



OHIO AUDITOR OF STATE  
**KEITH FABER**



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**CITY OF LORAIN  
CLERK OF COURTS OFFICE  
LORAIN COUNTY**

**PUBLIC INTEREST REPORT  
CLERK OF COURTS PAYROLL**

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# OHIO AUDITOR OF STATE KEITH FABER



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## AUDITOR'S REPORT

City of Lorain Police Department  
Lorain County  
100 W. Erie Avenue  
Lorain, OH 44052

To: Chief McCann:

The Auditor of State is issuing the following report in accordance with our statutory authority identified in Ohio Revised Code Section 117.11(B).

We have performed audit procedures for the period June 1, 2014 through September 14, 2018 (the Period), related to the City of Lorain Clerk of Courts (the City). We also included limited information in this report that is outside the period identified above if we deemed that information of significance to the content of this report.

We have performed the procedures enumerated in this report to evaluate the City of Lorain Clerk of Court's payroll and leave activity for the period, to provide calculations of over and under payments of employees and to identify recommendations to management and those charged with governance in the interest of the public.

The information that follows describes the procedures performed during our engagement and the related results for those procedures. Our analysis was based on information provided by the City directly, including processes, records and reports.

This engagement was not a financial or performance audit, the objectives of which would be vastly different. Therefore, it was not within the scope of this work to conduct a comprehensive and detailed examination of financial statement activity, or test for compliance for the purpose of issuing an opinion on financial statements or compliance, or evaluate for efficiencies of the processes.

On December 20, 2021, we held an exit conference with the City's management and discussed the contents of this report. A response was received and included in our report on page 12.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

December 20, 2021

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## **Introduction and Scope**

On or about October 1, 2018 an investigation commenced by the City of Lorain Police Department (LPD) of a reported Theft in Office that had taken place in the Lorain City Clerk of Courts Office. An allegation had been brought forward, by an employee or employees of that office that one or more employees were taking extra time off without having the time charged against their time banks. It was further alleged that some employees were receiving overtime pay for time that they had not actually worked.

The investigation included interviews of employees and review of records including timesheets, payroll records (known as Hours Analysis Report), a vacation calendar used to request, coordinate, and track employee vacation periods, door fob reports showing entry to specific secured access points, and computer system log on/log off reports. For all deputy clerks employed at the time, the report calculated the total number of hours that had been either paid for overtime that was not earned or given as time off that was not charged against the employee's time bank. The report identified the person responsible for these discrepancies as Lori Maiorana, the Lorain City Clerk of Courts. The report also requested the case be presented to the Lorain County Grand Jury to consider the offenses of: Ohio Revised Code Sections 2913.42(A)(1) – Tampering with Records, 2921.41 – Theft in Office, and 2921.44(E) – Dereliction of Duty. The case was not considered.

Subsequent to the release of the 2018 City of Lorain Financial Audit performed by an Independent Public Accountant (IPA), the Auditor of State (AOS) was contacted by the City of Lorain (City) to discuss the investigation and lack of charges or any restitution. AOS reviewed the information previously provided to the IPA, obtained the report and underlying records provided by the Police Department, and requested additional information from the City Auditor to assess the deficiencies present during 2018 (year most recently audited at the time). AOS confirmed the substance of many of the allegations included in the Police Department report as it related to 2018. Upon further discussion with the City, AOS determined we would formalize and expand upon the work performed.

As executed in May 6, 2020 letter of arrangement, the City of Lorain Police Department, through Chief of Police, James McCann, requested the AOS to perform the following:

Identify over-payments or under-payments, leave balance errors, other errors, or non-compliance as a result of timesheet modifications allegedly made by former Clerk of Court, Lori Maiorana after those timesheets were already submitted by Clerk of Court's Office employees for the period June 1, 2014 – September 14, 2018. The AOS will utilize the investigation, evidence, and report issued by the Lorain Police Department, as well as any necessary additional evidence or explanations subsequently obtained, to determine whether noted discrepancies are accurate and supported by evidence or additional adjustments are necessary. The AOS will issue a report detailing the amounts appearing to have been modified on the timesheets, as well as any adjustments after AOS review, and considerations for further modifications that are deemed justified. The AOS will consider issuing findings for recovery in accordance with Ohio Revised Code Section 117.28, as appropriate.

## **Description of City Payroll Process as intended**

Employees of the City are paid based on an established salary or hourly rate consistent with their position as provided by their contract or council ordinance. Employees are paid biweekly over 26 pay periods a year. Every two weeks the City Auditor's Office initializes the payroll system to allow each department access to enter their department's time. Each department has staff that enters the time and data into the City's accounting system known as "New World System" (NWS), and otherwise tracks the time and balances and it is input accordingly. Employees use a paper timesheet or timecard, depending on the department, to track their hours. At the conclusion of the pay period, the employee will sign their timesheet / timecard and provide to the department payroll clerk, who will enter, verify, and approve the information entered into NWS, before being reviewed and approved by the department head, with records kept at the department level before further submission to the City Auditor's Office. A final review is performed at the City Auditor's office, prior to automated processing of deductions, direct deposits, or manual payroll checks.

