for the deposit of sums in excess of \$1,000 on the following business day.

Comment

COSE would like to note that the cost of an employee's time to make the next-day deposit is usually more than any additional interest income derived from the deposit. We further believe that County Council should take action pursuant to ORC 9.38 to lengthen the time for making deposits.

2) Issue

During review of the 2004 Deposit Slips, Cash Receipts Listings, and Cash Receipts Prelistings, IAD noted that on the July 9, 2004 deposit, cash receipt numbers 100539 and 100540 were missing from the list of receipts issued for the week ending July 9, 2004. IAD inquired of the Director of Budget & Management and determined that missing receipts are investigated as they are discovered during the weekly deposit process or earlier but the reason that the receipts were unable to be located is not noted on the Cash Receipts Listings or Cash Receipts Prelistings. The Director of Budget & Management also indicated that she does not review the deposit after it is made by the Accountant I to verify that all cash receipts have been accounted for.

Recommendations

IAD recommends that COSE note the reason for missing receipts (a voided receipt, etc.) on the Cash Receipts Listings and Cash Receipts Prelistings, and that the Director of Budget and Management review the deposit for completeness of the cash receipts received during the week.

Management Action Plan

Upon further investigation, we determined that the missing receipts relate to voided receipts. The Budget and Management Director has communicated to her staff and to front desk staff that all receipts, even voided receipts, must be recorded. We will continue to monitor this area closely.

COMPETITIVE BIDDING PROCESS:

IAD obtained and reviewed a sample of the County of Summit Engineers' (COSE) contracts for 2003 that were required to be competitively bid to ensure that the COSE procedures were followed. The Administration Department procedures and exhibits from the COSE Policies and Procedures Manual were reviewed. IAD obtained and reviewed a listing of contracts for the County of Summit Engineer for 2003 from the Director of Administration/Support Services. IAD also obtained and reviewed a listing of the County of Summit Engineer current operating contracts, union contracts and/or vendor agreements from the Executive Law Department. The listings from the COSE and the Executive's Law Department were compared to ensure a complete population for contracts in 2003. IAD selected ten contracts that occurred during 2003, or could have overlapped into 2003, for testing. The following issues were noted:

1) Issue

IAD was unable to ensure completeness during contract testing. The contract listings provided by the COSE were inconsistent in structure and form. The listing titled "Contracts 2001 – November 2003 Summit County Engineer" contained duplicate entries and did not contain the beginning and end dates of contracts based on the fact that the contracts are on a per project basis. Therefore, IAD was unable to tell if the contracts on this listing applied to calendar year 2003. Additionally, the listings titled "Maintenance Agreements", "Construction Contracts for the Past 5 Years", and "Non Construction Contracts for the Past 5 Years" did not include several contracts that were listed on the Executive' Law department listing.

Recommendations

Based on the fact that there are numerous contracts maintained at the Engineer's office, IAD recommends that COSE create and maintain a listing of contracts that is consistent in structure and form. This will ensure that contracts are more easily tracked and documented.

Management Action Plan

Based upon IAD's initial request, we provided IAD a listing of contracts pulled from our current project files and closed project files. Upon further discussion with IAD, this Office provided three separate documents each of which lists contracts relating to discrete periods in time, and together form a continuum. Each of these lists also represented an evolution in the tracking of contracts designed to meet the needs of the Engineer/General Counsel and Office.

The documents relate to the following periods: 1999-2001; 2001 – November 2003; and November 2003 – present. The Engineer/General Counsel's assistant created and used the first document until 2001. The Section then created a program to track contracts to ensure that the Office's contracts were appropriately authorized and executed. The Engineer/General Counsel's current assistant subsequently revised the form to meet his criteria when the Office internally determined that the then-existing tracking program was overly complicated and difficult to use. These three documents, together, provide a comprehensive listing of the Office's contracts.

The Office is in the process of re-evaluating and redesigning the Legal Action tracking program to make it easier to use and to include some of the functionality requested by IAD. We expect that this process will be complete prior to December 31, 2004.

2) Issue

Upon review and discussion with the Budget/Management Director during contract testing, it was noted that the purchasing checklist in the COSE Policies and Procedures Manual is not accurate. Per the Budget/Management Director, the "Competitive Bidding Form or memo, Professional Service Contract form or memo" is not used currently and was used inconsistently in 2003. Additionally, "Bid recommendation" sheets need to be completed for all projects; this was not originally listed on the checklist.

Recommendations

IAD recommends that the COSE update the procedures and checklist to include the changes that have occurred. This will ensure that the appropriate documents and process are used for purchases that may be required to be competitively bid.

Management Action Plan

This inconsistency relates to mandates established by the Executive's Office of Budget and Management which have changed subsequently. The Budget and Management Section's Procedures have been updated to respond to IAD's recommendation.

