

# Internal Audit Report

Cuyahoga County, Ohio  
Department of Internal Auditing

**Crime Stoppers of Cuyahoga County, Inc.  
September 15, 2012 – December 31, 2014**

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**CUYAHOGA COUNTY  
DEPARTMENT OF INTERNAL AUDITING**

**INTERNAL AUDIT REPORT  
Crime Stoppers of Cuyahoga County  
Cover Letter**

December 11, 2015

To: Sheriff Clifford Pinkney,

the current management and the Board of Directors of Crime Stoppers of Cuyahoga County:

The Department of Internal Auditing (DIA) has conducted an audit over the financial operations and general accounting of Crime Stoppers of Cuyahoga County, Inc. (referred to within this report as "Crime Stoppers"), for the period of September 15, 2012 through December 31, 2014. The audit objectives were to determine whether controls in place were adequate to safeguard assets from abuse, errors, and loss; revenue transactions and department funds were properly supported, recorded and deposited in their entirety in a timely manner and in accordance with all governing laws and regulations; and expenditures were properly approved and recorded.

To accomplish our objectives, we focused on the operational controls of Crime Stoppers, the major revenue and expenditure cycles as well as specific compliance mandates. Interviews with management along with general walk-throughs of each revenue and expenditure cycle were conducted in order to document the controls in place. In addition, substantive testing methods utilized included analytical procedures, tests of detail using sampling methods as well as confirmation of bank account balances.

Our audit procedures disclosed internal control weaknesses relating to Crime Stoppers' revenue and expenditure cycles, asset safeguarding, and recordkeeping. Non-compliance with the Ohio Revised Code was also identified. This report provides the details of our findings.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions.

The Department of Internal Auditing would like to express our appreciation to the staff of the Department and interrelated departments that assisted throughout the process for their courtesy and cooperation during this audit. A draft report was provided to the Sheriff, current management and the Board of Directors for comment and their response is included.

Respectfully,

*Valerie J. Harry, CPA*

Valerie J. Harry, CPA  
Director of Internal Auditing

Cc: Audit Committee  
Cuyahoga County Council  
Sharon S. Jordan, Chief of Staff  
Robert Triozzi, Law Director

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## Glossary

- REDSS** - Regional Enterprise Data Sharing System. Cuyahoga County Organization that supports law enforcement and criminal justice agencies by providing services like dedicated network connections and link to Ohio LEADS (Law Enforcement Automated Data System).
- TipSoft** - Utilized by Crime Stoppers to enter and monitor tips from individuals. This system is strictly used by the Crime Stoppers Coordinator.
- CSI** - Crime Scene Information is a vendor that answers calls from tipsters during non-business hours for Crime Stoppers.
- FAMIS** - Financial Accounting Management Information System. Cuyahoga County's accounting system utilized to record and track revenues, expenditures, and budgetary transactions.

## Report Details

### Purpose

The purpose of this review was to conduct a thorough audit of the Crime Stoppers of Cuyahoga County, Inc. (Crime Stoppers). The Crime Stoppers Board of Directors were made aware of the audit by the Department of Internal Auditing (DIA) at their February, 2015 regularly scheduled meeting. The audit fieldwork began in mid-February and concluded in September.

DIA evaluated processes for compliance with existing policies, laws, and professional standards. We performed substantive tests on financial transactions and reconciliations. The audit included review and evaluation of procedures, practices and controls as deemed necessary.

### Audit Objective

The objectives of this audit were to determine whether controls were in place; controls were adequate to effectively and efficiently achieve Crime Stoppers' goals; assets were safeguarded from abuse, errors, and loss; revenue transactions and department funds were properly supported, recorded, and deposited in their entirety in a timely manner; expenditures were properly approved and recorded; reporting information was timely accomplished and accurate; and all procedures, transactions, and reports were in accordance with all governing laws and regulations.

### Scope

The scope of this audit included the review of the operational controls of Crime Stoppers; the major revenue and expenditure cycles; and specific compliance mandates during the period of September 15, 2012 through December 31, 2014.