## **Description of actual Clerk of Courts Office Payroll Process**

Lori Maiorana described the payroll process in the Clerk of Court's Office to the LPD as follows. She confirmed the employees in her office were responsible for filling out their own timesheets. Once completed, they put their timesheets on her desk and then she entered the information from the timesheets into the cities' computerized payroll system (NWS).

## **AOS Procedures and Results**

AOS began with the table of discrepancies (TOD) presented within the LPD Report. The TOD calculated discrepancies in hours for each employee by year. The hours were then totaled by type of discrepancy code and included the supporting document code.

### Discrepancy Codes

- Worked Partial Day, but Paid Full Day
- Time Off Entered by Employee/Not charged
- Time Off Not Entered by Employee/Not present at Work
- Time Off Entered by Employee/Lined Through with "worked" written over it.
- Overtime Added to Day by Lori Maiorana
- Left Early, Not entered on Time Sheets

### Supporting Document Codes

- Time Sheet
- Payroll record
- Vacation Calendar
- Key Fob Report
- Computer Log On/Off Report

AOS separated the identified discrepancies into one of two main categories of exception to quantify the results.

**EXCEPTIONS - LEAVE** - Employee did not work but regular hours were recorded as if they were worked rather than otherwise acceptable paid leave time. Many instances where leave hours were included on the timesheet by employee but altered to regular hours by Lori Maiorana as if they worked. Additionally instances where the employees were paid for regular hours but evidence showed they did not work and should have taken leave but did not. These exceptions would have a mainly indirect financial impact where their leave balances are overstated, except for anyone that left service and was paid their leave balances.

**EXCEPTIONS - OT** - Overtime was added to the employees pay by Lori Maiorana that was not included in their timesheet and there was no other evidence or explanation for it. It was either altered directly on the timesheet by Lori Maiorana after submission by the employee or directly to the payroll system. These exceptions had a direct financial impact because it was paid to the employee with their regular compensation but did not match their timesheets and there was no other evidence supporting the additional payments.

For both LEAVE and OT exceptions, AOS took the unadjusted discrepancy hours provided by the police department, performed the procedures as proposed and agreed upon, and adjusted those discrepancy hours to reflect those AOS determined are accurate and can be supported by appropriate evidence. Those adjusted discrepancy hours were further quantified into a dollar impact by incorporating the hourly rate at the time the hours were paid or otherwise accrued.



City of Lorain  
 Clerk of Courts Office  
 Lorain County

Exception Impact (HOURS)

