

Department of Corrections

General

Code: S1Corrections-FD23
Name: Department of Corrections
Group: Financial Audit
Type: S1-Agency, Commission, or Board
Location: State
Scope: Not Applicable

Team

Lead: Dana Rossow
Manager: Carol Gross

Procedures

A.1.PRG - TeamMate Administration

Procedure Step: Audit Set Up
Prepared By: EWS, 12/6/2023
Reviewed By: CJG, 4/30/2024

Purpose/Conclusion.*

Purpose / Conclusion:

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Set up TeamMate audit file in accordance with TeamMate Protocol.

Testing Strategy:

All of the following steps are required in order to properly set up the TM file except for the optional step to set up global tickmarks. If the budget is less than 100 hours, auditors may skip steps 4-6 (filling out the profile and sending to TC) until the end of the audit.

1. **Add the audit team to the project** - To do this, go to the Planning tab and select Team. Then select the team from the TeamStore by clicking the "get" button. [For confidential audits only \(IT, Medicaid, etc.\): Disable guest access.](#)
2. **Set Project Manager and Lead** - Select the Lead and Manager from the drop down menus in the Team Tab of the Profile. The "Lead" should be the Auditor-In-Charge of the audit, and the "Manager" should be the Assistant Audit Manager supervising the audit.
3. **Fill out initial information in the Profile** - The Project Profile captures general information about the audit for the TeamCentral database. Access the Profile from the Planning tab and populate as many of the required fields in the Profile as possible at this stage of the audit. A description for each required field can be found in the TeamMate Protocol document.
4. **Centralized Projects** - Go to <http://saoapp/TMDV/ViewProjectErrors.aspx> and enter the project code then "Validate" to check your project for errors.
5. **Resolve any TMDV errors** - The TeamMate Data Validation (TMDV) application performs a series of edit checks on data in your project to ensure accuracy and conformity to protocol. If TMDV identifies errors for your project, resolve the errors and send to central again (if distributed) until TMDV displays that there are no records to display.

Exceptions could indicate either errors in the TeamMate profile or issue data or errors in other SAO databases. If you have confirmed that information in TeamMate is correct, contact the TeamMate Administrative Group to initiate corrections to our other databases.

6. **Set up your favorite global tickmarks (optional)** - Global tickmarks are available throughout the audit file and do not change from workpaper to workpaper. You can access the global tickmarks screen from the Planning tab.
7. **Initialize Audit** – Attempt to sign off on this step, which will trigger a dialog box asking if you would like to initialize the audit. After initialization of the audit, you may continue to add users or global tickmarks, but cannot delete any.

Guidance/Criteria:

ADDITIONAL BACKGROUND

Auditors should consider the following background information and resources when performing work on this area.

[TeamMate Protocol Document](#)

Record of Work Done:

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1. Added the audit team to the project (all audits). As applicable, disabled guest access (confidential audits only).
2. Set the Project Manager and Lead
3. Filled out the audit profile
4. Checked Data Validation System for errors
5. Resolved all TMDV Errors
6. Set up my favorite global tickmarks, if needed
7. Initialized the audit file

A.1.PRG - TeamMate Administration

Procedure Step: Project Review & Finalize
Prepared By: DRR, 4/30/2024
Reviewed By: CJG, 4/30/2024

Purpose/Conclusion:

Purpose/Conclusion:

To ensure that audit documentation complies with TeamMate Protocol, the audit file is ready for finalization and archiving, and that any files outside of TeamMate are completed and reviewed.

Testing Strategy:

Replicas

Ensure that all replicas are merged into the master file and discard any replicas that will never be merged.