### Methodology

In order to accomplish the audit objectives DIA performed the following:

- Conducted interviews with the Coordinator.
- Observed procedures in place for collecting revenue and disbursing rewards.
- Witnessed controls and procedures in place during reward payouts.
- Confirmed fees remitted by Municipal (and County) Clerk of Courts and traced to the County's ledger for completeness.
- Traced the accuracy of revenue from the County's supporting documentation to the Crime Stoppers' bank account.
- Conducted substantive and control tests on the expenditure cycle.
- Reviewed and substantively tested Crime Stoppers' bank reconciliation for accuracy.

## Background

The Crime Stoppers Program began in 1977 from the efforts of Local Police Departments, Federal Bureau of Investigation (FBI), Cuyahoga County Chiefs of Police Association, and concerned citizens. The Program began under the control of the City of Cleveland and began operating as an independent organization under Cuyahoga County in 2012. Crime Stoppers Board members consist of local citizens and law enforcement professionals. The concept has developed into a combination of efforts by local media, businesses, civic and social clubs, law enforcement agencies, and the public. Donations of airtime, newspaper space, and reward monies have established Crime Stoppers as an effective tool to fight crime in the area.

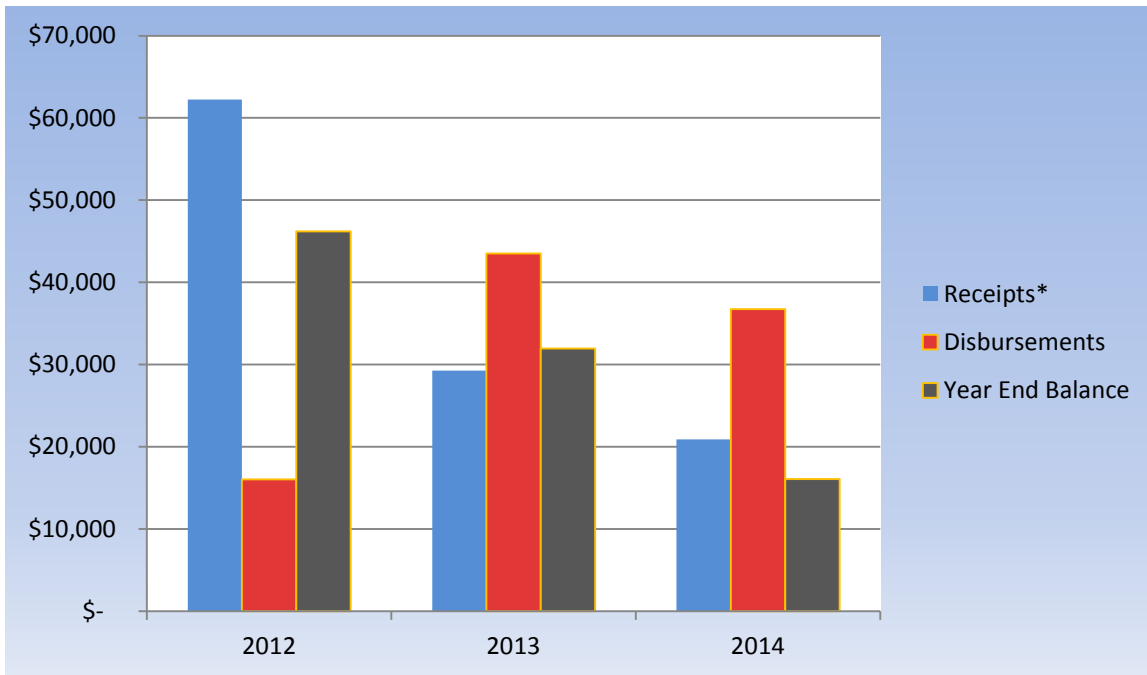
The Crime Stoppers' Board is comprised of diverse, active and dedicated community representatives. Crime Stoppers provides a method for local law enforcement to receive information on crimes. These efforts increase tips, which in turn increase arrests in the community.

From September 2012 to December 2014, the following tables represent the total number of tips received by telephone and online:

Year	# of Tips Received
2012	566*
2013	1,382
2014	1,250
<b>Total</b>	<b>3,198</b>

\* An error occurred in tracking call center tips in 2012 which explains the variance between 2012 and 2013/2014. DIA noted call center tips in 2013 and 2014 were around 700 each year. The remaining tips were received by Crime Stopper staff.