	EXCEPTIONS - LEAVE			EXCEPTIONS - OT		
	{A}	{B}	{C}	{A}	{B}	{C}
	UNADJUSTED LEAVE HOURS	AOS NET ADJUSTMENTS	ADJUSTED LEAVE HOURS	UNADJUSTED OT HOURS	AOS NET ADJUSTMENT	ADJUSTED OT HOURS
2018						
Bearer Jeff 2	84.00	(50.00)	34.00	43.50	0.00	43.50
Chopcinsky <sup>1</sup> Tricia	71.50	(1.00)	70.50	0.00	0.00	0.00
Cruzado Mina	0.00	3.50	3.50	6.50	11.00	17.50
Dudukovich Stephanie	0.00	5.00	5.00	0.00	0.00	0.00
Holloway Barb	10.00	0.00	10.00	0.00	0.00	0.00
Huntley Darlene	58.00	(6.00)	52.00	37.25	(1.00)	36.25
Jordan Lindsey	0.00	2.50	2.50	28.25	0.00	28.25
Kirkwood Jackie	16.00	64.00	80.00	83.25	(1.00)	82.25
Nelson Linda 4	0.00	8.00	8.00	32.50	5.00	37.50
Nickoloff Kelly	74.00	12.50	86.50	74.50	(1.50)	73.00
Randolph Brandy	16.00	0.00	16.00	1.00	(1.00)	0.00
Sartin Ashley	19.00	1.00	20.00	0.00	0.00	0.00
Torres Peter	0.00	0.50	0.50	60.50	(4.00)	56.50
Vega Christina 5	11.50	(13.00)	(1.50)	0.00	0.00	0.00
<b>Total - 2018</b>	<b>360.00</b>	<b>27.00</b>	<b>387.00</b>	<b>367.25</b>	<b>7.50</b>	<b>374.75</b>
2017						
Chopcinsky <sup>1</sup> Tricia	50.50	0.00	50.50	0.00	0.00	0.00
Cruzado Mina	16.00	(15.50)	0.50	0.00	0.00	0.00
Dudukovich Stephanie	16.00	(8.00)	8.00	1.50	0.00	1.50
Holloway Barb	32.00	0.00	32.00	0.00	0.00	0.00
Huntley Darlene	40.75	0.00	40.75	29.50	(3.00)	26.50
Jordan Lindsey	0.00	0.00	0.00	13.50	0.00	13.50
Kirkwood Jackie	64.00	44.00	108.00	87.50	(8.25)	79.25
Nelson Linda 4	0.00	0.00	0.00	0.00	0.00	0.00
Nickoloff Kelly	61.25	2.00	63.25	86.00	1.00	87.00
Randolph Brandy	40.00	0.00	40.00	4.00	0.00	4.00
Sartin Ashley	10.00	(9.00)	1.00	2.25	0.00	2.25
Torres Peter	0.00	8.00	8.00	20.00	5.00	25.00
Vega Christina 5	31.00	1.00	32.00	0.00	0.00	0.00
<b>Total - 2017</b>	<b>361.50</b>	<b>22.50</b>	<b>384.00</b>	<b>244.25</b>	<b>(5.25)</b>	<b>239.00</b>
2016						
Cruzado Mina	38.50	3.50	42.00	0.00	0.00	0.00
Dudukovich Stephanie	47.00	(16.00)	31.00	0.00	0.00	0.00
Holloway Barb	42.50	1.25	43.75	0.00	0.00	0.00
Huntley Darlene	97.00	0.00	97.00	10.00	0.00	10.00
Jordan Lindsey	16.00	0.00	16.00	3.00	(1.00)	2.00
Kirkwood Jackie	49.00	0.00	49.00	72.00	(7.00)	65.00
Nelson Linda 4	0.00	0.00	0.00	3.00	0.00	3.00
Nickoloff Kelly	10.00	4.00	14.00	95.00	(6.75)	88.25
Randolph Brandy	40.00	3.50	43.50	8.50	(1.50)	7.00
Sartin Ashley	40.00	(7.50)	32.50	0.00	0.00	0.00
<b>Total - 2016</b>	<b>380.00</b>	<b>(11.25)</b>	<b>368.75</b>	<b>191.50</b>	<b>(16.25)</b>	<b>175.25</b>
2015						
Cruzado Mina	130.50	(0.50)	130.00	55.25	6.50	61.75
Dudukovich Stephanie	12.00	0.00	12.00	10.50	1.50	12.00
Holloway Barb	49.50	0.00	49.50	1.00	2.00	3.00
Huntley Darlene	123.00	(8.00)	115.00	44.75	(1.50)	43.25
Jordan Lindsey	3.50	0.00	3.50	11.00	0.00	11.00
Kirkwood Jackie	65.00	0.50	65.50	112.25	(13.25)	99.00
Nelson Linda 4	0.00	0.00	0.00	18.00	(1.75)	16.25
Nickoloff Kelly	25.50	0.00	25.50	106.25	(4.25)	102.00
Randolph Brandy	72.00	(4.25)	67.75	98.50	1.75	100.25
Sartin Ashley	48.00	0.00	48.00	35.50	(0.50)	35.00
<b>Total - 2015</b>	<b>529.00</b>	<b>(12.25)</b>	<b>516.75</b>	<b>493.00</b>	<b>(9.50)</b>	<b>483.50</b>
2014						
Cruzado Mina	11.25	0.00	11.25	74.25	(0.50)	73.75
Dudukovich Stephanie	0.00	0.00	0.00	35.50	(4.50)	31.00
Holloway Barb	0.00	0.00	0.00	5.00	(1.00)	4.00
Huntley Darlene	56.00	0.00	56.00	103.50	(10.00)	93.50
Jordan Lindsey 3	0.00	2.50	2.50	44.00	11.00	55.00
Kirkwood Jackie	56.00	(40.00)	16.00	82.75	2.00	84.75
Nelson Linda 4	0.00	0.00	0.00	63.50	(1.25)	62.25
Nickoloff Kelly	10.50	3.50	14.00	75.75	6.75	82.50
Randolph Brandy	58.50	6.00	64.50	129.25	(7.00)	122.25
Sartin Ashley	19.00	1.50	20.50	108.00	(13.00)	95.00
<b>Total - 2014</b>	<b>211.25</b>	<b>(26.50)</b>	<b>184.75</b>	<b>721.50</b>	<b>(17.50)</b>	<b>704.00</b>
<b>Total - 2014 - 2018</b>	<b>1,841.75</b>	<b>(0.50)</b>	<b>1,841.25</b>	<b>2,017.50</b>	<b>(41.00)</b>	<b>1,976.50</b>

City of Lorain  
 Clerk of Courts Office  
 Lorain County

Exception Impact (DOLLARS)