Review of workpapers

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Review workpapers to ensure they are completed and properly signed off. You can use the Procedure Status Viewer (for all procedure steps) or the Schedule Status Viewer (for procedure summaries and attachments) to see the status of steps and attachments in the audit file. *The Viewers can be accessed from the buttons on the Navigation Bar at the bottom of the screen.*

Coaching Notes

Verify that all coaching notes have been addressed and cleared. You can use the Coaching Notes Viewer to see the status of all Coaching Notes in the audit file. *The Coaching Note Viewer can be accessed by using the button on the Navigation Bar at the bottom of the screen.*

During the finalization process, coaching notes will be deleted. If you want to keep these notes you will need to create a report using the Reports wizard and save it outside of the TeamMate file.

Hardcopy Files and External Data

Ensure that hardcopy files referenced by the audit are completed and reviewed. Also ensure that any unnecessary documentation or files, including databases with any confidential or sensitive information, are appropriately disposed. If files or databases are needed for future periods, ensure these are appropriately secured. *See the SAO Administrative Policy on Data Security and Access.*

Project Profile

Review and update the Profile information. See the TeamMate Protocol document for definitions and instructions for each required field. *The Protocol document can be accessed from your Start Menu / All Programs / State Auditor's Office or on the Intranet on the TeamMate page.*

Confidential Audits Only

Disable guest user and any other users granted temporary file access.

Issue Review

Ensure issue content is exactly what was presented to the client per the Exit Document, Management Letter, or Finding. There should only be one issue for each finding, management letter item and exit comment. Additional information or notes about the issue can be documented in the "notes" tab. Any other documented issues (that were communicated verbally, at pre-exits or were later combined or dropped) should be either deleted or marked as "verbal recommendations."

Check that all required issue fields are completed and correct. See the TeamMate Protocol document for definitions and instructions for each required field. *The Protocol document can be accessed under Audit / TeamMate on the Intranet.*

Issue Sign-Off

All issues must be reviewed and signed off by a Supervisor and/or Audit Manager, per Protocol. The finalization process will require all issues to have a state of "reviewed."

Audit Status in Tracker

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Update the Audit Status of prior audit management letters and findings in Tracker. See the [Tracker Quick Reference Guide](#) for details.

Resolve any TMDV errors - The TeamMate Data Validation (TMDV) application performs a series of edit checks on data in your project to ensure accuracy and conformity to protocol.

- Go to the Status and Milestones tab in the profile and change project status to "Post Fieldwork"
- Go to <http://saoapp/TMDV/ViewProjectErrors.aspx> and enter the project code then "Validate" to check your project for errors.
- If TMDV identifies errors for your project, resolve the errors and check web site until TMDV displays that there are no records to display.

Exceptions could indicate either errors in the TeamMate profile or issue data or errors in other SAO databases. If you have confirmed that information in TeamMate is correct, contact the **TeamMate Administrative Group** to initiate corrections to our other databases.

Change Project Status

Go to the Status and Milestones tab in the profile and change project status to "Post Fieldwork".

Enter the report issuance date in the "Issued (Final Report)" field. **REMINDER: DO *NOT* CHANGE THE STATUS OF THE PROJECT TO ISSUED.**

Complete/Finalize Project

After the audit report has been sent to OS the audit should be finalized by the Audit Manager. To do this, go to Review | Finalize. The finalization process will:

- Halt the process if any issues have not been reviewed;
- Warn the Audit Manager of unreviewed workpapers and/or steps;
- Check for uncleared coaching notes;
- Finalize the project, which prevents any further changes from being made to the file.

Note: if the project is finalized and the team subsequently needs to add or modify the documentation, contact the TeamMate Administrator for assistance.

Guidance/Criteria:

ADDITIONAL BACKGROUND

Auditors should consider the following background information and resources when performing work on this area.