The following table summarizes revenue received and rewards paid to tipsters from September 2012 to December 2014:



\* Until Crime Stoppers converted to County control, funds were remitted to Crime Stoppers from the County on an annual basis. Receipts in 2012 consisted of 2011 and 2012 Crime Stoppers fees disbursed by the County to Crime Stoppers in November 2012.

### **Commendable Practices**

The late Crime Stoppers Coordinator and the Crime Stoppers Board should be commended for the work performed by the organization during and prior to the audit. Even with limited resources, the organization continued to operate in a confidential and reputable manner. DIA would like to extend our sincere condolences to the Coordinator's family and friends after the tragic passing of the Coordinator during the audit.

While findings discussed in this report may not, individually, or in the aggregate, significantly impair operations of the Organization, they do present issues that, if addressed, may result in increased efficiency and/or reduction of risks.



## Non-Compliance Finding

### Accounting for Crime Stoppers and REDSS Fees

Crime Stoppers receives money from Municipal Courts in compliance with ORC 9.92(c) for every conviction or guilty plea in criminal cases. In comparison, REDSS receives money from Municipal Courts for moving violations in accordance with ORC 2949.093(c). Having adequate controls in place to assure the accurate deposit of REDSS and Crime Stoppers fees is crucial to both organizations.

During our substantive testing of Crime Stoppers' receipts we noted \$2,200 of REDSS fees were incorrectly posted to the Crime Stoppers' account in FAMIS in July of 2013. The \$2,200 was sent to Crime Stoppers, instead of REDSS, by the County Treasurer's Office. DIA noted the money was never removed from the Crime Stoppers' bank account and remitted to REDSS.

Without mitigating controls in place to review entries posted in FAMIS for REDSS and Crime Stoppers' fees, the organizations are at a greater risk of not receiving all of their fees. Furthermore, the County may be liable for any fees not accurately remitted to the organizations.

### Recommendation

DIA recommends the County (Fiscal Office and/or Treasurer's Office) review procedures for collecting and remitting REDSS and Crime Stoppers fees. We recommend all receipts be received by Crime Stoppers for deposit into the Crime Stoppers' account rather than going through the County. Implementing this recommendation will require Crimes Stoppers to develop a procedure manual to address the security and handling of receipts as they are received from Municipal Courts and the Court of Common Pleas.

We also recommend the \$2,200 identified above be returned to REDSS from Crime Stoppers.

### Management Response

***During the audit, Crime Stoppers contacted the municipal courts on paying fees directly to Crime Stoppers and requested documentation be sent by email. Crime Stoppers has begun receiving direct payments of the fees. We are creating a policy and procedure manual for the handling and security of receipts as referenced in this audit.***

***A meeting will be set up with the internal auditor, county fiscal officer and representatives of Crime Stoppers to review the findings discussed in this section.***

## Internal Control Findings

### Policy and Procedure Manual

Written policies and procedures ensure consistency in the operations of an agency. Existence of codes of practice and other regulations or guidance regarding acceptable practices, conflicts of interest, or expected standards of ethical and moral behavior, and their communication throughout Crime Stoppers is an essential part of a policy and procedure manual. Furthermore, a policy and procedure manual assures consistency in day-to-day operations. Formalized procedures also reinforce the Board's expectations for the Department.

There is no current approved policy and procedure manual for Crime Stoppers. DIA noted an International Crime Stoppers Operations Manual referenced by the Coordinator, but the manual was not strictly followed.

Failure to have some form of internal guidance may result in undefined procedures that can lead to inconsistency in the operations of Crime Stoppers as well as a lack of training material for any possible new employees.

### Recommendation

DIA recommends Crime Stoppers develop a policy and procedure manual. Within the manual Crime Stoppers should include, at a minimum, the following items:

- Documentary narratives of daily operations describing significant steps and procedures (e.g. entering tips into the TipSoft program, the process of paying out rewards, etc.).
- Safeguard procedures (including cash, computer, and physical controls).
- Accounting for and monitoring the Reward and Administrative bank accounts including how to report information to the Crime Stoppers Board.
- Reference to the International Crime Stoppers Operations Manual. The manual should be followed for best practices and to maintain consistency with similar organizations throughout the United States.

Once drafted, the policy and procedure manual should be approved by the Crime Stoppers Board.