		EXCEPTIONS - LEAVE			EXCEPTIONS - OT				
		{E} HOURLY PAY RATE	{C} ADJUSTED LEAVE HOURS	{D} LEAVE HOURS \$ IMPACT	{C} ADJUSTED OT HOURS	{D <sub>x</sub> } OT HOURS \$ IMPACT 1.0x	+ {D <sub>y</sub> } OT HOURS \$ IMPACT 1.5x	= {D <sub>z</sub> } OT HOURS \$ IMPACT TOTAL	
2018									
Bearer	Jeff	2	15.66	34.00	\$531.33	43.50	\$278.03	\$605.01	\$883.04
Chopcinsky <sup>1</sup>	Tricia		15.66	70.50	\$1,104.29	0.00	\$0.00	\$0.00	\$0.00
Cruzado	Mina		16.80	3.50	\$58.80	17.50	\$293.77	\$0.00	\$293.77
Dudukovich	Stephanie		20.79	5.00	\$103.94	0.00	\$0.00	\$0.00	\$0.00
Holloway	Barb		15.66	10.00	\$156.64	0.00	\$0.00	\$0.00	\$0.00
Huntley	Darlene		15.66	52.00	\$814.52	36.25	\$284.47	\$422.92	\$707.39
Jordan	Lindsey		15.66	2.50	\$39.16	28.25	\$152.37	\$434.67	\$587.04
Kirkwood	Jackie		20.79	80.00	\$1,659.80	82.25	\$692.61	\$1,520.18	\$2,212.79
Nelson	Linda	4	25.84	8.00	\$206.71	37.50	\$25.58	\$1,414.67	\$1,440.25
Nickoloff	Kelly		16.01	86.50	\$1,385.04	73.00	\$442.08	\$1,086.93	\$1,529.01
Randolph	Brandy		16.80	16.00	\$268.82	0.00	\$0.00	\$0.00	\$0.00
Sartin	Ashley		15.66	20.00	\$313.28	0.00	\$0.00	\$0.00	\$0.00
Torres	Peter		15.66	0.50	\$7.83	56.50	\$272.60	\$916.33	\$1,188.93
Vega	Christina	5	15.66	(1.50)	(\$23.50)	0.00	\$0.00	\$0.00	\$0.00
<b>Total - 2018</b>				<b>387.00</b>	<b>\$6,626.66</b>	<b>374.75</b>	<b>\$2,441.51</b>	<b>\$6,400.71</b>	<b>\$8,842.22</b>
2017									
Chopcinsky <sup>1</sup>	Tricia		15.51	50.50	\$783.19	0.00	\$0.00	\$0.00	\$0.00
Cruzado	Mina		16.64	0.50	\$8.32	0.00	\$0.00	\$0.00	\$0.00
Dudukovich	Stephanie		20.58	8.00	\$164.66	1.50	\$30.87	\$0.00	\$30.87
Holloway	Barb		15.51	32.00	\$496.28	0.00	\$0.00	\$0.00	\$0.00
Huntley	Darlene		15.51	40.75	\$631.98	26.50	\$395.47	\$23.26	\$418.73
Jordan	Lindsey		15.51	0.00	\$0.00	13.50	\$209.37	\$0.00	\$209.37
Kirkwood	Jackie		20.58	108.00	\$2,222.91	79.25	\$1,631.16	\$0.00	\$1,631.16
Nelson	Linda	4	25.58	0.00	\$0.00	0.00	\$0.00	\$0.00	\$0.00
Nickoloff	Kelly		15.86	63.25	\$1,001.45	87.00	\$1,371.08	\$0.00	\$1,371.08
Randolph	Brandy		16.64	40.00	\$665.40	4.00	\$66.54	\$0.00	\$66.54
Sartin	Ashley		15.51	1.00	\$15.51	2.25	\$34.89	\$0.00	\$34.89
Torres	Peter		15.51	8.00	\$124.07	25.00	\$387.72	\$0.00	\$387.72
Vega	Christina	5	15.51	32.00	\$496.28	0.00	\$0.00	\$0.00	\$0.00
<b>Total - 2017</b>				<b>384.00</b>	<b>\$6,610.05</b>	<b>239.00</b>	<b>\$4,127.10</b>	<b>\$23.26</b>	<b>\$4,150.36</b>
2016									
Cruzado	Mina		20.58	42.00	\$864.47	0.00	\$0.00	\$0.00	\$0.00
Dudukovich	Stephanie		16.64	31.00	\$515.69	0.00	\$0.00	\$0.00	\$0.00
Holloway	Barb		15.51	43.75	\$678.51	0.00	\$0.00	\$0.00	\$0.00
Huntley	Darlene		15.51	97.00	\$1,504.35	10.00	\$155.09	\$0.00	\$155.09
Jordan	Lindsey		15.51	16.00	\$248.14	2.00	\$31.02	\$0.00	\$31.02
Kirkwood	Jackie		20.58	49.00	\$1,008.54	65.00	\$1,337.86	\$0.00	\$1,337.86
Nelson	Linda	4	25.58	0.00	\$0.00	3.00	\$76.75	\$0.00	\$76.75
Nickoloff	Kelly		15.51	14.00	\$217.12	88.25	\$1,368.65	\$0.00	\$1,368.65
Randolph	Brandy		16.64	43.50	\$723.62	7.00	\$116.45	\$0.00	\$116.45
Sartin	Ashley		15.51	32.50	\$504.03	0.00	\$0.00	\$0.00	\$0.00
<b>Total - 2016</b>				<b>368.75</b>	<b>\$6,264.47</b>	<b>175.25</b>	<b>\$3,085.81</b>	<b>\$0.00</b>	<b>\$3,085.81</b>
2015									
Cruzado	Mina		20.58	130.00	\$2,193.98	61.75	\$455.70	\$789.50	\$1,245.20
Dudukovich	Stephanie		16.64	12.00	\$194.32	12.00	\$120.95	\$104.38	\$225.33
Holloway	Barb		15.51	49.50	\$741.88	3.00	\$25.15	\$32.58	\$57.73
Huntley	Darlene		15.51	115.00	\$1,770.53	43.25	\$312.20	\$504.19	\$816.39
Jordan	Lindsey		15.51	3.50	\$54.28	11.00	\$135.46	\$43.44	\$178.90
Kirkwood	Jackie		20.58	65.50	\$1,308.08	99.00	\$945.16	\$1,492.24	\$2,437.40
Nelson	Linda	4	23.89	0.00	\$0.00	16.25	\$0.00	\$582.23	\$582.23
Nickoloff	Kelly		15.51	25.50	\$384.46	102.00	\$695.57	\$1,227.18	\$1,922.75
Randolph	Brandy		16.64	67.75	\$1,025.15	100.25	\$511.29	\$1,734.05	\$2,245.34
Sartin	Ashley		15.51	48.00	\$720.02	35.00	\$122.13	\$432.41	\$554.54
<b>Total - 2015</b>				<b>516.75</b>	<b>\$8,392.70</b>	<b>483.50</b>	<b>\$3,323.61</b>	<b>\$6,942.20</b>	<b>\$10,265.81</b>
2014									
Cruzado	Mina		15.33	11.25	\$170.10	73.75	\$556.08	\$839.78	\$1,395.86
Dudukovich	Stephanie		15.33	0.00	\$0.00	31.00	\$219.53	\$374.68	\$594.21
Holloway	Barb		14.29	0.00	\$0.00	4.00	\$42.31	\$21.44	\$63.75
Huntley	Darlene		14.29	56.00	\$794.24	93.50	\$558.27	\$1,146.24	\$1,704.51
Jordan	Lindsey	3	14.29	2.50	\$35.26	55.00	\$707.47	\$106.06	\$813.53
Kirkwood	Jackie		18.97	16.00	\$299.46	84.75	\$468.53	\$1,679.69	\$2,148.22
Nelson	Linda	4	23.57	0.00	\$0.00	62.25	\$291.10	\$1,736.52	\$2,027.62
Nickoloff	Kelly		14.29	14.00	\$197.44	82.50	\$437.37	\$1,090.47	\$1,527.84
Randolph	Brandy		14.29	64.50	\$911.77	122.25	\$952.39	\$1,159.02	\$2,111.41
Sartin	Ashley		14.29	20.50	\$290.70	95.00	\$854.05	\$732.05	\$1,586.10
<b>Total - 2014</b>				<b>184.75</b>	<b>\$2,698.97</b>	<b>704.00</b>	<b>\$5,087.10</b>	<b>\$8,885.95</b>	<b>\$13,973.05</b>
<b>Total - 2014 - 2018</b>				<b>1,841.25</b>	<b>\$30,592.85</b>	<b>1,976.50</b>	<b>\$18,065.14</b>	<b>\$22,252.12</b>	<b>\$40,317.26</b>

