



OFFICE OF INTERNAL AUDIT

REPORT TO THE SHERIFF

Pinal County Sheriff's Office

Financial Management

Lori Stripling, Internal Audit Officer
Bill D'Elia, Senior Internal Auditor
Jason Konrad, Internal Audit Analyst

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Executive Summary

The Pinal County Sheriff's Office (PCSO) Finance Division manages financial operations for the Sheriff's Department. The Division is responsible for administering a budget of \$45 million for the fiscal year 2009-2010. To accomplish this mission, the Division employs two managers and six accounting clerks. With about 675 officers and other staff, the PCSO is the largest County office, employing 25% of the County's workforce.

This audit was initially requested by the Pinal County Sheriff's Office and was included in the Office of Internal Audit's FY 09-10 Annual Audit Plan, approved by the Board of Supervisors.

The Office of Internal Audit has completed an audit of financial management of the PCSO. Our audit was planned and conducted in accordance with Generally Accepted Government Auditing Standards. The purpose of our audit was to evaluate financial management within the PCSO.

Our overall conclusion is that financial management within the PCSO could be improved significantly. The following are some of the key areas reviewed during the performance of the audit:

- Overall Financial oversight
- Supply Management
- Timekeeping and Overtime
- Inmate Welfare Fund
- Budget Monitoring
- Purchasing
- Basic Grant Procedures
- Revenues

Our recommendations for improvements include:

- Providing better financial oversight
- Using available technology to better manage supplies
- Disposing of unneeded supplies and equipment
- Establishing proper controls over inventories
- Properly securing the supply warehouse
- Streamlining the timekeeping process
- Properly justifying the use of overtime
- Providing better financial management of overtime and compensatory time use
- Complying with state reporting requirements for the Inmate Welfare Fund
- Fully utilizing the County Financial System to monitor expenditures
- Properly receipting goods
- Deactivating purchase cards for former employees

- Recording accounts receivables
- Complying with contract terms for City billings

We would like to thank the management and staff of the Pinal County Sheriff's Office for their assistance and cooperation during the course of this audit.

The following report provides additional details of our audit observations and recommendations.

Lori Stripling
Pinal County Internal Audit Officer

Background

The Office of Internal Audit has completed a review of current controls over financial management of the Pinal County Sheriff's Office (PCSO). The audit was conducted in accordance with generally accepted government auditing standards and included such tests of internal controls as deemed necessary.

The Pinal County Sheriff's Office (PCSO) Finance Division manages financial operations for the Sheriff's Department. The Division is responsible for administering a budget of \$45 million for the fiscal year 2009-2010. To accomplish this mission, the Division employs two managers and six accounting clerks. With about 675 officers and other staff, the PCSO is the largest County office, employing 25% of the County's workforce.

The PCSO Finance Division is responsible for overall financial management, including grant management, inmate funds, purchasing, time keeping, and supply management.

Scope and Methodology

The purpose of our audit was to evaluate financial management within the PCSO. Our specific objectives were to determine if:

- Supplies and Inventory were adequately managed
- Timekeeping and overtime was efficiently controlled
- Funds were properly monitored and expenditures used for appropriate purposes
- Internal controls over purchases were adequate
- Overall grant monitoring procedures were established
- Internal controls were established to ensure revenues and fees were properly collected and accounted for

To accomplish our objectives, we:

- Interviewed appropriate PCSO staff
- Reviewed the PCSO Budget, policies, procedures and other documents related to PCSO financial management
- Reviewed inventory results
- Observed physical security over supplies and equipment
- Analyzed overtime procedures, controls and documentation
- Sampled expenditures to ensure funds were used for appropriate purposes
- Reviewed purchase card use to ensure purchases were appropriate
- Analyzed purchase procedures to ensure purchases were made in accordance with county policies
- Reviewed basic controls over grant monitoring
- Reviewed billings for proper amounts and recording procedures

SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS

Overall Evaluation

Financial management within the PCSO could be improved significantly. We noted the following deficiencies:

- There was no professionally trained financial management staff
- The automated bar code system for supplies was not effectively implemented
- Excess items were not properly disposed of
- Independent annual inventories were not accomplished
- Physical security over the supply warehouse was inadequate
- Timekeeping procedures were inefficient
- Overtime was not properly justified
- Overtime expenditures were not properly controlled
- The Inmate Welfare Fund was not properly reported
- Budget monitoring was ineffective and inefficient
- Receipts were not promptly processed
- Purchase cards for former employees were not deactivated
- Personnel administering grants were not trained
- Accounts receivables were not recorded
- Billing rates in City contracts were not adjusted as required

Audit Results

A. Overall Financial Management

The overall management structure of the Finance Division is weak. As discussed in our prior audit of the Inmate Funds Bank Account, there is no professionally trained leadership with strong financial or accounting background. This basic internal control weakness contributed to the following findings discussed later in this report:

- Lack of effective oversight of the supply warehouse (Finding B)
- No separation of duties over annual inventories (Finding D)
- Inefficient timekeeping procedures (Finding F)
- Weak budgetary control (Findings H and J)
- Failure to record transactions (Finding N)

Further, strong financial leadership would enable the PCSO to ensure all financial related functions receive proper oversight. We noted several financially related areas not currently under the oversight of the Finance Division, such as:

- Civil Fees
- Records Fees
- Telephone Revenues

- Impound Fees
- Fixed Assets

While some of these may be better managed outside of a professional finance group, having professional *oversight* of all financially related activities will enhance the internal control environment.

Audit Note: Weak financial management was addressed in our prior audit of the Inmate Funds Bank Account. The PCSO was currently in the process of correcting this issue by hiring a financial professional; therefore, we make no further recommendations regarding this issue.

Recommendations:

1. *The new Finance Division Manger should survey the PCSO to identify any financially related activities appropriate for oversight by the Finance Division, and recommend changes to the Sheriff.*

B. Supply Bar Code System

The bar code system for managing supplies has not been effectively implemented. The supply technician, responsible for managing the system, is unable to fully operate the system and has not received sufficient training. For example, she could not print any inventory reports from the system. We also noted the portable scanner, needed to add items to the system, was inoperable. Additionally, as noted in Finding A, there is no effective supervision. The Division Manager was aware of deficiencies, as indicated in her annual evaluation of the technician, but failed to take corrective action. The technician noted she prefers maintaining manual records, because it is easier than using the system. We noted items were frequently delivered but not entered into the system. Although the purpose of the system is to ensure an accurate record of warehouse supplies, quantities on hand did not agree with system data, because the system was not properly used. Further, the *backup* technician also did not enter items received into the bar code system. Examples of items not added to the system include:

- Police Vests
- Utility Belts
- Flares
- Video Camera

Failure to effectively implement this system not only jeopardizes the Division's ability to ensure safekeeping of inventory, it also reduces efficiency.

Recommendations:

2. *The New Finance Division Manager should ensure all personnel responsible for operating the bar code system are properly trained and any malfunctioning equipment is promptly repaired.*
3. *The New Finance Division Manger should require that an inventory be conducted and the bar code system be properly updated.*

C. Excess Items

The supply technician has not developed procedures for disposing of excess supplies and equipment. During our review of items in the supply warehouse we noted many items which were inoperable or obsolete, including:

- Helmets
- Night sticks
- Radios
- Printers

ARS 41-2602 requires surplus materials to be disposed of by public auction or competitive bidding. Retaining unneeded items wastes valuable storage space and exposes the county to potential theft.

Recommendations:

4. *The New Finance Division Manager should develop procedures for supply warehouse operations, to include addressing the disposal of unneeded items.*
5. *The Supply Technician should contact the Pinal County Finance Department to determine proper disposal for all unneeded warehouse items.*

D. Inventory

The annual inventory of the supply warehouse was not independently conducted. The supply technician, who is the custodian with physical control over the assets, also completed the inventory. This is a major internal control weakness. Inventory of supplies and equipment should be conducted by an independent individual, who does not have physical access to the inventory and inventory records. The lack of independent verification exposes the PCSO to possible theft of County property.