### Management Response

***As of the audit report date, Crime Stoppers is compiling a policy and procedure manual with an anticipated completion date of the end of the 3<sup>rd</sup> quarter in 2016.***

## **Staffing Level**

Crime Stoppers has been a one person department since 2010 when a second employee retired. The Crime Stoppers Coordinator is responsible for the following:

- Responding to calls to the hot line during business hours.
- Forwarding case information on to the appropriate law enforcement personnel.
- Preparing case information and discussion points for each Board meeting.
- Advertising and fund raising to raise money for the organization.
- Paying out reward money to tipsters.
- Paying all bills for the organization.
- Monitoring bank activity and reporting the financial condition of the organization.

The Sheriff's Office did not consider hiring staff for the organization when the County became responsible for Crime Stoppers. This was due to institutional knowledge of the present Coordinator and the use of CSI for taking tips during non-business hours.

During our review of receipt and disbursement procedures, we noted a lack of segregation of duties. The Coordinator is the only person with access to all blank checks and both bank accounts. The Coordinator is the only person making bank deposits and withdrawals for reward payouts.

With only one person in the department there is no segregation of duties in the handling or reporting of cash and checks. This also creates a void in how the organization can function if that person is not present.

## **Recommendation**

Due to the numerous responsibilities required of the organization, DIA recommends the Sheriff's Office consider Crime Stoppers as a two position organization with one full-time coordinator and another full or part-time staff member. This will also allow for diversity of functions between the employees and provide for more checks and balances in handling financial duties.

## ***Management Response***

***As of this audit report, staffing is one (1) full time coordinator and one (1) part time volunteer staff member. We are aware that a second full time staff member may be warranted.***

## **Approval of Rewards Paid to Tipsters**

The Crime Stoppers Board is responsible for approving rewards paid to tipsters. Tips are presented to the Board at each regularly scheduled meeting and approved by the Board. Crime Stoppers also receives private donations, which are available to be paid to tipsters.

During DIA's review of the reward bank account, one cash deposit and cash withdrawal occurred on May 13, 2014 without Board approval. Support obtained from the Coordinator showed a \$4,000 donation from Dollar General was received to pay a reward. The tipster was paid on May 14, 2014 which was supported by a receipt signed by two witnesses. There was no evidence in the Board's minutes on acceptance of the donation or approval of the reward payout. In addition, DIA noted the \$4,000 deposit and withdrawal was not listed on the May 2014 Treasurer's Report to the Board as a deposit or withdrawal.

The Board has never required the Coordinator to seek approval for payouts of donations. Without Board approval, the organization is at risk of asset misappropriation or funds used in a manner inconsistent with Board expectations.

## **Recommendation**

The Crime Stoppers Coordinator should seek Board approval for all rewards paid to tipsters regardless if the reward is a donation. Donations should be accepted by the Board and recorded in the minutes. In addition, all bank activity should be detailed in monthly financial reports to the Board at regular meetings.

## **Management Response**

***As of this audit report, rewards are voted on, approved and recorded in the minutes. Beginning immediately, we will ensure that donations are accepted and documented in the minutes.***

## **Unclaimed Cash**

The Crime Stoppers Coordinator processes and monitors all tips that come into the organization. Tips that lead to an arrest are eligible for a cash reward. The Coordinator issues a check from their reward checking account to withdraw cash in order to pay the tipster. The Coordinator will hold the cash until it can be picked up by the tipster, usually within a few days. However, DIA was told by the Coordinator that tipsters have up to three years to claim their reward. All cash is locked in the Coordinator's office until redeposited or picked up by the tipster.

During a count of cash on hand in the Coordinator's office on March 3, 2015, DIA counted \$2,000 from four cases ranging from December 2012 to December 2014. Out of the four cases, two cases totaling \$1,300 were held for over a year. In addition, the \$2,000 was secured in a safe at the Coordinator's residence. The cases were on hold from the City of Cleveland and payouts were pending for completion of trial. The \$2,000 held at the Coordinator's residence was deposited into the Crime Stoppers' bank account during the audit on March 20, 2015.

There has never been a formal policy for how long cash should be held for tipsters. Without a policy there is an increased risk cash could be misplaced or misappropriated. Crime Stoppers is also at risk of losing interest revenue for not having all cash available in the bank.