EMPLOYEE TERMINATIONS:

IAD tested employee terminations from 1/1/03 - 6/1/04 to ensure that they were terminated according to the procedures outlined in the COSE Policies and Procedures Manual Section 10: Human Resources Internal Policy and Procedure Manual – Retirement and Resignation. IAD confirmed that the employees noted as terminated by COSE were terminated in the Banner Payroll Module. It was also confirmed that these employees are no longer receiving paychecks. IAD obtained a listing of employees terminated by COSE from 1/1/03 - 6/1/04 from the Assistant Director of Administration /HR. Seventeen terminated employees were chosen for testing. The following issues were noted:

1) Issue

Exit interviews were not performed on 13 of 17 employees (76 %) in the sample to which this requirement applies.

Recommendations

COSE should make every effort to conduct exit interviews for all employee terminations to comply with procedures.

Management Action Plan

In the case of seven out of the 13 employees for whom exit interviews were not performed, interviews were not practicable given extenuating circumstances associated with these employee's terminations. With respect to other terminations, it was the policy of the prior administration to conduct exit interviews on an "as needed" basis. This determination was made by the Engineer or the Director of Administration/Support Services. The current administration's policy is that exit interviews be conducted for each terminating employee.

PAYROLL SEGREGATION OF DUTIES:

To gain reasonable assurance that proper segregation of duties exists over the payroll process at the COSE, IAD met with the Office Manager/Benefits and the Administrative Assistant/Payroll. IAD also obtained and reviewed the COSE Policies and Procedures Manual Section 10: Human Resources Internal Policy and Procedure Manual – Payroll Processing.

1) Issue

There is no written policy regarding the disposition of unclaimed paychecks at COSE.

Recommendations

IAD recommends that COSE develop a written procedure to address the disposition of unclaimed paychecks. COSE should consider the following information obtained by IAD: From the County Payroll Department: Summit County entities should make every attempt possible to deliver an unclaimed paycheck to its rightful owner. In the event this is not possible, the check should be returned to the County Payroll Department by year-end so that it may be accounted for on the County's Unclaimed Funds Report to the State of Ohio. This would help to prevent misuse of unclaimed funds by unauthorized personnel.

Management Action Plan

This Office does not have an unclaimed paychecks policy because the Fiscal Officer, as the County's warrant-issuing authority, has the obligation to issue policies and procedures on this subject. Because the Fiscal Officer has not acted in this regard and IAD has determined that this issue has sufficient weight to warrant a policy statement and associated procedures, this Office is in the process of drafting an unclaimed paycheck policy and expects that this policy will be complete and implemented by October 31, 2004.

EXPENDITURES:

IAD reviewed the COSE Policies and Procedures Manual, Budget & Management Section (Section 9), for a general understanding of the Purchasing and Procurement function. Additionally, the Budget Management Director was interviewed to gain an understanding of the expenditure process. IAD obtained the Detailed Summary of Expenditures for the Engineer from the 2004 Operating Budget and obtained an Organization Detail Activity summary for year 2003 from the County of Summit Fiscal Office to identify the testing population. Sixty expenditures were chosen for testing.

1) Issue

Four of 60 invoice copies contained in the 2003 voucher packets reviewed for "approval to pay" did not contain sign-off approval by applicable Engineering personnel indicating that the invoice was valid and that the applicable purchase had been received. A follow up of the four original invoices on file in the Fiscal Accounting Department revealed that only 1 of the 4 invoices contained an approval to pay. This represents a 5% error rate.

Recommendations

IAD recommends that COSE ensure that all invoices have appropriate authorization before payment is made and that approved copies are maintained at the Engineer's office.

Management Action Plan

We believe that the missing approvals were isolated incidents in light of the number of invoices processed for payment by this office annually (in excess of 800). Our Budget and Management Section employees will continue to exercise vigilance over our invoice payment process.

2) Issue

One of 60 requisitions tested in the AS400 system did not contain the appropriate second level approval as required by the COSE Administration Department Procedures. This represents a 2% error rate. The Highway Maintenance Superintendent signed both the requisition approval and second level approvals.

Recommendations

IAD recommends that separate departmental approvals be completed as required by Engineering Budget and Management procedures.

Management Action Plan

All approvals required by County Ordinances through the Banner system were obtained for all purchases by this Office. We believe that the missing second level approval on the Office's internal AS400 system were isolated incidents. We will continue to comply with County Ordinances related to this subject and to exercise vigilance over our on-line approval process.

3) Issue

Two of three applicable 2003 requisitions tested from the sample of 60 did not contain the Summit County Engineer's approval for expenditures over \$3,000 as outlined in the policies and procedures. This represents 100% of the requisitions tested.

Recommendations

IAD recommends that proper requisition approvals be completed to ensure compliance with stated Engineer Policies and Procedures.

Management Action Plan

The issues are based on ambiguities within. These procedures have been revised to remove possible ambiguities concerning the Engineer's policy in this regard.