Recommendation:

6. *The New Finance Division Manager should appoint an individual, independent of the supply warehouse, to conduct annual inventories.*

E. Physical Security

Physical Security over the supply warehouse was found to be inadequate. Upon review, we determined the PCSO record of personnel with access to the warehouse did not agree with the IT Department's record of automated access. Per the PCSO record, thirteen (13) employees had access, which seems excessive, but the IT Department's record listed twenty-four (24) individuals with access. Included on that list were the prior Sheriff and other individuals with no need to access the PCSO warehouse. Additionally, during one visit to the warehouse, we noted three individuals, not included on either list, had gained access to the warehouse. Because there is no definitive record of the individuals with access to the warehouse, and no policy limiting access only to individuals with approval to enter, the County has an increased risk of property theft and a limited ability to determine responsibility in the event of a theft.

Recommendation:

- 7. The New Finance Division Manger should determine which individuals need access to the warehouse, and then request re-keying/carding of the locks to limit access to only those individuals.*

F. Timekeeping

PCSO timekeeping procedures are inefficient. Most modern timekeeping systems require minimal entry of time data, often requiring only the entry of exception data, such as vacation and sick hours. PCSO timekeeping procedures, however, require that data for all time worked be keyed or entered multiple times. This is partially due to the Pinal County Finance Department's lack of a modern automated time system, which will be addressed separately to the Board of Supervisors. On the other hand, many of the inefficient practices we noted are the direct result of PCSO Finance Division decisions. For example, we noted:

- PCSO staff complete individual time sheets; however, instead of using these as a basis for time entry, the patrol and jail administrative personnel reenter this data in an excel spread sheet (i.e. the payroll report).
- PCSO timekeeping personnel use the payroll report and again enter all the time, including each day's work, onto county time sheets (i.e. green bar), although only summary data is needed. Further, PCSO timekeepers check employees' leave availability, which is an unnecessary step, since the system has automated checks for leave balances. They also reconcile payroll report data to the time sheets. Neither patrol, nor jail personnel, believe the payroll report serves any useful purpose but noted it is a requirement of the PCSO Finance Division.
- County time sheets (dozens of pages) are copied and sent to the County Finance Department for another entry cycle. This large document is permanently retained at both PCSO and County Finance, although the original employee time sheets provide a record of approved time.
- Consequently, workers' time is recorded by 1.) Employees; 2.) Jail and patrol admin/supervision; 3.) PCSO time keepers and 4.) County time keepers.

These duplicative and unnecessary procedures appear to be a result of ineffective financial management and leadership, as discussed earlier in Finding A. Much of this work appears to be created “busy work,” due to lack of financial expertise needed to establish essential value added procedures. Also, processing payroll data in two separate timekeeping offices is wasteful. Consolidating timekeeping procedures would allow personnel to perform more critical financial functions not currently accomplished, as discussed in Findings A, B, C, H, I, J and N.

Recommendations:

8. *The New Finance Division Manager should require patrol and jail personnel to submit time sheets only and discontinue the preparation of payroll reports.*
9. *The New Finance Division Manager should require entry of only summary time data on County time sheets and discontinue daily time entry.*
10. *The New Finance Division Manager should discontinue verification of leave balances by payroll clerks.*
11. *The New Finance Division Manager should discontinue the practice of copying all County time sheets, and consult with the County Finance Department to determine which office will retain the time sheets.*
12. *The New Finance Division Manager should discontinue current dual processing of payroll data. He/She should coordinate with the County Finance Department to determine an alternative, such as establishing time entry authority for the PCSO Finance Division or providing that patrol and jail time sheets are sent directly to County Finance for processing.*

