



**A Report to the
Audit Committee**

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Audit of Office of Conservatorship Management

December 2, 2016

Metropolitan
Nashville
Office of
Internal Audit

EXECUTIVE SUMMARY

December 2, 2016



Why We Did This Audit

The audit was conducted due to being a new function which has never been audited that provides valuable oversight to some of our most vulnerable citizens.

What We Recommend

There were no recommendations noted during this audit.

Audit of Office of Conservatorship Management

BACKGROUND

The Metropolitan Nashville Government's Office of Conservatorship Management was created as a division of the Metropolitan State Trial Courts Department in 2014. The main function and primary goal of this Office are to provide an additional layer of review for the physical care (Care of Person) and financial management (Care of Property) provided by court-appointed guardians and conservators to disabled wards. The Office also offers training and guidance to guardians and conservators to assist them with their roles and responsibilities. The Office works closely with other applicable parties such as the courts, Metro Social Services, and others to ensure ward interest are safeguarded.

OBJECTIVES AND SCOPE

The objectives of this audit are to determine if:

- Controls exist to ensure the operational goals and mission of the Office of Conservatorship Management are achieved.
- The Office of Conservatorship Management provides training and guidance to conservators in accordance with the mission of the Office.

The audit scope includes 277 conservatorship cases reviewed by the Office of Conservatorship Management between July 2014 and June 2016.

WHAT WE FOUND

The Office of Conservatorship Management has controls in place to help assure achievement of its operational goals and mission. The Office of Conservatorship Management is in the early stage of developing a training program to educate conservators and guardians about conservatorships and guardianships in Davidson County.

GOVERNANCE

The Office of Conservatorship Management is a division of the State Trial Court, administratively under the direction of the State Trial Court Administrator. Tennessee Code Annotated Title 34 Guardianship guides the review and monitoring of the care and management provided by conservators and guardians. Other guidance includes Tennessee Code Annotated Title 35 Fiduciaries And Trust Estates, Title 71 Welfare, and relevant case laws such as in re Conservatorship of Groves, 109 S. W. 3d 317.

OBJECTIVES AND CONCLUSIONS

1. *Are controls in place to ensure the operational goals and mission of the Office of Conservatorship Management are being achieved?*

Yes. The management of the Office of Conservatorship Management has processes and controls in place to assure that the review and monitoring of the care and financial management provided by conservators are in compliance with applicable laws and policies.

Supporting Objectives and Conclusions

- a) *Is the care of person management provided by conservators and guardians being monitored and reviewed in accordance with the mission of the Office of Conservatorship Management?*

Yes. The Office of Conservatorship Management entered into a partnership with the Metro Social Service Department to review and monitor the care of person management provided by the conservators. The Metro Social Service Department conducts home visits to individuals that are under conservatorship. Out of the 49 sample care of person conservatorship cases reviewed, 100 percent are conducted in accordance with the policies and procedures of the partnership program. The Director of the Office of Conservatorship Management reviews and provides feedback to those cases in compliance with its policies and procedures manual.

- b) *Is the financial management provided by conservators and guardians being monitored and reviewed in accordance with the mission of the Office of Conservatorship Management?*

Yes. All of the three sample care of property conservatorship cases reviewed by the financial auditor were conducted in accordance established audit procedures. Issues identified in the audits were communicated through written reports filed with the Court.

- c) *Does Office of Conservatorship Management staff have the skills, experience, and background to handle the responsibilities and to carry out its mission?*

Yes. The staff of the Office of Conservatorship Management has the necessary qualification and experience to manage daily business requirements; this includes professional licenses, certifications, training, and related work experience.

- d) *Does the Office of Conservatorship Management have policies and procedures to help ensure the mission of the office is achieved?*

Yes. The Office has well-established policies covering its operational goals and detailed procedures directing its activities. The Office also has a Policies and Procedures Advisory Committee to recommend improvements in policies and procedures as an ongoing process.

e) *Are key stockholders being communicated with effectively to ensure the mission of the Office is being achieved?*

Yes. The Director of Office of Conservatorship Management has regular meetings with Judge Kennedy. Also, the Office not only files the case report with the Court but also email and hand deliver the case report to the Judge's office.

2. *Is the Office of Conservatorship Management providing training and guidance to conservators and guardians in accordance with its mission?*

Generally, yes. The Office of Conservatorship Management was built from scratch about two years ago. There was no existing practice model to borrow or copy from across nationwide. The primary goal for the office since establishment was to develop policies and procedures to review and monitor the care management provided by the conservators and guardians and to provide an extra layer of review for the management of assets by conservators and guardians.

Due to time and resource limitation, the Office is still in the process of establishing a program to educate conservators. Current effort and progress including references and links to conservatorship listed on the office website, conservatorship training provided to Metro Social Service Department, program workers, and the establishment of an Education and Resources Advisory Committee to assist with developing an education outreach program.

GOVERNMENT AUDITING STANDARDS COMPLIANCE

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our observations and conclusions based on our audit objectives.

METHODOLOGY

To accomplish our audit objectives, we performed the following steps:

- Interviewed key personnel within the Office of Conservatorship Management.
- Reviewed and analyzed documentation for compliance with the Tennessee Code Annotated, Metropolitan Nashville Code of Laws, and other applicable laws, regulations, and policies.
- Evaluated internal controls currently in place.
- Reviewed sample selections to determine the effectiveness of internal controls.
- Considered risk of fraud, waste, and abuse.

AUDIT TEAM

Nan Wen, CPA, In-Charge Auditor

Bill Walker, CPA, CIA, Principal Auditor

Mark Swann, CPA, CIA, CISA, ACDA, Metropolitan Auditor

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY



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November 30, 2016

Mark Swann, Metropolitan Auditor
Office of Internal Audit
404 James Robertson Pkwy, Suite 190
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Re: Audit of the Metro Office of Conservatorship Management

Dear Mr. Swann:

This letter acknowledges receipt of the Metro Office of Conservatorship Management's audit report. We have reviewed and concur with the report.

We appreciate the professional and thorough manner in which the Internal Audit staff conducted this audit.

Sincerely,


Rachelle Gallimore-Scruggs
Director