



**OHIO DEPARTMENT OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES
FRANKLIN COUNTY**

SPECIAL AUDIT REPORT

SEPTEMBER 22, 1996 THROUGH APRIL 5, 1999



**STATE OF OHIO
OFFICE OF THE AUDITOR**
JIM PETRO, AUDITOR OF STATE

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REPORT OF INDEPENDENT ACCOUNTANTS

Kenneth W. Ritchey, Director
Ohio Department of Mental Retardation
and Developmental Disabilities
30 East Broad Street
Columbus, Ohio 43266-0415

Pursuant to your request dated December 14, 1999, we have conducted a Special Audit and performed the procedures summarized below, and detailed in our "Supplement to the Special Audit Report", which were requested by you, for the period September 22, 1996 through April 5, 1999 ("the Period"). These procedures were performed solely to determine whether Kathleen Turner, an employee of the Ohio Department of Mental Retardation and Developmental Disabilities ("the MRDD"), was entitled to receive travel reimbursement subsequent to her promotion to an Institutional Superintendent 3 on September 22, 1996. This engagement was performed in accordance with consulting standards established by the American Institute of Certified Public Accountants. We make no representation regarding the sufficiency of the procedures discussed below, for the purpose for which this report has been requested or for any other purpose. The procedures we performed are summarized as follows:

1. We reviewed documentation contained in Ms. Turner's personnel file to determine her official "headquarters" assignment.
2. We interviewed MRDD Human Resources personnel to determine the guidance used to define an employee's "headquarters" for the purpose of processing travel reimbursements and determining an employee's "Headquarters County" on the Position Description Form.
3. We reviewed a spreadsheet prepared by Greg Mason, MRDD Chief of Internal Audit, which documented Ms. Turner's travel activity between September 22, 1996 and February 12, 1999 to identify the locations between which Ms. Turner allocated her working hours.
4. We provided the MRDD with a copy of our report. The MRDD reviewed the report and provided a formal response dated February 2, 2001. The response indicated that the MRDD requested no modifications or additions to the information presented.

Our detailed procedures and the results of applying these procedures are contained in the attached "Supplement to the Special Audit Report". Because these procedures do not constitute an examination conducted in accordance with generally accepted auditing standards, we do not express an opinion or limited assurance on any of the accounts or items referred to above. Also, we express no opinion on the MRDD's internal control system over financial reporting or any part thereof. Had we performed additional procedures, or had we conducted an examination of financial statements in accordance with generally accepted auditing standards, other matters might have come to our attention that would have been reported to you. This report relates only to transactions relating to the above procedures, and does not extend to any financial statements of the MRDD, taken as a whole.

This report is intended for the use of the specified users listed above and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Reports by the Auditor of State are a matter of public record and use by other components of state government or local government officials is not limited.

JIM PETRO
Auditor of State of Ohio

December 12, 2000

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

BACKGROUND INFORMATION

The Auditor of State received a letter dated December 14, 1999 from Kenneth W. Ritchey, Director, Ohio Department of Mental Retardation and Developmental Disabilities, requesting a Special Audit. The letter included a photocopy of a Report of Investigation - Case No. 1999018, dated December 3, 1999, prepared by the Ohio Office of Inspector General ("the OIG"). The report contained the results of an investigation of anonymous allegations received by the OIG on February 5, 1999. The OIG report focused on four separate allegations, however Mr. Ritchey requested our assistance in auditing the allegation Kathleen Turner, former Deputy Director in charge of the Developmental Centers, received travel expense reimbursement for which she was not entitled. As part of reviewing the travel reimbursement issue, the OIG also investigated payments made by the MRDD for an apartment lease for Ms. Turner. We did not subject those lease payments to further review because the MRDD issued payments directly to the leasing company, and not to Ms. Turner. The three remaining allegations noted in the OIG report were either resolved, or were in the process of being resolved by the MRDD.

Based upon our review of the OIG's report, as well as, discussions held with MRDD officials, the issue related to Ms. Turner's travel expenses was whether or not she was entitled to receive travel reimbursement after she was promoted to Institutional Superintendent 3 effective September 22, 1996. The amount of travel expenses questioned for the period September 22, 1996 to April 5, 1999 were \$2,871 which consisted of meals totaling \$1,632 and lodging totaling \$1,239. All payments to Ms. Turner were approved in accordance with MRDD policy. The MRDD believed Ms. Turner should not have been reimbursed for travel expenses as of the effective date of her promotion because her headquarters should have been changed to Columbus, Ohio effective that day, thereby disallowing her receipt of travel expense reimbursements.