G. Overtime Justification

We found that overtime and compensatory time was not always properly justified. We reviewed all overtime and compensatory time for the pay period beginning March 8, 2009. For that pay period, a total of 3,225 hours of overtime and compensatory time was authorized for 322 employees. Overtime and compensatory time for 106 of those 322 employees (33%) were not justified in accordance with the requirements of PCSO procedure 2.5. We found overtime and compensatory time approvals for:

- Training
- Routine administrative work
- Non-essential duties
- No stated reason
- Vehicle service
- Weapons qualification

Non-critical use of overtime and compensatory time for Patrol personnel generally occurred because of a misinterpretation of policy. Patrol incorrectly believed the policy applied only to immediately paid overtime and not compensatory time. The Jail Commander acknowledged improper approvals of overtime requests and indicated action has been taken to tighten controls over this procedure for jail personnel. Since overtime and compensatory time is paid at time and a half, it is costly and should only be used for critical duties.

Recommendations:

13. *PCSO should train all supervisors to approve overtime or compensatory time only for critical duties allowed in PCSO procedure 2.5.*
14. *PCSO management should periodically review a sample of overtime authorizations to ensure compliance with this practice.*

H. Overtime Strategy

We found that PCSO does not have a sound financial strategy for use of paid overtime and compensatory time. The PCSO Jail simply allows individual workers to elect overtime pay or compensatory time, according to their preference. Conversely, PCSO Patrol pays overtime for actual allowable overtime categories, and authorizes compensatory time for non-critical categories such as training. Neither strategy is appropriate.

- Because approval of compensatory time does not result in expenditure of immediate funds, its use by Jail management has not been limited by current budget parameters. However, the increasing liability only delays the financial obligation to a future period. As of June 30, 2009 PCSO had accrued a compensatory time liability of 37,894 hours valued at \$900k. It is apparent that lack of planning, and allowing staff to determine the financial strategy, is inappropriate.
- Compensatory time, just as overtime, is authorized at time and a half, and its use by Patrol for non-critical work is improper, according to PCSO procedure 2.5.

Further, we found the PCSO Finance Division has not monitored actual vs. budgeted overtime expenditures, but instead has relied on the County Budget Office to inform them when overtime use has reached budget limits and must be discontinued. The lack of a financial strategy, which focuses on payment of overtime as earned, has resulted in reduced fiscal responsibility and the accrual of a large liability for the PCSO.

Recommendations:

15. *The New Finance Manger should develop a fiscally sound overtime compensation strategy that focuses on immediate payment for overtime worked at the time it is earned.*
16. *The New Finance Manager should develop procedures for monitoring actual vs. budgeted overtime expenditures, to ensure costs are contained and resources are allocated as needed.*

17. *The Patrol Commander should direct staff to authorize compensatory time, according to the same criteria established for authorizing overtime.*

I. Inmate Welfare Fund

The Finance Division did not prepare an annual statement of operations, or contract for an audit of the Inmate Welfare Fund, as required by ARS 31-121. According to ARS 31-121 requirements, either an audit or statement of operations should be prepared for this fund at the end of each fiscal year. The Jail Commander stated he was unaware of this procedure being completed by the prior PCSO administration. Since this fund is maintained for the benefit of inmates, proper accountability is required and results of operations should be publicly posted.

Recommendations:

18. *The New Finance Division Manager should secure a contract for an audit of the Inmate Welfare fund at the end of this fiscal year, and publicly post the results of the audit, as required by ARS 31-121.*

19. *The New Finance Division Manager, in subsequent years, should either prepare a statement of operations, or secure a contract for an audit of the fund, and publicly post the results. We recommend an audit at least every three years.*

J. Budget Monitoring

The Finance Division has not effectively and efficiently provided budget and expense data to PCSO management. Rather than utilizing timely reports from the County's financial system for monitoring actual vs. budgeted expenditures, Division personnel manually prepare spreadsheets from system data. According to personnel, this is done because prior PCSO management disliked the format of system generated reports. On the other hand, current management stated that due to the time needed to compile the data, information reported in the manual spreadsheets was neither current nor useful. Current management prefers that administrative personnel be trained to retrieve timely system generated reports. The manual process, in addition to being time consuming, also increases the chance for error.