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TeamMate Protocol Document

Record of Work Done.*

All of the following steps have been completed for this audit file:

- All outstanding replicas are merged.
- All workpapers have been reviewed.
- Coaching notes have been addressed and cleared.
- Hardcopy files have been completed and reviewed.
- Unnecessary files and databases have been appropriately disposed of, and any files or databases needed for future periods have been appropriately secured in accordance with SAO's administrative policy on Data Security and Access.
- The audit profile has been completed.
- As applicable, any guest/temporary user access has been disabled (confidential audits only).
- Issue content has been reviewed and required fields completed.
- All issues have been signed off as reviewed.
- The Audit Status of prior audit management letters and findings has been updated in Tracker.
- All TeamMate Data Validation errors are resolved.

The audit will now be finalized and be marked for archival.

B.1.PRG - Planning

Procedure Step: Verify DSA
Prepared By: EWS, 12/6/2023
Reviewed By: CJG, 1/18/2024

Purpose/Conclusion.*

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Purpose / Conclusion:

To verify that a Data Sharing Agreement is in place before starting the audit.

Testing Strategy:

Prior to starting the audit, teams are **required** to verify that a Data Sharing Agreement is in place by performing the following procedures:

- Go to the DSA Library: <https://stateofwa.sharepoint.com/sites/SAO-DataSharingAgreements/DSA/Forms/AllItems.aspx>
- Check the folder corresponding to the entity's MCAG. *This can be done by searching for the MCAG in the upper left search box or by finding it in the responsible team's folder.*
- If a DSA is not yet in place, then work with your manager to get an agreement in place prior to starting audit work. *If the entity has a No-DSA Waiver in DSA Library, the audit may continue but no confidential data (category 3 or 4) can be requested or received. If this restriction becomes a barrier for the audit, the team should consult with their Assistant Director and TAS.*
- If the DSA Scope is other than "General" or DSA Type is something other than "Standard DSA" then auditors should be familiar with the contents.

Guidance/Criteria:

Record of Work Done:

We checked the DSA Library and confirmed that a Data Sharing Agreement was in place prior to starting audit work.

B.1.PRG - Planning

Procedure Step: Reported Loss and Investigation Plan

Prepared By: EWS, 1/12/2024

Reviewed By: CJG, 1/18/2024

Purpose/Conclusion:

Purpose/Conclusion:

- To document the initial reported loss and preliminary assessment completed.

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- To document the investigation plan steps that addresses the anticipated investigation strategy, scope, staffing, and budget.

Testing Strategy:

Investigators are required to complete steps 1-3:

1. Make initial contact with the client (within 5 business days of initial loss report date) and discuss loss with audit manager.
2. Complete a Preliminary Assessment Worksheet (PAW). Complete Team level review and submit to Team SI for review within 10 business days of initial loss report date. Please use the PAW review library to upload and document reviews completed and notification for Team Fraud's review. Link to PAW review library: <http://saosp/TeamSites/Fraud/PAWs/Forms/AllItems.aspx>
3. Based on Team SI's review of the completed PAW next investigation steps will be determined.
 - For risks determined to be included in the current audit, **GENL time should be used to start**. Please reserve at least 5 hours GENL for the Team SI to bill for review. *Reminder: When planning investigation work remember to consider the following elements:*
 - *Approach and testing strategies*
 - *Initial scope of the investigation (time frame and areas examined)*
 - *Procedures to determine if scope should be expanded ("what else" question)*
 - *Procedures to understand internal controls, if necessary*
 - *Whether interviews need to be conducted and, if so, the timing, nature of the questions, and who will lead the interviews.*
 - *Estimated time-frame/fieldwork completion date, budget, and staffing resources.*
 - *In some instances an MOU may be something that is wanted to ensure clear communication. If this is the case, please work with the Special Investigations team to get the MOU approved. There are example MOU's on the sharepoint site.*
4. Request the set up of an audit number and budget in TABS. **Budget requests are expected to be approved by Team SI.**
(Option A) For external investigation review work, please send an email budget request to the Team SI for approval. Example budget request emails can be found on the sharepoint site: <http://saosp/TeamSites/Fraud/FraudExamples/BudgetRequestExample.msg>
 - (Option B) For draft investigation plan, the budget will be documented in the approved plan. After the Team SI has approved the plan, they will send an email notifying you of the total budget approval. Prepare a BUCO and attach the email approving the budget to establish FRAD hours in EIS.
 - **Required:** The budget will be documented in the approved plan. After Team SI has approved the plan, they will send an email notifying you of the total budget approval. Prepare a BUCO and attach the email approving the budget to establish FRAD hours in EIS.