City of Lorain  
 Clerk of Courts Office  
 Lorain County

Exception Impact (DOLLARS)  
 All Years Combined and Legend

	EXCEPTIONS - LEAVE		EXCEPTIONS - OT	
	{C}	{D}	{C}	{D <sub>2</sub> }
	ADJUSTED LEAVE HOURS	LEAVE HOURS \$ IMPACT	ADJUSTED OT HOURS	OT HOURS \$ IMPACT TOTAL
<b>ALL YEARS COMBINED</b>				
Bearer Jeff 2	34.00	\$ 531.33	43.50	\$ 883.04
Chopcinsky <sup>1</sup> Tricia	121.00	\$ 1,887.48	0.00	\$ -
Cruzado Mina	187.25	\$ 3,295.67	153.00	\$ 2,934.83
Dudukovich Stephanie	56.00	\$ 978.61	44.50	\$ 850.41
Holloway Barb	135.25	\$ 2,073.31	7.00	\$ 121.48
Huntley Darlene	360.75	\$ 5,515.62	209.50	\$ 3,802.11
Jordan Lindsey 3	24.50	\$ 376.84	109.75	\$ 1,819.86
Kirkwood Jackie	318.50	\$ 6,498.79	410.25	\$ 9,767.44
Nelson Linda 4	8.00	\$ 206.71	119.00	\$ 4,126.85
Nickoloff Kelly	203.25	\$ 3,185.51	432.75	\$ 7,719.33
Randolph Brandy	231.75	\$ 3,594.76	233.50	\$ 4,539.74
Sartin Ashley	122.00	\$ 1,843.54	132.25	\$ 2,175.53
Torres Peter	8.50	\$ 131.90	81.50	\$ 1,576.65
Vega Christina 5	30.50	\$ 472.78	0.00	\$ -
<b>Total - ALL YEARS COMBINED</b>	<b>1,841.25</b>	<b>\$ 30,592.85</b>	<b>1,976.50</b>	<b>\$ 40,317.26</b>

**LEGEND**

EXCEPTIONS - LEAVE - Employee did not work but regular hours were recorded as if they were worked rather than otherwise acceptable paid leave time. Many instances where leave hours were included on the timesheet by employee but altered to regular hours by Lori Maiorana as if they worked. Additionally instances where the employees were paid for regular hours but evidence showed they did not work and should have taken leave but did not. These exceptions would have a mainly indirect financial impact where their leave balances are overstated, except for anyone that left service and was paid out their leave balances.

EXCEPTIONS - OT - Overtime was added to the employees pay by Lori Maiorana that was not included in their timesheet and there was no other evidence or explanation for it. It was either altered directly on the timesheet by Lori Maiorana after submission by the employee or directly to the payroll system. These exceptions had a direct financial impact because it was paid to the employee with their regular compensation but did not match their timesheets and there was no other evidence supporting the additional payments.