Recommendations:

20. *The New Finance Division Manger should discontinue preparing manual spreadsheets to monitor the budget and expenditures, and instead work with the County Finance Department to generate reports from the County Financial system.*

21. The New Finance Division Manager should determine which Patrol and Jail personnel require access to the County Financial system, and arrange for training and authorization to access reports and information from the system.

K. Receipt Processing

PCSO Finance Division personnel have not promptly entered receipt of goods into the County Financial system. They believe there is a need to maintain manually prepared spreadsheet records, and hold receipts until invoices arrive, to ensure quantities and prices are proper. According to the County Finance Department, this has created unnecessary work for PCSO personnel and delayed transaction recording, because the system automatically verifies quantity and price before authorizing payment.

Recommendation:

22. The New Finance Division Manger should require prompt receipt of items into the County Financial system, regardless of invoice receipt, and discontinue any unnecessary manual record keeping.

L. Purchase Cards

PCSO Finance Division has not established procedures to ensure purchase cards are retrieved from terminated or suspended employees, and deactivated. During our September 2009 review of purchase cards, we identified an active card assigned to a former staff member who terminated employment in July 2009. The clearance separation form does not include a P-Card deactivation item. Further, no clearance form is used for personnel placed on administrative leave. Failure to cancel cards, for personnel no longer authorized to use them, could result in unauthorized expenditures charged to the County.

Recommendations:

23. PCSO should include on the employee termination clearance form an item for the receipt and deactivation of Purchase Cards. The form instructions should include a requirement to return the card to County Finance and notify them to deactivate the card.

24. PCSO should develop a similar clearance form for personnel placed on administrative leave.

M. Grant Management

We noted grants have not always been approved in a timely manner by the Board of Supervisors. In addition, personnel administering grants have not received formal training. Two grants, beginning with Federal fiscal year October 2008, were not approved by the

Board of Supervisors until January 2009. The Grant administrator stated her entire knowledge about grant management has been learned on the job, and she has never received formal training. Risks associated with poor grant administration may include potential loss of future grant monies, a requirement to return funds previously awarded, and/or assessment of fines and penalties.

Recommendations:

25. The New PCSO Finance Manager should ensure all personnel, involved in grant administration, attend formal training.

26. The New PCSO Finance Manager should suspense renewable grants and take appropriate action to have them signed and approved by the Board of Supervisors in a timely manner.

N. Accounts Receivable

We found that accounts receivable are not recorded in the County Financial system at the time of customer billing. This is a material control weakness. PCSO Finance personnel have not been trained to record invoices in the County Financial system. Therefore, they simply record the revenue when funds are received from the customer. For example, on November 6, 2009, the Town of Florence was billed \$6,876, but neither the revenue nor corresponding accounts receivable was recorded in the County's financial records. Failure to perform this basic accounting requirement is, again, attributed to lack of professional accounting management within the PCSO. Failure to record revenue and accounts receivable when earned not only results in a misstatement of financial records, but it also increases the risk that revenues will not be received timely or will be misappropriated.

Recommendation:

27. The New PCSO Finance Manager should immediately contact the County Finance Department for assistance in training PCSO accounting staff to enter accounts receivable in the County's financial system. All current unpaid invoices should be entered, and procedures should be established to ensure all future invoices are entered when billed.

O. City Billings

Rates billed to cities and towns for County jail services have not been adjusted annually as required by contract. From 2006 through 2009, County management and the prior PCSO administration decided not to enforce the contract terms requiring annual adjustment of the rates billed to cities for jailing their inmates. As a result, the County did not receive revenues due from increased rates, and after five years with no rate increases, cities and towns may be burdened with a potentially large increase as a result of inflation.