## **Recommendation**

Crime Stoppers should develop formal procedures on holding cash for tipsters. Cash, if not picked up, should be redeposited into the reward account after a predetermined amount of time, i.e. six months. Crime Stoppers should also keep a record of tipsters that have not received their reward with an indication on the reward sheets. It should also be noted in a record, for all redeposits, what cases are being redeposited. If a tipster returns during the three year time period for their reward payout then another check may be issued for the cash.

No cash should be held by the Coordinator at his residence. All cash should be kept in the Crime Stoppers' bank account or secured in a safe at the Coordinator's office.

This policy should be included in the Policy and Procedure Manual with approval by the Board.

## **Management Response**

***Formal procedures on handling and securing cash for tipsters will be included in the policy and procedure manual with an anticipated completion date of the end of the 3<sup>rd</sup> quarter in 2016. The holding of funds at personal residences no longer occurs. Reward monies are withdrawn from the reward account after appointment made with tipster for payment of rewards. Policy will address re-depositing of unclaimed rewards.***

## **Invoice Maintenance**

The Crime Stoppers Coordinator is responsible for paying and maintaining all invoices received for the following services:

- Phone/Internet
- Supplies
- After hours call center (CSI)
- Advertisements

- Web page
- TipSoft software
- Postal service

All services are paid out of the administrative bank account. Having procedures in place to assure timely and accurate payment of invoices is essential to the organization's operations to prevent late fees from accruing.

During our testing of all disbursements, 97 transactions totaling \$33,903, from the administrative account the following was noted during the audit period:

- Support was not maintained for seven (7.2%) disbursements to confirm the correct amount was paid for the service, although the seven transactions were to vendors (AT&T, Time Warner, and CSI) used consistently by Crime Stoppers. Instances totaled \$2,739 (8.1%) expenditures.
- Supporting documentation did not agree to check amount for one (1.0%) disbursement. The check was issued for \$3.02 less than the invoice amount to AT&T.

Crime Stoppers has never had a policy on maintaining all invoices or supporting documentation from transactions out of the administrative account. Without maintaining all support for money expended, the risk of funds being misappropriated or spent in a manner inconsistent with Board expectations increases.

## **Recommendation**

DIA recommends a formal procedure manual on paying invoices be created and approved by the Crime Stoppers Board. The following, at a minimum, should be included in the manual:

- The Crime Stoppers Coordinator should maintain all invoices or supporting documentation for disbursements made from the administrative account.
- The Crime Stoppers Board should approve invoices prior to payment by the Coordinator.
- Controls should be put in place to assure the amount paid to vendors agrees with the invoice amount.

## ***Management Response***

***As of this audit report, all invoices are currently maintained by the coordinator in the manner recommended by the audit team. Invoices will be presented to the Board prior to payment and the voting process will be noted in the Board minutes. Procedures on invoice maintenance will be included in the policy and procedure manual with an anticipated completion date of the end of the 3<sup>rd</sup> quarter in 2016.***

## **Enforcement of ORC 2981.12(F)**

Ohio Revised Code 2981.12(F) states, "When the board (of a county) recognizes a citizens' reward program and the county includes a part, but not all, of the territory of a municipal corporation, the board shall so notify the law enforcement agency of that municipal corporation of the recognition of the citizens' reward program only if the county contains the highest percentage of the municipal corporation's population. Upon being so notified, each law enforcement agency shall pay twenty-five per cent of any forfeited proceeds or cash derived from each sale of property disposed of pursuant to this section to the citizens' reward program for use exclusively to pay rewards."

Crime Stoppers was recognized as the citizens' reward program in 2005 by the County Board of Commissioners. The ORC section valid in 2005 and noted in the Commissioners' resolution was ORC 2933.41. ORC 2933.41 was repealed and replaced by the current ORC 2981.12(F) in 2007.

Crime Stoppers has not enforced the current ORC 2981.12(F) nor did they ever attempt to collect proceeds of sold forfeited property from law enforcement agencies. This has resulted in lost revenue to the organization.

## **Recommendation**

DIA recommends Crime Stoppers enforce 2981.12(F) by collecting 25% of proceeds from the sale of forfeited property from law enforcement agencies throughout the County. Since the County Board of Commissioner's approved Crime Stoppers as an organization in 2005, the organization should send notice, with the approved resolution from 2005, to all law enforcement agencies in the County to enforce ORC 2981.12(F).