According to an MRDD Personnel Action Form, Ms. Turner was demoted from an Institutional Superintendent 3 to a Program/System Manager 2 effective April 5, 1999.

Mr. Ritchey's letter was presented to the Auditor of State's Special Audit Committee on December 21, 1999 which voted to initiate a Special Audit of Ms. Turner's travel expenses for the period September 22, 1996 to April 5, 1999.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

SUMMARY OF RESULTS

ISSUE 1 - Travel Expenses of Kathleen Turner

Using available records, we attempted to define Ms. Turner's headquarters and determine if she was entitled to reimbursement of travel expenses in accordance with the MRDD "In-State Travel" policy guide.

PROCEDURES

1. We reviewed documentation contained in Ms. Turner's personnel file to determine her official "headquarters" assignment.
2. We interviewed MRDD Human Resources personnel to determine the guidance used to define an employee's "headquarters" for the purpose of processing travel reimbursements and determining an employee's "Headquarters County" on the Position Description Form.
3. We reviewed a spreadsheet prepared by Greg Mason, MRDD Chief of Internal Audit, which documented Ms. Turner's travel activity between September 22, 1996 and February 12, 1999 to identify the locations between which Ms. Turner allocated her working hours. (Note that Mr. Mason's spreadsheet only documented Ms. Turner's time allocation through February 12, 1999, because after that time she spent the majority of her working hours in Mount Vernon.)

RESULTS

1. The following documents contained in Ms. Turner's personnel file referred to her headquarters assignment:
 - A. An approved MRDD Position Description dated September 5, 1996 for the position of Institutional Superintendent 3 at the Mount Vernon Developmental Center stated the county of employment for this position was Knox County.
 - B. An approved Personnel Action Form documenting Ms. Turner's promotion effective September 22, 1996 from Program/System Manager 2 to Institutional Superintendent 3 stated her headquarter county was Knox County.
 - C. A memo dated May 1, 1997, from Ronald C. Boley, MRDD Assistant Director, which was addressed "To Whom it May Concern," stated Ms. Turner was appointed Acting Deputy Director for the department as of September 23, 1996, and that "her headquarters remain at Mount Vernon Development Center." There is no indication as to who may have received this memo or whether it was an internal or an external document.

The documents contained in Ms. Turner's personnel file indicated her headquarters assignment was Knox County.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

2. According to Mr. David Norris, MRDD Deputy Director of Human Resources, the MRDD used the guidance in Ohio Administrative Code Sections 123:1-47-01 (A)(41) and 126-1-02 (A)(2) when processing travel reimbursements and determining an employee's "Headquarters County" on the Position Description Form.

Ohio Administrative Code 123:1-47-01 (A) (41) states, in part, "Headquarters County means the county which the appointing authority has determined and indicated, on the position description for each position or by other appropriate means, to be the headquarters county. The determination shall be based on the status of the position as the primary location where the employee assigned to the position receives direction, performs the substantial duties of his position, or where the employee's work flow is centered."

Ohio Administrative Code 126-1-02 (A) (2) states, in part, "Headquarters means the office address at which a state agent has his/her primary work assignment or if a state agent's primary work assignment involves regularly scheduled travel, the place from which he/she can most effectively carry out his/her assigned duties."

3. Our review of Mr. Mason's spreadsheet detailing Ms. Turner's travel activity revealed Ms. Turner spent the following number of hours at each of the following locations:

Location	Hours Spent at Location	Percentage of Total Hours
Columbus	1,539.025	29.30
Mount Vernon	307.700	5.86
Unknown ¹	1,385.400	26.37
Other ²	<u>2,020.675</u>	<u>38.47</u>
Total	<u>5,252.800</u>	<u>100.00</u>

As noted in footnote 1, Ms. Turner did not submit any travel expenses for reimbursement for the "Unknown" hours. Because there was no documentation indicating Ms. Turner traveled to Columbus to perform work at that location, we assumed that she performed the "Unknown" hours at the Mount Vernon location. Therefore, if the "Unknown" hours were added to the hours worked at the Mount Vernon location, Ms. Turner spent 32.23% of her time working within her assigned headquarter county.

¹"Unknown" location hours could not be identified by Mr. Mason because there was no supporting documentation stating where Ms. Turner's work time took place. In these instances, Mr. Mason had a time sheet stating Ms. Turner worked on the given days, but there were no recorded travel expenses and no identifying information included on her daily calendar.

²"Other" location hours included, but were not limited to, out-of-state travel, executive meetings, seminars/conferences, vacation leave, sick leave, and holidays.



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FRANKLIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 15, 2001**