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James Rokakis, County Treasurer  
Frank Russo, County Auditor

Cc: Jimmy Dimora, Board of County Commissioners  
Timothy F. Hagan, Board of County Commissioners  
James McCafferty, County Administrator

August 3, 2010

## **Cuyahoga County Board of Revision 2010 Review Committee Analysis and Recommendations**

Under the authority of the appointing entities of the Cuyahoga County Board of Revision an analysis of the structure and operating protocols of this Board were conducted throughout the month of July 2010. The objective of this review was to glean information on existing system processes, evaluate existing controls and to assess the overall level of functioning within the Board of Revision. Through this process all staff and Board panel members were interviewed. Documents including, but not limited to, the Board of Revision Personnel Manual, Administrative Review Procedures, Rules of Procedure, Oral Hearing Worksheet and Journal Entry, Proposed Ethics Policy, Hearing Schedules, timesheets and attendance logs were reviewed. As potentially significant findings were discovered, these were addressed with the Board Administrator with recommendations for immediate issue resolution discussed when applicable and possible.

The Review Committee planned and performed our internal review of the Board of Revision through the collection of information and documents considered relevant and necessary to provide background and comprehension necessary to evaluate the operations of this organization. The following findings and recommendations are meant to ensure that there is a comprehensive understanding of the weaknesses identified within the internal systems and protocols within the Board of Revision, and proposed solutions for improving both internal controls and overall operations.

### **Findings of material weaknesses and areas of concern that were discovered or substantiated through this described process include:**

- Thousands of residential property tax complaints exist that exceed the 90 day response time, as required by the Ohio Revised Code (ORC) 5715.11, 5715.19(c).

It is not uncommon for complainants to wait over a year without complaints being heard or resolved.

- Hundreds of residential property tax appeals exist that exceed the 30 day response time, as required by the ORC 5715.20, 5171.01.
- An “Administrative Review” process has been institutionalized within the Board of Revision, although the ORC does not expressly permit Administrative Reviews as a complaint resolution mechanism.
- Not all decisions made by the Board of Revision have been journalized, especially those determined by Administrative Review, which are not formally recorded in any fashion.
- Changes are routinely made to documents, including the Oral Hearing Work Sheet and Journal Entry document, subsequent to completion and approval by appointed Board panel members and without the knowledge or permission of said panel members.
- Decisions on complaints have been made informally or off the record which appears to be in violation of ORC 5715.08.
- No methodology or documentation exists to identify whom, within the aggregate system, or where within the system changes are made.
- It has been an accepted practice within the Board of Revision for correction fluid and/or cross-outs to be utilized to make changes on Journal Entries.
- There is no uniformity of operating protocols, practices or policies across the several operating Board panels, or even by individual Board panel members, potentially resulting in similarly situated complainants being treated differently from board to board.
- Non-appointed Board panel staffs have been authorized to conduct Administrative Review of complaints.
- Board panel members recuse themselves from Oral Hearings of complaints, yet can remain in and participate in the hearing by asking questions of the complainant, potentially influencing the hearing process and outcomes.
- Training and orientation of new Board panel members and staff would at best be described as On-the-Job training.
- Oversight of Human Resources functions of the Board of Revision have been disorganized and sometimes neglected.

- The current operating structure and relationship between Board of Revision administration, appointed Board panel members and staff is highly dysfunctional.
- Board panels and staff are not held accountable when they act inappropriately, are unanswerable, unprofessional or otherwise disruptive to operations.
- It has been an acceptable and ongoing practice for Oral Hearings of complaints to be conducted by Board panels comprised of only two appointed members.
- It has been an acceptable and ongoing practice for Board panel members to schedule and conduct Oral Hearings only in morning timeframes.
- The basis for Board panel value changes, or the denials of changes decisions, is not thoroughly documented on the Journal Entry.
- The information technology system has potentially major security limitations.
- There does not appear to be any formal record retention policy or schedule in place.
- Approximately half of the Board of Revision staff is “on-loan” to the agency from other County Offices. “On-loan” staff has been working in this capacity for months due to current economic conditions and the related volume of complaints being generated.
- There is no system to provide on-going training for Board panel members or staff to permit awareness and consistency in changes in the law or relevant legal opinions.

**Recommendations to address the described material weaknesses and concerns include but are not limited to:**

- The Complaint Form and Instruction Sheet sent out to persons requesting to file a complaint should be user friendly and written in lay-terms.
- Immediately notify each complainant in writing upon receipt of their filing, communicating the Board of Revision process.
- Receive input from the County Prosecutor to assess the most efficient and legal protocol when preparing records for appeal.
- Eliminate the use of correction fluid or any like substances when making changes to documents. Adopt a policy requiring any changes to a formal document to

include circling and drawing a single line through the change and incorporate initialing and dating both the change and new value by all three Board panel members. In the event that a new form is required, attach the original form found to be in error to the new document.