If Crime Stoppers decides not to collect 25% of proceeds from the sale of forfeited property from law enforcement agencies, notice is not necessary.

## ***Management Response***

***The Board has taken this matter into consideration and will make a decision during fiscal year 2016.***

## **Reward Payout Scale**

Crime Stoppers is responsible for paying rewards to tipsters when the tip leads to an arrest. Reward amounts range between \$100 and \$2,000. The amount of the reward depends on several factors:

- If the person was a known fugitive
- Type of crime committed
- Personal risk to the tipster
- Number of cases solved
- Number of arrests made
- Value of recovered property
- Value of the tip in terms of making the case

Much of this information is determined by the law enforcement agent working the case. Crime Stoppers currently has a reward payout scale giving a point value to each of the categories above to determine the reward amount.

During our test of payouts, we selected four months from September 2012 through December 2014 and recalculated payouts to compare to the reward payout scale. We noted 15 out of 114 (13%) payouts were not paid in accordance with the reward payout scale:

- 8 payouts were paid less than the payout scale totaling \$900.
- 7 payouts were paid more than the payout scale totaling \$950.
- This resulted in a net over payment of \$50 in our sample for the audit period.

The current reward payout scale is not strictly followed nor has it been approved by the Board. The recommended reward amount is at the discretion of the Crime Stoppers Coordinator with approval by the Board. The reward payout scale has not been updated since 1992.

It has never been required for the Crime Stoppers Coordinator to record a point value for the cases or denote why there may have been an increase or decrease in the reward payout.

Without an updated and approved reward payout scale reward payouts could become inconsistent with comparable tips and lead to bias decisions made by the Coordinator. Furthermore, payouts may not be consistent with the Board's expectations.

## **Recommendation**

Crime Stoppers should update their current reward payout scale followed by approval by the Board. All rewards should be paid out in accordance with the payout scale. Board approval prior to payouts should continue, as well. If the Crime Stoppers Coordinator wishes to deviate from the payout scale an explanation should be noted and the Board should be notified of the change.



## ***Management Response***

***As of this audit report, the payout scale is under revision and should be completed and approved by the board in the 2<sup>nd</sup> quarter of 2016.***

## **Bank-to-Book Reconciliation**

Performing monthly bank reconciliations is an important procedure in assuring financial reports given to the Board are accurate and all checks issued or received are accounted for. Bank reconciliations can provide the Crime Stoppers Board and Coordinator with the amount of cash actually available.

Crime Stoppers did not perform any bank-to book reconciliations during our audit period and through May 2015. Treasurer's Reports are prepared for the Board on a monthly basis, but these reports only list total deposits and cleared checks taken from monthly bank statements. The Coordinator does not track outstanding checks, deposits-in-transit, or cash approved and reserved for payouts.

Crime Stoppers does not have a policy or procedure to perform monthly bank-to-book reconciliations nor has the Coordinator ever been required to do so. Without performing bank reconciliations on a monthly basis there is an increased risk of error in the financial reporting to the Board. Furthermore, the true cash balance is not accurately reported to the Board for future considerations.

## **Recommendation**

DIA recommends Crime Stoppers perform a monthly bank-to-book reconciliation. The book could be the creation or utilization of a check register to track when checks issued clear the bank account. Deposits can also be listed on the register to reconcile to the bank account. The Coordinator should also track cash reserved for payouts after Board approval is given. The reconciliations should be signed by the preparer followed by a review and approval by the Board.

## ***Management Response***

***As of this audit report, formal implementation of this recommendation has begun and will be presented to the Board at the February 2016 meeting.***

## **Treasurer's Report Approval**

Treasurer's Reports are completed on a monthly basis by the Crime Stoppers Coordinator. These monthly reports to the Board list bank deposits, withdrawals, and ending bank balances. These reports are reviewed and approved at the Crime Stoppers meetings.

During DIA's review of all Board meetings, we noted 22 of the 27 (81%) Treasurer's Reports were not voted on or formally approved by the Board.

