



Public Utilities Commission of Ohio

Consumer Complaints Audit

Audit Period: July 2013 through June 2014

Results Summary:

Objective	Conclusion*
Informal Consumer Complaints Process	Well-Controlled with Improvement Needed

* Please refer to Appendix A for classification of audit objective conclusions.

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Executive Summary

Background

The Public Utilities Commission of Ohio (PUCO) Service Monitoring and Enforcement Department's call center assists consumers with questions about electric and natural gas utilities, household goods movers, and telephone companies (excluding wireless). Call center employees often address utility questions and complaints by educating consumers on utility regulations. Investigations are necessary when consumer complaints cannot be resolved to the satisfaction of the consumer. A team of investigators under the Investigative and Audit Division (IAD) work closely with the call center, even regularly taking calls. Investigations performed by the IAD investigators are considered "informal", but can progress to a "formal" status when the investigation and resolution is administered within the PUCO Legal Division. The call center received approximately 70,000 calls and IAD performed approximately 13,000 investigations last year. Call center management utilizes performance metrics and monitors calls to evaluate and train call center staff.

The PUCO call center also assists consumers with questions about cable television providers on behalf of the Ohio Department of Commerce, but refers those cases to the Department of Commerce when an investigation is required.

During the audit, OIA identified opportunities for Public Utilities Commission of Ohio to strengthen internal controls and improve business operations. This audit conforms to the *International Standards for the Professional Practice of Internal Auditing*. OIA would like to thank Public Utilities Commission of Ohio staff and management for their cooperation and time in support of this audit.

This report is solely intended for the information and use of agency management and the State Audit Committee. It is not intended for anyone other than these specified parties.

Scope and Objectives

OIA staff was engaged to perform an assurance audit related to the controls over the Commission's consumer complaint process. This work was completed July through Sept 2014. The scope of this audit included the key processes related to PUCO's informal consumer complaint program for the period July 1, 2013 to June 30, 2014. The audit objective for this engagement was:

- Evaluate the design and effectiveness of controls over the processing of informal consumer complaints.*

*This evaluation included a review of the accuracy and adequacy of performance metrics used to manage the process.



Detailed Observations and Recommendations

The Observations and Recommendations include only those risks which were deemed high or moderate. There were no high or moderate risk observations and recommendations identified as a result of this audit. Low risk observations were discussed with individual agency management and are not part of this report. However, the low risk observations were considered as part of the audit objective conclusions.



Appendix A – Classification of Conclusions and Observations

Classification of Audit Objective Conclusions

Conclusion	Description of Factors
Well-Controlled	The processes are appropriately designed and/or are operating effectively to manage risks. Control issues may exist, but are minor.
Well-Controlled with Improvement Needed	The processes have design or operating effectiveness deficiencies but do not compromise achievement of important control objectives.
Improvement Needed	Weaknesses are present that compromise achievement of one or more control objectives but do not prevent the process from achieving its overall purpose. While important weaknesses exist, their impact is not widespread.
Major Improvement Needed	Weaknesses are present that could potentially compromise achievement of its overall purpose. The impact of weaknesses on management of risks is widespread due to the number or nature of the weaknesses.

Classification of Audit Observations

Rating	Description of Factors	Reporting Level
Low	Observation poses relatively minor exposure to an agency under review. Represents a process improvement opportunity.	Agency Management; State Audit Committee (Not reported)
Moderate	Observation has moderate impact to the agency. Exposure may be significant to unit within an agency, but not to the agency as a whole. Compensating controls may exist but are not operating as designed. Requires near-term agency attention.	Agency Management and State Audit Committee
High	Observation has broad (state or agency wide) impact and possible or existing material exposure requiring immediate agency attention and remediation.	Agency Management and State Audit Committee