Recommendation:

28. The PCSO should ensure rates charged to cities and towns in Pinal County, for jailing inmates, are adjusted annually, in accordance with contract terms.

Attachment:

Management Response and Action Plan

Audit Recommendation	Concur (Yes or No)	Management's Response and Action Plan	Target Date	Individual(s) Responsible
1. <i>The new Finance Division Manger should survey the PCSO to identify any financially related activities appropriate for oversight by the Finance Division, and recommend changes to the Sheriff.</i>	Yes	The PCSO is hiring a Finance Manager to comply with the recommendation.	March 1, 2010	Sheriff Babeu
2. <i>The New Finance Division Manager should ensure all personnel responsible for operating the bar code system are properly trained and any malfunctioning equipment is promptly repaired.</i>	yes	Will fall under the responsibilities and duties of the Finance Manager	February 2011	Finance Manager
3. <i>The New Finance Division Manger should require an inventory be conducted and the bar code system be properly updated.</i>	Yes	To be completed by Finance Manager or designee	February 2011	Finance Manager
4. <i>The New Finance Division Manager should develop procedures for supply warehouse operations, to include addressing disposal of unneeded items.</i>	Yes	To be completed by Finance Manager or designee	February 2011	TBD by Manager
5. <i>The Supply Technician should contact the Pinal County Finance Department to determine proper disposal for all unneeded warehouse items.</i>	Yes	To be completed by warehouse staff	February 2011	Finance Manager

Audit Recommendation	Concur (Yes or No)	Management's Response and Action Plan	Target Date	Individual(s) Responsible
6. <i>The New Finance Division Manager should appoint an individual, independent of the supply warehouse, to conduct annual inventories.</i>	Yes	TBD by Finance Manager	February 2011	Finance Manager
7. <i>The New Finance Division Manger should determine which individuals need access to the warehouse, and then request re-keying/carding of the locks to limit access to only those individuals.</i>	Yes	TBD by Finance Manager	February 2011	Finance Manager
8. <i>The New Finance Division Manager should require patrol and jail personnel to submit time sheets only and discontinue the preparation of payroll reports.</i>	Yes	TBD by Finance Manager	February 2011	Finance Manager
9. <i>The New Finance Division Manager should require entry of only summary time data on County time sheets and discontinue daily time entry.</i>	Yes	Course of action TBD by Finance Manager	February 2011	Finance Manager
10. <i>The New Finance Division Manager should discontinue verification of leave balances by payroll clerks.</i>	Yes	Course of action TBD by Finance Manager	February 2011	Finance Manager

Audit Recommendation	Concur (Yes or No)	Management's Response and Action Plan	Target Date	Individual(s) Responsible
11. <i>The New Finance Division Manager should discontinue the practice of copying all County time sheets and consult with the County Finance Department to determine which office will retain the time sheets.</i>	Yes	Coordinate with County Finance by Finance PCSO Manager	February 2011	Finance Manager
12. <i>The New Finance Division Manager should discontinue current dual processing of payroll data. He/She should coordinate with the County Finance Department to determine an alternative, such as establishing time entry authority for the PCSO Finance Office or providing that patrol and jail time sheets are sent directly to County Finance for processing.</i>	Yes	Duplication of effort is not efficient; PCSO Finance Manager will coordinate and develop a policy to address the shortcomings.	February 2011	Finance Manager
13. <i>PCSO should train all supervisors to approve overtime or compensatory time only for critical duties allowed in PCSO procedure 2.5.</i>	Yes	Supply training to staff	February 2011	Command staff
14. <i>PCSO management should periodically review a sample of overtime authorizations to ensure compliance with this practice.</i>	Yes	PCSO Command staff will initiate training	February 2011	Command staff