The Board does receive all Treasurers' Reports, but approval of the reports is not evident in the meeting minutes. Without consistently voting on the Treasurer's Reports at each meeting there is no formal approval by the Board of the Report. Furthermore, the organization is at risk of deposits and withdrawals not meeting the Board's expectations without noting approval of all Treasurer Reports.

## **Recommendation**

DIA recommends all Treasurers' Reports presented to the Board be voted on and approved with evidence in the minutes at each regular Crime Stoppers meeting.

## ***Management Response***

***The recommendation has been implemented as of this audit report.***

## **Reward Account Receipts**

Crime Stoppers receives \$1.00 in any case in which a person is convicted of or pleads guilty to any offense other than a traffic offense from various municipal courts per ORC 9.92 (c). The courts are required to transmit all such moneys collected during a month on or before the 20th day of the following month to the affiliated citizens' reward program (Crime Stoppers). Currently, the courts are remitting the money to the Cuyahoga County Treasurer's Office and the funds are deposited by the Treasurer's Office into Crime Stoppers' reward bank account on a monthly basis.

DIA sent out confirmations to 14 municipal courts (including one to Cuyahoga County Clerk of Courts) in which 13 confirmations were returned. South Euclid Municipal Court did not provide the information requested. While comparing the responses from the municipal courts to FAMIS and to deposits made into the Crime Stoppers' reward account, DIA noted the following:

- There were two entries in FAMIS made on January 7, 2013 and April 22, 2013, totaling \$1,031, that lacked supporting documentation. DIA could not determine if the detailed transactions were remitted from Municipal or County Courts based on confirmations

received nor could we determine if the remitted amounts were Crime Stoppers fees. This total was deposited into Crime Stoppers reward bank account.

- 21 checks totaling \$2,083.89 from Municipal and County courts' confirmations could not be traced to FAMIS nor could we agree amounts to deposits in Crime Stoppers' reward bank account. This total includes six checks, totaling \$564, from the second half of 2014 that were not redeemed by the County as of May 2015 according to one municipality.
- 12 checks totaling \$4,285.45 from Municipal and County courts' confirmations were posted to FAMIS but were never transferred into the Crime Stoppers reward bank account. One transaction for \$209.45 was posted to the General Fund under Fiscal Operations in 2014. The remaining fees were incorrectly posted to other agency funds in 2012 and 2013.

In addition, DIA noted the Fiscal Officer does not separate Crime Stoppers receipts in FAMIS. If three checks are received by Municipal Courts, all three are entered into FAMIS as one transaction and no description is noted to explain the composition of the total. During our testing of receipts, we were unable to confirm the above receipts due to the lack of detail in FAMIS. The County's Treasurer's Office only sends a deposit notification to Crime Stoppers without detailed support on how much was received from each individual Court.

Crime Stoppers and the County do not have formal or efficient procedures in place to assure receipts of Crime Stoppers fees are accurately and timely deposited. Without maintaining support as to how much money was sent from each court on a monthly basis and communicating this information to Crime Stoppers there is an increased risk of asset misappropriation. Fees could be, and have been posted to and remitted to the wrong organization, like REDSS. Furthermore, by remitting fees to the incorrect organization or not depositing checks at all, the organizations could lack necessary resources for daily operations.

## **Recommendation**

Crime Stoppers should request that all Crime Stoppers payments be remitted to their office for deposit into the reward bank account as required by ORC 9.92 (c). Municipal and County Clerk of Courts should have the ability to electronically deposit the fees remitted into Crime Stoppers bank account and send any support to Crime Stoppers. This will eliminate discrepancies between support maintained by the Treasurer's Office and amounts deposited in the Crime Stoppers reward bank account.

Finally, the County should research the \$4,285.45 identified as Crime Stoppers fees that were incorrectly posted to the wrong account and never remitted to Crime Stoppers. Also, the \$2,083.89 of Crime Stoppers fees confirmed from Municipal and County Clerk of Courts should be researched, including the six checks identified as outstanding for over five months.

## ***Management Response***

***During the audit, Crime Stoppers contacted the municipal courts on paying fees directly to Crime Stoppers and requested documentation be sent by email. Crime Stoppers has begun receiving direct payments of the fees. We are creating a policy and procedure manual for the handling and security of receipts as referenced in this audit.***

***A meeting will be set up with the internal auditor, county fiscal officer and representatives of Crime Stoppers to review the findings discussed in this section.***