{A} - UNADJUSTED from City of Lorain Police Investigative Report - Table of Discrepancies calculation totaled for each employee for each year.

{B} - AOS NET ADJUSTMENTS includes all net adjustments proposed after AOS work to calculate an ADJUSTED column that reflects the final exceptions.

{C} - ADJUSTED combines columns {A} and {B} to reflect the total exceptions in hours as a result of AOS work.

{D} - \$ IMPACT reflects the direct or indirect dollar impact of the exceptions identified. LEAVE HOURS IMPACT is simply calculated as the ADJUSTED LEAVE HOURS exceptions x the hourly rate in effect at the time. OT HOURS \$ IMPACT includes combined components of OT paid at straight time (1.0x) and OT paid at time and a half (1.5x). AOS was not able to ascertain if the OT was properly paid at straight time or time and a half, but simply that it was an exception and identified the rate at which the City paid the employee for that identified exception.

{E} - HOURLY PAY RATE is included for perspective. In many cases an employee was paid multiple rates during a year. The exception was quantified at the rate in place at the time, while the rate listed is the rate in place at the end of the year.

{1} - Tricia Chopcinsky also went by Tricia Parreco and Tricia Frazier

{2} - 48 hours of leave were recaptured from Mr. Bearer's leave balances subsequent to the Police Department Investigation. The ADJUSTED LEAVE HOURS are properly reduced.

{3} - 1 Timesheet for 2014 could not be located. If sufficient evidence otherwise supported exceptions during the period that timesheet covered they were still included, however the absence of the timesheet prevented a full analysis in our ability to identify further exceptions that may have existed.

{4} - All but 17 timesheets for 2014 - 2018 could not be located. If sufficient evidence otherwise supported exceptions during the period that timesheet covered they were still included, however the absence of the timesheet prevented a full analysis in our ability to identify further exceptions that may have existed. The exceptions are presumably understated.

{5} - AOS avoided "awarding" or "crediting" any additional leave time or pay and only reducing errors to zero, but there was an exception in this case with a negative exception. During 2018 there was an instance where 6.5 regular hours were worked and 1.5 hours of vacation time was requested, however 1.5 regular hours were paid and 6.5 hours of vacation were deducted instead. This error showed 5 hours were clearly due and were a positive adjustment considered in the net adjustments and resulted in a negative total for 2018 and is netted against 2017 to reach the total exceptions for all years.

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## SCHEDULE OF FINDINGS

### 1. Finding for Recovery

During the period June 1, 2014 – September 14, 2018 many payroll exceptions were present for the employees of the City of Lorain Clerk of Court's Office. While employees were expected to submit a completed and signed timesheet at the conclusion of a pay period, many modifications were made directly to the timesheets or directly through the payroll system by the Clerk of Court subsequent to the employee submission and without any documentation, rationale, or apparent knowledge of the employee. Lori Maiorana was the Clerk of Court during this period.

These exceptions were classified as either *leave* exceptions or *OT* exceptions.

*Leave* exceptions included instances where an employee intended to use a form of paid time off (leave) and included paid time off on their timesheet, but it was subsequently modified to remove the leave hours and record as regular hours as if they had worked. Additional instances were present where the employees were paid for regular hours as if they had worked but evidence showed they did not work and should have used leave time. *Leave* exceptions were not a direct outflow of City funds unless an employee was paid out for their leave balances, and would otherwise mean an employee's leave balances were higher than they should have been. The leave exceptions are quantified in dollars based on the employee's pay rate in effect during that timesheet's pay-period.

*OT* exceptions included instances where an employee submitted their timesheet with zero overtime (OT) or some OT, and OT hours were subsequently added to the timesheet or directly through the payroll system by the Clerk of Court subsequent to the employee submission without any documentation, rationale, or apparent knowledge of the employee. *OT* exceptions were a direct outflow of City funds for overtime that was not reflected on an employee's timesheet or otherwise appropriate. Irrespective of whether the OT was properly calculated at the employee's hourly pay rate (straight time) or time and a half, *OT* exceptions are quantified in dollars based on the actual rate paid during that timesheet's pay-period at the employees pay rate (straight time) or time and a half.