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- **Required:** Obtain and document advance approval from the Team SI for any significant modifications throughout the investigation or need for a budget increase. Document these modifications in the fraud fieldwork plan document.

Guidance/Criteria.7

ADDITIONAL BACKGROUND

Auditors should consider the following background information and resources when performing work on this area.

***Reminder:** When planning investigation work remember to consider the following elements:*

- *Approach and testing strategies*
- *Initial scope of the investigation (time frame and areas examined)*
- *Procedures to determine if scope should be expanded ("what else" question)*
- *Procedures to understand internal controls, if necessary*
- *Whether interviews need to be conducted and, if so, the timing, nature of the questions, and who will lead the interviews.*
- *Estimated time-frame/fieldwork completion date, budget, and staffing resources.*
- *In some instances an MOU may be something that is wanted to ensure clear communication. If this is the case, please work with the Special Investigations team to get the MOU approved. There are example MOU's on the sharepoint site.*

SAO Audit Policy [1410](#) - Fraud Investigations

Record of Work Done.7

Reported Loss:

1. Initial contact was made with the client on December 4, 2023.
2. A Preliminary Assessment Worksheet (PAW) was **NOT** completed. The Department provided a completed investigation as part of their initial report.

Investigation procedures:

Based on the information contained in the completed PAW the following investigation procedures were determined:

Review the completed external investigation completed by Tim Birley, DoC Procurement & Logistics Manager [[23-1015 Investigation Report](#)].

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1. Establish external review budget. We gave consideration to the estimated time-frame/fieldwork completion date, budget, and staffing resources. We also considered if there were any other audits currently going on and if additional risks should be considered. An overall budget of 30 was approved.
2. Inform entity of estimated investigation costs. An overall budget of 30 was approved. We spoke with Michelle Walker, DoC Ethics Advisor, on January 3, 2024.

B.2.PRG - Fieldwork

Procedure Step: Summary of Conclusions
Prepared By: EWS, 12/11/2023
Reviewed By: AAT, 3/22/2024

Purpose/Conclusion.:

Purpose/Conclusion:

To summarize the results of fieldwork and assess whether evidence is sufficient and appropriate to support conclusions.

Testing Strategy.:

Summarize the results of fieldwork including a schedule of the fraudulent activities and amounts which are cross-referenced to supporting work.

Assess the overall sufficiency and appropriateness of evidence obtained throughout the investigation. In assessing the sufficiency of evidence, consider whether there is enough evidence to persuade a knowledgeable person that the conclusions are reasonable. In assessing the appropriateness of evidence, consider its relevance, validity and reliability.

Guidance/Criteria.:

ADDITIONAL BACKGROUND

Auditors should consider the following background information and resources when performing work on this area.

SAO Audit Policy [1410](#) - Fraud Investigations

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Record of Work Done.*

A summary of the results of fieldwork:

On November 30, 2023, the Department notified our Office regarding a potential loss of public funds as required by state law.

The entity initiated an investigation and determined a payroll overpayment loss had occurred.

The investigation identified misappropriation totaling \$8,561.30 between January 2023 to July 2023. The Department revised the loss amount on 12/7/2023 to \$9,700.32 for the same period, and then after additional analysis and factoring in ineligibility for overtime due to LWOP hours, the DOC determined a final overpayment amount of \$10,229.26.

The entity has not filed a report with law enforcement.