- All Board panel members should sign and date journal entries and all other official documents.
- Begin scheduling both morning and afternoon Oral Hearings immediately to reduce the substantial backlog of residential property complaints.
- Reconstitute hearing panel “Board D” on a temporary basis, as needed, to address the backlog of filed residential property complaints.
- Assess the need to reconstitute hearing panel “Board E” on a temporary basis, as needed, to further address the backlog of filed residential property complaints.
- Immediately appoint Board panel members to fill vacant panel positions within existing Boards.
- Eliminate the utilization of “on-loan” staff by right-sizing the Board of Revision staff reflective of current and projected (2011 - 2013) economic conditions. Make this staff completely accountable to the Board Administrator.
- Swear in complainants and tape or digitally record all Oral Hearings.
- In addition to writing numerical changes on Oral Hearing Work Sheet and Journal Entry documents, clearly articulate the basis for Board panel decisions to change (or) not change property values.
- Immediately stop the practice of non-Board panel members conducting Administrative Review of filed complaints. Require all Administrative Review to be conducted by appropriately appointed full Board panels.
- Seek an opinion from the County prosecutor regarding the statutory basis of utilizing the Administrative Review process as a mechanism to address filings.
- When an Administrative Review by a Board panel is determined to result in a decision of anything less than that asked for by the complainant, automatically schedule an Oral Hearing in accordance with ORC 5715.01, 5715.02, 5715.08 - 5715.20 inclusive.
- Separate the current Oral Hearing Work Sheet and Journal Entry document and create an autonomous Journal Entry (JE) form.
- Create a mechanism to attach “Backing Sheet” documentation to Journal Entries.

- In addition to sending out a letter of finding for complaints substantiated through the Administrative Review process, immediately begin creating and filing Journal Entries to formally close each complaint.
- Immediately adopt a formal policy that Board panel members who recuse themselves from an Oral Hearing should state the recusal on the taped record and immediately leave the proceedings. Upon completion of the hearing and findings, such Board panel member should document the recusal including initialing and dating this action.
- Immediately adopt a policy that the Board panel member appointed by the County Auditor, as the statutory secretary of the board, is the only panel member permitted to write on legal Oral Hearing documents, signatures and dates by other Board panel members notwithstanding.
- Formally request the Cuyahoga County Information Service Center to upgrade security and activity tracking functions within the Board of Revision Information Technology system.
- Create a system where Board panel members electronically input the value of the property immediately subsequent to all hearings. This value input should be made “read only” once it is entered.
- Update the Board of Revision web site to make it more consumer friendly and responsive to the needs of users.
- Begin utilizing the Cuyahoga Board of County Commissioners Personnel Policy and Procedures Manual as the single Policy and Procedures Manual for the entire Board of Revision, including staff and appointed Board panel members. Incorporate a “Policy and Procedure Supplement” that is specific to the designated policies and rules of other appointing agencies.
- Immediately begin utilizing the Cuyahoga Board of County Commissioners standard paper time sheet as the single time sheet document for the Board of Revision staff.
- No later than December 2010 migrate time reporting and tracking to the Cuyahoga County computerized MyHR time sheet system for the entire Board of Revision, including staff and appointed Board panel members.
- Create a comprehensive Board of Revision Operations Manual as the defacto training and procedural document to develop standardization and uniformity of complaint resolution processes across all standing Board panels.

- Create a formal training and continuing education process for all new and existing Board panel members and staff.
- Review staff salaries for disparities and appropriateness.
- Realign the Board of Revision organizational structure to make appointed Board panel members completely accountable within the purview of the Board of Revision Administrator.

Redacted: Personnel Matter

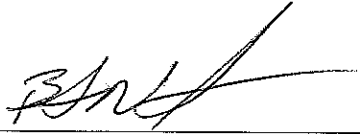
To facilitate change within the existing operating culture it is highly recommended that the title of appointed Board panel members (Member of the Board) be changed to that of Complaint Review Hearing Officer. Concurrent with this change would be the creation of an organizational structure so as to enable to Board Administrator to establish and administer work loads, uniformly utilize data to drive management decision making, establish work hours to maximize the Board's value to the public, approve time off requests and other operational functions for all personnel working at the Board of Revision.

It is further the opinion of the Board of Revision Review Committee that a schedule of regular and prescribed meetings between the elected authorities and the Board of Revision Administrator be created, within which operations and issues related to appointed Board panel members can be discussed in a timely manner. It is within the context of these scheduled meetings that the Review Committee recommends analysis of personnel needs and policy changes for all Board of Revision staff and appointed Board panel members be addressed.

Final observations from the review process suggest that the current staffing size of the Board of Revision, when "on-loan" personnel are counted and included as Board staff is appropriate for the volume and flow of complaints being experienced in the current economic climate.

Redacted: Personnel Matter

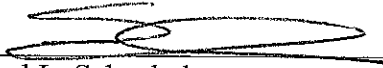
Respectfully Submitted,



Bruce Nimrick  
Review Committee Appointee (Treasurer)



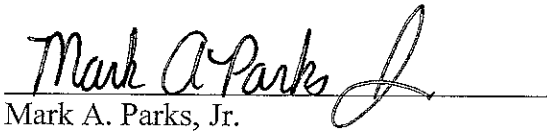
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