Audit Recommendation	Concur (Yes or No)	Management's Response and Action Plan	Target Date	Individual(s) Responsible
15. <i>The New Finance Manger should develop a fiscally sound overtime compensation strategy that focuses on immediate payment for overtime worked at the time it is earned.</i>	Yes	Sheriff will coordinate with County Manager and Board of Supervisors to attempt a change in county policy.	February 2011	Sheriff
16. <i>The New Finance Manager should develop procedures for monitoring actual vs. budgeted overtime expenditures, to ensure costs are contained and resources are allocated as needed.</i>	Yes	Finance Manager will develop a process to manage this	February 2011	Command Staff
17. <i>The Patrol Commander should direct staff to authorize compensatory time, according to the same criteria established for authorizing overtime.</i>	Yes	Commander will action the policy and process once it is developed.	February 2011	Patrol Commander
18. <i>The New Finance Division Manager should secure a contract for an audit of the Inmate Welfare fund at the end of this fiscal year, and publicly post the results of the audit, as required by ARS 31-121.</i>	Yes	We will comply with ARS 31-121	June 30, 2010	Finance Manager and Jail Command Staff
19. <i>The New Finance Division Manager, in subsequent years, should either prepare a statement of operations, or secure a contract for an audit of the fund, and publicly post the results. We recommend an audit at least every three years.</i>	Yes	Update policy and procedure to comply with statute.	Fiscal Year 2010/11	Finance Manager and jail command staff

Audit Recommendation	Concur (Yes or No)	Management's Response and Action Plan	Target Date	Individual(s) Responsible
20. <i>The New Finance Division Manger should discontinue preparation of manual spreadsheets to monitor budget and expenditures, and instead work with the County Finance Department to generate reports from the County Financial system.</i>	yes	Finance Manager will develop procedure in concert with County Finance	Fiscal Year 2010/11	Finance Manager
21. <i>The New Finance Division Manager should determine which Patrol and Jail personnel require access to the County Financial system, and arrange for training and authorization to access reports and information from the system.</i>	yes	Develop training protocol	February 2011	Finance Manager
22. <i>The New Finance Division Manger should require prompt receipt of items into the County Financial system, regardless of invoice receipt, and discontinue any unnecessary manual record keeping.</i>	Yes	Develop protocol	February 2011	Finance Manager
23. <i>PCSO should include on the employee termination clearance form an item for the receipt and deactivation of Purchase Cards. The form instructions should include a requirement to return the card to County Finance and notify them to deactivate the card.</i>	Yes	Develop protocol and policy	February 2011	Finance Manager

Audit Recommendation	Concur (Yes or No)	Management's Response and Action Plan	Target Date	Individual(s) Responsible
24. <i>PCSO should develop a similar clearance form (see recommendation #23) for personnel placed on administrative leave.</i>	Yes	Develop protocol in conjunction with Finance and HR	February 2011	Finance Manager and PCSO HR representative
25. <i>The New PCSO Finance Manager should ensure all personnel, involved in grant administration, attend formal training.</i>	Yes	Identify personnel, send to training	February 2011	Finance Manager and Grant Coordinator
26. <i>The New PCSO Finance Manager should suspense renewable grants and take appropriate action to have them signed and approved by the Board of Supervisors in a timely manner.</i>	Yes	Develop protocol	February 2011	Finance Manager, Sheriff, Grants Coordinator
27. <i>The New PCSO Finance Manager should immediately contact the County Finance Department for assistance in training PCSO accounting staff to enter accounts receivable in the County's financial system. All current unpaid invoices should be entered, and procedures should be established to ensure all future invoices are entered when billed.</i>	Yes	Develop protocol and buy-in from County Finance	February 2011	Finance Manager

Audit Recommendation	Concur (Yes or No)	Management's Response and Action Plan	Target Date	Individual(s) Responsible
<i>28. The PCSO should ensure rates charged to cities and towns in Pinal County, for jailing inmates, are adjusted annually, in accordance with contract terms.</i>	Yes	Develop system and procedure	February 2011	Jail Command staff, Sheriff, and Finance Manager