Conclusion: Our results are summarized here: [\[Investigation Conclusion Summary\]](#) We agree with DoC's calculation for an overpayment of \$10,229.26 and consider this the known loss amount. We consider time paid for the period of April 2022 through December 2022 to be questionable, as we are unable to confirm or calculate amounts of overpayment for this period.

B.2.PRG - Fieldwork

Procedure Step: Communications and Interviews

Prepared By: EWS, 1/12/2024

Reviewed By: AAT, 1/29/2024

Purpose/Conclusion.*

Purpose/Conclusion:

To document interviews conducted during our investigation.

Testing Strategy.*

Consult with the Special Investigations Program Manager on whether interviews need to be conducted and, if so, the timing, nature of the

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questions, and who will lead the interviews.

Document interviews conducted. If the entity conducted interviews, get a copy of the notes or records.

Guidance/Criteria:

ADDITIONAL BACKGROUND

Auditors should consider the following background information and resources when performing work on this area.

SAO Audit Policy [1410](#) - Fraud Investigations

Record of Work Done:

Procedures:

During the course of our investigation, we documented various communication with the entity and other parties, as applicable in this linked communications log: [[Communication Log](#) [Status Updates](#)].

During the external investigation, interviews [[23-1015 Investigation Report](#)] were conducted by Tim Birley, Procurement & Logistics Manager with the following individuals listed below. [We have added key statements from interviews below their name:](#)

- **Madilene Baungard**, Correctional Records Supervisor (CRS), the Investigation Subject's Supervisor (pg 51 - see bookmarks for quick assess) on August 22, 2023
 - When (the investigator) asked about the 7 documented supervisory conferences held between January and July 2023 with the investigation's subject, she (Madilene) said "that his work is very inconsistent, and she feels he is not dedicated to the work and is easily distracted from it." (page 52)
 - She first had concerns about time reporting when she held a meeting on February 1, 2023, because the subject had not turned in their timecard for January. She contacted the employee and noticed their TEAMS notifier was away for over an hour. She then began reviewing the employee's assignment folders and noticed that some had not been touched in many days. She also reached out to her supervisor (Kristi Mueller) to determine if she could follow-up with the employee to ask why he had not responded to her message. (page 52)
 - The employee returned her message request that afternoon where she asked him what he had been doing and why the folders had not been worked. The subject said "I haven't been working" and "he was not focused on his work and was not at his desk." She did not press him for information on why he was not working. (page 52)

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- In future meetings, she did not ask the subject about how much time he was still spending away from his computer and work. Her supervisor saw further inquiry as going towards and investigation and did not want her to ask further questions. (page 53)
- She discovered the subject returned to non-productive habits during a meeting on July 20th. During that meeting, the subject noted he was having a lot of issues happening at home with moving and personal issues, so he was taking care of those things instead of working. He signs in in the morning and then goes and deals with his affairs. (page 53)
- The subject requested, was approved for, and worked overtime hours a few times between January and July 2023. She recalled it occurred on January 12, 13, 14, and March 8. (page 54)
- When asked about the subject's performance prior to the meeting on Feb 1, she stated that he has been struggling and wasn't productive even on his evaluation from 3/2022 to 2/2023. It was noted that the subject struggles to complete CCR assignments within 1-2 days. During that time, he averaged 3.12 CCRs per day (**Auditor's Comment: the expectation is 6-10 per day**) with an accuracy rate of 85% (**expectation is 95%**). "He required a second round of training on the basics and has always struggled with being focused even [when] we were at headquarters before teleworking." (page 54)
- She mentioned that since the meeting with the subject on July 20, it has been a struggle to still get him to do the things I have asked him to do. (page 55)
- **Preston Reece, Correctional Records Technician (CRT)** - Investigation's Subject (pg 77 - see bookmarks for quick assess) on September 27, 2023; (pg 85 - see bookmarks for quick assess) on September 29, 2023
 - When asked how much time did you spend away from your computer each day handling personal affairs? He said that it would be less than previous issues, but it varied day to day but average 2.5 to 3 hours. He didn't really know." (page 79)
 - When asked what other things was, he doing besides his work? He said that he was basically zoning out on my phone. When asked to clarify which phone, He said his personal cell phone. When asked to clarify "Zoning out on his personal cell phone" meant. He stated that he spent a lot of time on social media, and You Tube. (page 85)
 - When asked to elaborate on "Some Time, he was asked between Jan 3 and July 21, how long have your personal affairs been going on that are affecting your ability to complete your duties 2.5 to 3 hours per day? He stated that it really started affecting him in his personal life around late April or early May. He said that he started that Landscaping business in March so was around that time frame. Maybe about 2-2.5 months. The personal affairs didn't begin in January. Jan-April was the personal cellphone issues and not meeting expectations of 6-10 packets a day. (page 85)
 - When asked previously, you stated that social media, You Tube and Personal Affairs were the cause for you being away from your computer during work hours and not completing you assigned duties. That is an approximate total of 6-7 hours a day away from your computer since January 3 as stated in your previous interview. Is that an accurate depiction of the time that you have spent away from your computer between Jan 3 and July 21? He said not combined. Social Media and the You Tube was happening not at the same time as the personal affairs going on his life that he was having to deal with. That (social media/You Tube) was just peer lackadaisical and zoning out and not doing my work. (page 86)