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June 1, 2014 – September 14, 2018		EXCEPTIONS - LEAVE		EXCEPTIONS - OT	
		HOURS	DOLLARS	HOURS	DOLLARS
<b>Bearer</b>	<b>Jeff</b>	34.00	\$ 531.33	43.50	\$ 883.04
<b>Chopcinsky</b>	<b>Tricia</b>	121.00	\$ 1,887.48	0.00	\$ -
<b>Cruzado</b>	<b>Mina</b>	187.25	\$ 3,295.67	153.00	\$ 2,934.83
<b>Dudukovich</b>	<b>Stephanie</b>	56.00	\$ 978.61	44.50	\$ 850.41
<b>Holloway</b>	<b>Barb</b>	135.25	\$ 2,073.31	7.00	\$ 121.48
<b>Huntley</b>	<b>Darlene</b>	360.75	\$ 5,515.62	209.50	\$ 3,802.11
<b>Jordan</b>	<b>Lindsey</b>	24.50	\$ 376.84	109.75	\$ 1,819.86
<b>Kirkwood</b>	<b>Jackie</b>	318.50	\$ 6,498.79	410.25	\$ 9,767.44
<b>Nelson</b>	<b>Linda</b>	8.00	\$ 206.71	119.00	\$ 4,126.85
<b>Nickoloff</b>	<b>Kelly</b>	203.25	\$ 3,185.51	432.75	\$ 7,719.33
<b>Randolph</b>	<b>Brandy</b>	231.75	\$ 3,594.76	233.50	\$ 4,539.74
<b>Sartin</b>	<b>Ashley</b>	122.00	\$ 1,843.54	132.25	\$ 2,175.53
<b>Torres</b>	<b>Peter</b>	8.50	\$ 131.90	81.50	\$ 1,576.65
<b>Vega</b>	<b>Christina</b>	30.50	\$ 472.78	0.00	\$ -
<b>Total</b>		<b>1,841.25</b>	<b>\$ 30,592.85</b>	<b>1,976.50</b>	<b>\$ 40,317.26</b>

In accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Lori Maiorana and her bonding company Westfield Insurance Company in the amount of \$70,910, and in favor of the City of Lorain General Fund.

### OTHER NONCOMPLIANCE AND DEFICIENCIES

#### 2. Fair Labor Standards Act Noncompliance

The Fair Labor Standards Act of 1938 (FLSA), as amended (20 USC §201 et seq.,; 29 CFR Parts 510 to 794) establishes standards for minimum wages, overtime pay, recordkeeping, and child labor. The Act does not limit either the number of hours in a day or the number of days in a week that an employer may require an employee to work, as long as the employee is at least 16 years old. Similarly, the Act does not limit the number of hours of overtime that may be scheduled. However, the Act requires employers to pay covered employees not less than one and one half times their regular rate of pay for all hours worked in excess of 40 in a workweek, unless the employees are otherwise exempt.

Every employer covered by the FLSA must keep certain records for each of its “covered” employees. Employers must keep records on wages, hours, and other information as set forth in the Department of Labor's regulations. Most of this data is the type that employers generally maintain in ordinary business practice.

There is no required form for the records. However, the records must include accurate information about the employee and data about the hours worked and the wages earned.

Employers are required to preserve for at least three years payroll records, collective bargaining agreements, and sales and purchase records. Records on which wage computations are based should be retained for two years. These include time cards and piecework tickets, wage rate tables, work and time schedules, and records of additions to or deductions from wages.

The FLSA does not contain any specific reporting requirements; however, the above referenced records must be open for inspection by the Wage and Hour Division's representatives, who may ask the employer to make extensions, computations, or transcriptions. The records may be kept at the place of employment or in a central records office.

As a result of this engagement, the following FLSA noncompliance and deficiencies were evident:

- City records did not include accurate information about the hours worked by the employees of the Clerk of Courts Office.
- Clerk of Court employees worked hours where they were not compensated and were also compensated for hours they did not work.
- There was no discernable or consistent policy in the Clerk of Courts office for differentiating between those hours paid at straight time and those at time and a half in accordance with FLSA and/or City policy. Additionally, prior to April of 2018, non-bargaining unit employees of the City had to work an additional five hours per week before they were eligible for time and half OT, but an additional hour at straight time due to a paid lunch hour (meaning they only actually worked 35 hours per week).

The City and Clerk of Courts Office should ensure employees and supervisors are aware of FLSA regulations and any local ordinances or policies that address overtime and recordkeeping for payroll.

### **3. Open Records Act Noncompliance**

Ohio Rev. Code § 149.351 provides that no public records shall be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commissions provided for under Ohio Rev. Code § 149.38 to 149.42.

In addition, Ohio Rev. Code § 149.381 states in part that when records have been approved for disposal, a copy of such records application or schedule shall be sent to the Ohio Historical Society, who upon completion of its review, shall forward it on to the Auditor of State. The Auditor of State shall approve or disapprove the application or schedule within a period of not more than sixty days after receipt of it. Before public records are to be disposed of pursuant to an approved schedule of records retention and disposition, the records commission shall inform the Ohio Historical Society of the disposal through the submission of a certificate of records disposal for only the records required by the schedule to be disposed of, and shall give the society the opportunity for a period of fifteen business days to select for its custody those public records, from the certificate submitted, that it considers to be of continuing historical value.

As a result of this engagement, the following public records deficiencies were evident:

- One timesheet for one employee and all but 17 for another during the period under review could not be produced or located for the period. This limited our scope and likely understated our reported exceptions.
- During the LPD investigation, Ms. Maiorana represented to the detectives that when employees stay past the time she leaves for the day, she marked down who stays and the next day asks them how late they stayed over. She keeps track of the time on a scratch sheet of paper and if the employee does not write their OT on their time sheet, she would add it for them as possible explanation for altering their timesheets by adding OT. When asked whether she retained the records, she responded that she did not. While their existence could not be substantiated, their retention would have been otherwise required under the Ohio Open Records Act.

The City should develop policies and procedures outlining the security of all records or take a written inventory of all records noting the records description and location. All records should be maintained in a safe location, such as locked file cabinets or in a locked office, with access limited to specific officials and/or personnel. Disposal of records should only be made in accordance with an approved records retention schedule. City officials, and particularly the Clerk of Courts Office, should keep supporting documentation for all transactions.