The Engineer authorized all expenditures at issue. With respect to Collins Engineering, the Engineer verbally approved the retention of Collins to provide underwater bridge inspection, necessitated by the July 2003 storms. With respect to Karvo Paving, the Engineer executed the County's contract with Karvo which stated the total dollar amount of the contract. Last, with respect to W.G. Dairy Supply, the Engineer ordered the Office's maintenance department to proceed with the construction of a salt dome by W.G. Dairy (which had also been listed on the Office's CIP). Thus, each of these purchases had been authorized by the Engineer. We will be more diligent in following-up verbal and written authorizations with additional specific written authorizations.

4) Issue

It was noted during testing that Budget and Management personnel prepare "Pro Forma Invoices" to support vouchers when requesting checks to be used by employees for advance travel expenses and other miscellaneous expenses (i.e. purchases of stamps). Per the Budget / Management Director, this is utilized in the instance that a check can be obtained prior to the employee attending the function or purchasing the stated item. IAD noted that the voucher packets maintained in Budget and Management do not consistently contain the actual receipt or copy of actual receipt supporting that the conference, seminar, or travel actually occurred or was attended.

Recommendations

IAD recommends that the actual invoice or copy of the actual invoice be required for inclusion into the voucher packet support and compared to the "pro forma invoice" for proper completion. This will insure that the employee actually attended the noted event, charges were correct, and evidence that the transaction was complete.

Management Action Plan

The Budget and Management Section has always required employees to submit invoicing in support of “pro-forma” invoices for the completion of “Part II” travel forms. The Engineer’s Budget and Management section and the Executive’s Office of Budget and Management have agreed to procedures to be used in the future.

CHANGE ORDERS:

Change orders to contracts that occurred in 2003, or contracts that could have overlapped into 2003, were reviewed for compliance with applicable policies, procedures, and regulations. The COSE Policies and Procedures Manual Section 3: Construction Administration Manual – Change Order Policy and the Summit County Codified Ordinance Chapter 177.14 Construction Contracts was reviewed by IAD to gain an understanding of the change order process. Seven change orders were tested.

1) Issue

IAD noted that the proper change order form was not submitted to ODOT for a Local Project Administrator (LPA) contract with Northern Valley Contractors for the Wye Rd. bridge. The form submitted was the standard Summit County change order form, which does not contain the signatures required by ODOT to approve changes to LPA contracts. COSE submitted a change order to ODOT only after prompting by an email from ODOT.

Recommendations

IAD recommends that COSE use the LPA change order form contained in the County of Summit Engineer Policies and Procedures Manual Section 3: Construction Administration Manual – Change Order Policy for submitting change orders for LPA contracts to ODOT.

Management Action Plan

The Office’s Budget and Management Section has informed the Construction Section and Project Managers that the proper ODOT Change Order form must be used for LPA contracts consistent with the ODOT Construction Administration Manual.

PREVAILING WAGE

To gain an understanding of the Prevailing Wage process for applicable contracts, IAD met with the Construction Project Coordinator for the COSE. IAD used the required contract provisions for federal aid and state aid funded projects to verify that the projects were in compliance with the regulations. Because the records for 2003 prevailing wages were archived off-site, contracts for 2004 were tested. There are currently nine contracts that require prevailing wages. IAD haphazardly selected five for testing. The following issues were noted:

1) Issue

IAD noted that there are no formal internal policies and procedures followed by the Prevailing Wage Coordinator.

Recommendations

IAD recommends that internal policies and procedures be implemented for the prevailing wage process. These will allow COSE to have all formal steps and responsibilities for the prevailing wage coordinator documented.

Management Action Plan

This Office's prevailing wage practices are governed by Federal Law and ODOT requirements. Notwithstanding those authorities, we will establish procedures to comply with IAD's recommendation by December 31, 2004.

2) Issue

Two of five contracts tested did not contain support documentation that the Prevailing Wage Coordinator attended the pre-construction meetings.

Recommendations

IAD recommends that some form of documentation be included in each prevailing wage file, which shows that the Prevailing Wage Coordinator attended the meeting. This will ensure that COSE has documentation that all meetings were attended.

Management Action Plan

This issue will be addressed in the Prevailing Wage procedures to be drafted prior to December 31, 2004.

III. Contract Review:

Contracts were reviewed by IAD to ensure that they were current, properly executed by the County Executive, and applicable. IAD obtained and reviewed a listing of contracts for the Summit County Engineer for 2003 from the Director of Administration/Support Services. IAD also obtained and reviewed a listing of the County of Summit Engineer current operating contracts, union contracts and/or vendor agreements from the Executive Law Department. The listings from the COSE and the Executives Law Department were compared to ensure a complete population for contracts in 2003. Fifteen operating contracts were selected for review by IAD.

1) Issue

Same issue and recommendation as "Competitive Bidding Process" section #1.

COSE Response:

See Management Action Plan, "Competitive Bidding Process" Section #1.

V. **Security:**

Security issues noted during fieldwork are addressed under separate cover in the accompanying report in compliance with Ohio Revised Code §149.433²⁴⁸.