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B.2.PRG - Fieldwork

Procedure Step: External Review Assessment

Prepared By: EWS, 1/22/2024

Reviewed By: AAT, 3/22/2024

Purpose/Conclusion:

Purpose: To determine if our Office can rely on the work conducted and the conclusions reached by the external investigation.

Conclusion:

We determined we could rely on the work conducted. The external investigation identified misappropriation totaling \$10,229.26 between January 2023 to July 2023. We determined the time paid for the period of April 2022 through December 2022 is questionable based on our review of performance metrics, but we are unable to determine amounts of overpayment for this period.

Testing Strategy:

Review the external investigation using the external review checklist and TeamMate as your documentation tools.

The **main goal** is to determine if we can rely on the work performed and agree with their investigation conclusions. Areas to consider if we agree:

- The overall results
- Dollar amount
- Investigation approach/method
- Scope (did they look back far enough)
- Completeness
- How responsibility was assigned
- If/how the what else areas were addressed
- If/how interviews were conducted? (**If yes, get a copy of the interview notes and attach to TM file**)

Expectations:

- **Required: Team SI must approve any additional work before it is performed.**

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- Use SAOShare for receiving external investigations
- Use the tools available, such as TeamMate and External review checklist to document your work
- Exercise good communication - keep your Manager and Team Fraud informed, including when you request and receive an entity's investigation and document dates in the fraud database activity log
- Ensure your documentation is clear, concise, understandable, and relevant
- Ensure work is complete, well thought out, and timely

Guidance/Criteria:

Record of Work Done:

Auditor Procedures:

Step 1. We obtained the entities external investigation report. See [\[23-1015 Investigation Report\]](#) for the main report and attachments 15 [\[Attachment 15 - PReece Stats Year Total Mar22-Feb23\]](#), 16 [\[Attachment 16 - REECE Stats Year Total Mar23-Feb24\]](#), 17 [\[Attachment 17 - Workload Tracking PR Compiled - Preston Reece\]](#), 19 [\[Attachment 19 - 20125049 Reece, Preston Payroll Tracking 01.03.2023_07.21.2023.xls\]](#), and 20 [\[Attachment 20 - Reece Preston Hourly Rate\]](#).

Step 2. We reviewed the work performed by the Department's investigator, Tim Birley, Procurement and Logistics Manager. We documented our review in our checklist here: [\[Fraud External Investigation Review Checklist\]](#).

External Review Conclusion: We determined we could rely on the work conducted.