#### 4. Ohio Admin. Code §117-2-01 Noncompliance and Deficiencies

Ohio Admin. Code §117-2-01 provides that:

- (A) All public officials are responsible for the design and operation of a system of internal control that is adequate to provide reasonable assurance regarding the achievement of objectives for their respective public offices in certain categories.
- (B) "Internal control" means a process effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:
  - (1) Reliability of financial reporting;
  - (2) Effectiveness and efficiency of operations;
  - (3) Compliance with applicable laws and regulations; and
  - (4) Safeguarding of assets against unauthorized acquisition, use or disposition.
- (C) Internal control consists of the following five interrelated components:
  - (1) Control environment sets the tone of an organization, influencing the control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure.
  - (2) Risk assessment, which is the entity's identification and analysis of relevant risks to the achievement of its objectives, forming a basis for determining how the risks should be managed so as to identify and assess the risks of material misstatements, whether due to fraud or error, at the financial statement and relevant assertion levels.
  - (3) Control activities, which are policies and procedures that help ensure management directives are carried out so as to identify and assess the risks of material misstatements, whether due to fraud or error, at the financial statement and relevant assertion levels.
  - (4) Information and communication, which are the identification, capture, and exchange of information in a form and time frame that enable people to carry out their responsibilities.
  - (5) Monitoring, which is a process that assesses the quality of internal control performance over time.
- (D) When designing the public office's system of internal control and the specific control activities, management should consider the following:
  - (1) Ensure that all transactions are properly authorized in accordance with management's policies.
  - (2) Ensure that accounting records are properly designed.
  - (3) Ensure adequate security of assets and records.
  - (4) Plan for adequate segregation of duties or compensating controls.
  - (5) Verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.
  - (6) Perform analytical procedures to determine the reasonableness of financial data.
  - (7) Ensure the collection and compilation of the data needed for the timely preparation of financial statements.
  - (8) Monitor activities performed by service organizations.
- (E) Consideration should be given to the cost benefit of the controls. The cost of controls should not exceed their benefit.

The Clerk of Courts Office and the City did not have sufficient internal controls to prevent or detect and correct the noncompliance and deficiencies noted with payroll processing. Ms. Maiorana collected completed timesheets for review, reviewed those timesheets, and would input data into the City's payroll system without further review within the department. An improved internal control system over payroll processing and segregation of duties would have increased the likelihood the noncompliance and deficiencies would have been prevented or detected and corrected earlier.



## 5. Timesheet Form Deficiencies

Employers utilize many methods to account for and process employee payroll that ultimately help ensure accuracy and compliance with Federal, State, and Local laws, regulations, and policies. These methods can include timesheets, time clocks, tracking logs, and full Enterprise Resource Systems and can range from manual paper forms to complex computer applications. The method utilized may vary for each individual entity, department, or group of employees, however should help ensure accuracy and compliance with Federal, State, and local laws and regulations. While they may be appropriate for some circumstances, manual timesheet systems can be unreliable because of illegibility, the potential for intentional misrepresentation of time actually worked, fraud, or simply improper, inaccurate or uncontrolled alteration.

The Clerk of Court's Office employees utilized a paper timesheet for each bi-weekly pay period that is provided by the City Auditor's Office. The format is standardized with the employee name, pay date, and pay period dates typically typed. For each day, there are two sets of boxes to write in the "Time-In" and "Time-Out" for each morning and afternoon, as well as any paid time off utilized, OT worked, and comp time accrued and used written in. Any rows and columns are summed manually. Each timesheet includes a space for the employee to sign, without any type of certification statement as to what that signature signifies.

The paper timesheet and subsequent review and processing, allowed the following deficiencies:

- Employees had additional OT added to their paychecks they didn't include on their timesheets.
- Employees had paid leave entered on their timesheets deleted and not reducing their paid leave balances.
- Employees included time on their timesheets that appeared inconsistent with the times other evidence appeared to show they worked.
- Employee OT paid without specific care on the specific determination of it being paid at straight rate or time and one half of their rate of pay.
- Timesheets did not match NWS input without support for discrepancies. Sometimes inaccurate information was input directly into system by Lori Maiorana rather than altering the timesheets directly.

We recommend the Clerk of Court's Office consider upgrading their payroll procedures and controls to move away from manual paper timesheets to time clocks and/or other automated software to track their time and leave usage/balances.

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City of Lorain  
Clerk of Courts Office  
Lorain County

## **RESPONSE**

I have read your audit report and concur with your conclusion of recovery. I also believe there is probable cause to proceed with criminal charges and request this report be forwarded to the Lorain County Prosecutor, JD Tomlinson for his review and consideration. I will also follow up with Prosecutor Tomlinson on this matter.

**Chief Jim McCann**  
**Lorain Police Department**

Lori Maiorana has not provided a substantive response, but through her attorney continues to deny any liability in relation to any overpayment to employees working in her office.

# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF LORAIN  
CLERK OF COURTS OFFICE - PUBLIC INTEREST REPORT**

**LORAIN COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 1/20/2022**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)