



**Auditor of State  
Betty Montgomery**



**DEPARTMENT OF JOB AND FAMILY SERVICES  
WASHINGTON COUNTY**

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## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Michael Paxton, Director  
Department of Job and Family Services  
Washington County  
1115 Gilman Avenue  
Marietta, Ohio 45750

We have performed the procedures enumerated below as of January 13, 2006, which were agreed to by the Director, for the purpose of ensuring that money collected per the goldenrod receipts was deposited with the County Treasurer. We followed the American Institute of Certified Public Accountants' attestation standards for agreed-upon procedures engagements. The sufficiency of the procedures is solely the responsibility of the Director. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. Our procedures were as follows:

1. We scheduled the goldenrod copy of receipts written at the Washington County Department of Job and Family Services front desk from July 1, 2005 through December 31, 2005. We traced each goldenrod receipt to the PET System at the Washington County Department of Job and Family Services. The goldenrod receipt lists the employee at the front desk who received the monies.
2. While scheduling out the goldenrod receipts described in step 1, we traced the receipts to the entries in the front desk notebook which lists the goldenrod receipts in sequential order, the fiscal person who took the monies upstairs to the safe and the front desk clerk who verified the monies taken upstairs.
3. We traced each goldenrod receipt and its corresponding PET System receipt to the corresponding Pay-In at the County Treasurer's office.
4. We expanded our testing to include February 1, 2005 to January 13, 2006.

There were twenty-three instances, totaling \$2,640.51, where cash receipts were not posted to the PET system or deposited with the Treasurer's office for up to twenty-six days and there was no supporting documentation indicating why the money was not processed timely.

There were six instances where cash receipts were not posted to the PET system or paid into the County Treasurer's office. The total amount not posted to the PET system or paid into the Treasurer's office was \$1,534.01. Accordingly, a finding for recovery will be issued against Cindy Hendershot, former Fiscal Support Worker, as disclosed in Exhibit 1.

We were not engaged to and did not perform an examination, the objective of which would be the expression of an opinion on these transactions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

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This report is intended solely for the information and use of the addressee listed above and is not intended to be, and should not be used by anyone else.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

May 24, 2006

## Exhibit 1

### Finding for Recovery

Cindy Hendershot, former Fiscal Support Worker for Washington County Department of Job and Family Services, was responsible for collecting and packaging money received from the front desk and placing and removing the money from the safe located in her office.

Personnel at the front desk of the Washington County Department of Job and Family Services collected money from clients. They prepared a four-ply, pre-numbered receipt, which identified the customer's name, their social security number, the reason the customer was making the payment, the dollar amount of the payment, and the form of payment (cash, money order, check, etc.). One copy (white) of the receipt was given to the customer, one copy (yellow) was sent to the caseworker if there was an active case for that customer, the two remaining copies (pink and goldenrod) were wrapped around the money and stapled several times around the edges to prevent the money from slipping out of the wrapping. The packet was then placed through a slot in the front desk into a locked drawer. Periodically throughout the day an employee from the fiscal department went to the front desk to retrieve all the packets from the locked drawer to take to the fiscal department. The drawer was unlocked and each packet individually removed and recorded in a front desk notebook. The fiscal employee annotated the notebook with the date and time the packets were retrieved from the front desk, the dollar amount that was inside the packet and the receipt number. Upon completion of the hand-written list, the fiscal employee asked one of the front desk personnel to initial each entry that had just been made on the notebook. The fiscal employee placed the money into a small zippered bag. This bag was then taken back to the fiscal department and, at the 11:30 am and 2:00 pm time frames, each packet was opened, the contents counted, checked against the amount listed on the receipt, then paper-clipped to the receipt.

If there were any discrepancies in the amount collected versus what was listed, there was an immediate check made by the fiscal officer with the front desk personnel to determine what amount should have been listed on the receipt. The receipts were then turned over to a second fiscal staff member to complete the task of filling out a "small" receipt to be mailed to the customer. All the goldenrod receipts received that day were also entered into the "small" receipt book. Upon completion of a day's entries into the "small" receipt book, an adding machine tape was run to total the receipts for the day. The money was then counted and, if it matched the tape, the money was placed into the bag that was taken to the Auditor's office for pay-in. Only in the event of an employee's absence might a duty be done by the same worker. The "small" receipt book was then placed into the safe for that day. The next day the receipt book was retrieved from the safe which has the prior day's total and the sealed envelope of cash, checks, money order, etc. An employee in the fiscal department would then enter the receipts from the "small" receipt book into the Program Expenditure Tracking (PET) system. All checks and money orders were stamped "for deposit only". A copy of the report from the PET system was made and both the "small" receipt book and the money were carried by the employee to the copier to retrieve the copy. A cover sheet was completed, using the adding machine tape in the "small" receipt book as a guide. The cover sheet along with the money was taken to the Auditor's office where a receipt was written and then deposited with the County Treasurer.

We obtained the goldenrod receipts from June 1, 2005 through January 13, 2006, from the Washington County Department of Job and Family Services. We agreed the goldenrod receipts to the front desk notebook entries. We then agreed the goldenrod receipts to a corresponding PET receipt in the Washington County Department of Job and Family Services PET system indicating the money collected at the front desk was posted to the PET system. We then were able to agree the PET receipts to the deposit made to the County Treasurer and County Auditor indicating the money posted to the PET system was deposited into the County's treasury and accounted for. However, we found six goldenrod receipts that did not have a corresponding PET receipt indicating it was not posted to the PET system and in return not deposited with the County Auditor and County Treasurer. These goldenrod receipts are as follows:

**Exhibit 1 (Continued)**

**Finding for Recovery (Continued)**

<u>Goldenrod Receipt Number</u>	<u>Date</u>	<u>Amount</u>	<u>Form of Payment</u>
12884	07/12/05	\$ 196.00	Cash
13061	08/18/05	175.01	Cash
13170	09/06/05	407.00	Cash
13494	11/04/05	428.00	Cash
13627	12/05/05	304.00	Cash
13689	12/20/05	<u>24.00</u>	Cash
		<u><u>\$ 1,534.01</u></u>	

Upon review of the front desk notebook for these goldenrod receipts we found that Cindy Hendershot was the last fiscal employee to handle the cash receipts.

In accordance with the foregoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public money collected but not accounted for is hereby issued against Cindy Hendershot, former Fiscal Support Worker for Washington County Department of Job and Family Services, in the amount of \$1,534.01 and in favor of the Washington County Department of Job and Family Services fund.

**Officials Response:**

The Director of the Washington County Department of Job and Family Services (WCDJFS) agrees with the Finding for Recovery and supports the referral to the Washington County Prosecutor so that the appropriate legal issues can be pursued.

As to the steps taken to help prevent this from occurring again, the WCDJFS purchased, installed and are operating since the middle of January 2006 a computerized cash management tracking system that will aid us in identifying any discrepancies between receipts and deposits.





**Auditor of State  
Betty Montgomery**

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**DEPARTMENT OF JOB AND FAMILY SERVICES**

**WASHINGTON 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  
AUGUST 10, 2006**