Note: We met with Michelle Walker and Juline Martin on January 3, 2024, to discuss questions and concerns we had with the investigation. During that meeting, Michelle informed us that DoC did not perform investigation before January 2023 because the Department did not have "hard" evidence supporting that the subject did not perform work earlier than the supervisor's first recorded instance. Michelle and Juline agreed that the employee probably did not work all of his reported hours back as early as April 2022 based on performance records, however this cannot be confirmed.

We analyzed the employee's performance records for the period before and during the time where he admitted to not working during reported hours [\[Auditor Recalc Nonworked Days FINAL\]](#).

- We determined the time paid for the period of April 2022 through December 2022 is questionable based on our review of performance metrics, we are unable to determine amounts of overpayment for this period.

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B.3.PRG - Concluding Procedures

Procedure Step: Reporting
Prepared By: DRR, 4/30/2024
Reviewed By: CJG, 4/30/2024

Purpose/Conclusion.:

Purpose/Conclusion:

To determine and document our reporting of the investigation results.

Testing Strategy.:

Investigators are responsible for reviewing any work performed by auditors. Prior to deciding level of reporting, documentation must be reviewed by Team SI.

It is often helpful to **Brainstorm** with Team SI on how to frame the investigation report. Considerations include:

- How to best “tell the story” in the report
- The status of employment of the individual
- Work performed by the entity or external parties
- How the fraud was detected
- Any agreed-upon restitution including the cost of the investigation
- The length of the fraud

Attach the final reports in TeamMate.

Guidance/Criteria.:

ADDITIONAL BACKGROUND

Auditors should consider the following background information and resources when performing work on this area.

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SAO Audit Policy [1410](#) - Fraud Investigations

Record of Work Done:

Auditor procedures:

1. We brainstormed with the Special Investigations Program Manager and determined to report our results we would issue a reduced investigation report.
2. Setup an exit planning meeting to:
 - Strategize the exit - Connect with Special Investigations Program Manager
 - Determine attendees - Work with the client to determine who they want to attend, but it cannot be an open public meeting
 - **DO NOT** share the draft report with your client until the exit meeting (exceptions need to be discussed with the Special Investigations Program Manager)
3. After Exit procedures:
 - *Gather the entity response* and add it to the report in track changes in ARL. Notify the Special Investigations Program Manager the response is ready for review.
 - *Set report publish date* - Special Investigations Program Manager will assist in determining a report date, which needs to be at least one week out to provide executive management an opportunity to review.
 - *Inform OS of publish date* - Leave a note in ARL for OS, informing them of the publish date.
 - *Check the "publish" box* – You must do this early – at least a week before the publish date. Checking the box kick-starts OS's process to finalize the report and notify executive management.
4. Create an exception and attach the final approved reduced investigation report to the TeamMate file. *If reduced or full investigation report, create a finding level exception in TeamMate and then go into ARL to create the draft investigation report. Make sure the language in the report matches the exception language in TM.*
5. Complete the requested information fields in the fraud database on the Outcome tab attach the recommendation into the supporting documents within the database. *Notify, Team SI that the case is ready to be closed in the database.*

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B.3.PRG - Concluding Procedures

Procedure Step: Exit Conference

Prepared By: DRR, 4/29/2024

Reviewed By: CJG, 4/30/2024

Purpose/Conclusion.:

Purpose/Conclusion:

To communicate the results of our investigation with the client.

Testing Strategy.:

Conduct an exit conference with the client to discuss the approved draft report – this may be in person or via video call or phone. Depending on significance, other attendees may include the Special Investigations Program Manager and Audit Manager. Document the following:

- Where the meeting was held or if it was conducted via video call or phone
- When the meeting was conducted
- Who attended the meeting
- Significant discussion points

If a exit recommendation will be issued, a formal exit conference is not required; instead, contact the client to discuss the results of our investigation with them before giving/sending the letter. Just a reminder, it is a best practice to use SAOShare to send the draft reports or deliver in person. Document this communication including who, when, and any significant discussion points.

Guidance/Criteria.:

ADDITIONAL BACKGROUND

Auditors should consider the following background information and resources when performing work on this area.

SAO Audit Policy [1410](#) - Fraud Investigations

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Record of Work Done.:

Exit Conference:

The following people attended the exit conference on April 18, 2024 via Teams Teleconference:

- Angelique Thompson, Special Investigations Program Manager
- Scott Bills, Audit Manager
- Carol Gross, Assistant Audit Manager
- Dana Rossow, Assistant State Auditor
- Heidi Grace, Human Resource Manager
- Todd Dowler, Assistant Secretary - Employee & Business Support Services
- Juline Martin, Audit Director
- Jessica Marcoe, HR Consultant 4
- Kristina Mueller, Director - Statewide Records

We went over the results of the investigation.

B.3.PRG - Concluding Procedures

Procedure Step: Quality Control Assurance Certification

Prepared By: DRR, 4/30/2024

Reviewed By: CJG, 4/30/2024

Purpose/Conclusion.:

Purpose/Conclusion:

To certify adherence to the expectations set forth by the Audit Policy Manual.

Testing Strategy.:

This step must be signed-off by the Investigator and Audit Manager.

Guidance/Criteria.:

ADDITIONAL BACKGROUND

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Auditors should consider the following background information and resources when performing work on this area.

SAO Audit Policy [3430](#) - Quality Assurance Certification

Record of Work Done:

I certify the following expectations were met and Audit Policies that are common to all types of SAO engagements:

1. I am independent and exercised objective and impartial judgment on all issues associated with conducting this investigation and reporting on the results. *Audit Policy 3110 - Independence and Ethics*
2. I used reasonable care and professional skepticism throughout this investigation. *Audit Policy 3130 – Professional Judgment*
3. Work was performed by staff who collectively possesses adequate professional competence. *Audit Policy 3140 – Competence and CPE*
4. Assistants on the investigation were informed of their responsibilities and objectives of the procedures they were to perform, and their work was reviewed to ensure it was properly performed and documented. *Audit Policy 3160 – Supervision and Review*
5. Documentation, including any evidence maintained in a paper file, was reviewed and coaching notes were resolved. *Audit Policy 3160 – Supervision and Review*
6. Work was sufficiently documented to enable a knowledgeable person, who has had no previous connection with the investigation, to ascertain that the information collected and the work performed support significant judgments and conclusions. *Audit Policy 3310 – Standards for Documentation*

Issues

ISS.1 - F: Salary and Overtime Overpayment

Prepared By: EWS, 3/8/2024
Reviewed By: CJG, 3/20/2024

Issue

We reviewed the Department's investigation report and agree that the subject failed to report 362 hours of time as Leave With Out Pay (LWOP), totalling

Department of Corrections

<i>Type:</i> Fraud <i>Category:</i> Accounting/Financial Reporting <i>Reporting Level(s):</i> Finding <i>Impact</i> <i>Cost Savings:</i> <i>Questioned Costs:</i> \$0.00	<p>\$10,229.26 in overpaid salary and overtime. We determined the time paid for the period of April 2022 through December 2022 is questionable based on our review of performance metrics, but we are unable to determine amounts of overpayment for this period.</p> <p>We recommend that the Department strengthen internal controls over time reporting and performance management to ensure that employees are properly reporting time. We also recommend that the Department's supervisors avoid approving overtime to employees not meeting performance expectations. We recommend the Department seek repayment for the known loss of \$10,229.26.</p>
NOTES	
<p>Investigation Summary: [Investigation Conclusion Summary] LOR Summary: [LOR Summary]</p> <p>Recommend Reduced Fraud Report.</p> <p>We communicated this to Juline Martin, Audit Director/Ethics Administrator on 3/20/24.</p>	