



# COLLIN COUNTY

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Date: March 27, 2007  
To: Misty L Brown, Animal Shelter  
From: Donald W. Cozad, County Auditor   
Subject: First Quarter FY 2007 Audit Results - Final

Internal Audit personnel began an examination of the books and records on January 24, 2007 for the County Auditor quarterly audit requirements. The audit objectives were to confirm county property and cash receipts were promptly accounted for, accurately recorded, safeguarded and disbursed properly.

The time period reviewed was October 1, 2006 through December 31, 2006. The audit procedures included a cash count; a review of receipts, deposits and bank statements; a review of contracts; and a review of fixed assets.

During the review, we identified certain practices and procedures that we believe could be enhanced to strengthen internal controls and increase efficiencies. The review was not intended to be a comprehensive examination of every procedure or activity. Accordingly, the findings and recommendations presented in this report should not be considered as all-inclusive of areas where improvements may be needed.

The Animal Services personnel were extremely helpful and courteous in assisting with the quarterly review. An exit conference was held with you on March 14, 2007.

Please feel free to contact us with any questions or desired assistance.

CC: Ruben Delgado

## **Cash Drawer**

### **Finding:**

We verified \$200.00 in change funds at the Animal Shelter office and the cash drawer was in balance at the time of count.

**Recommendation:** None at time of audit.

**Response:** Not required.

## **Report Verification**

### **Finding:**

We verified the manual receipts with deposit slips and bank statements and found the following exceptions:

1. A total of \$100 received on two checks was deposited on October 13, 2006 and receipts were not written for these collections.
2. Money received was not deposited by the next business day and delay in deposit ranged up to 4 business days. A few examples are cited below:

<b>Receipt Numbers</b>	<b>Receipt Date</b>	<b>Receipt Amount</b>	<b>Deposit Date</b>	<b>Delay in deposit</b>
823167-823168	10/04/06	\$ 56.00	10/10/06	4 business days
823218-823223	10/24/06	\$ 169.00	10/30/06	4 business days
827028-827034	11/15/06	\$ 404.00	11/21/06	4 business days
827035-827037	11/16/06	\$ 76.00	11/21/06	3 business days
827076-827078	12/7/06	\$1,787.00	12/12/06	3 business days

### **Recommendation:**

The following recommendations should be implemented to strengthen internal controls.

1. Receipts should be written for all the monies collected.
2. All cash and checks should be deposited to the bank by the next business day.

### **Response:**

1. Receipts are now being written for all monies collected.
2. The deposits were delayed on 10/04/06, 10/24/06, 11/05/06 and 11/16/06 because this was early in our operation and the deposits were being turned in at the Healthcare Office. The deposit had to arrive at Healthcare by 10:00 am. Many days the office was so busy that no one realized that the deadline for submitting the deposit had passed. That happened frequently in the beginning. Since 12/04/07 Dunbar has been picking up deposits at the Shelter. Since that date, the deposit has only been delayed one time when the authorized staff member was away from the office. The deposit will be made the following business day from this day forward, unless the authorized staff person is out of the office for some

reason. If they are away from the office for a short period of time, the reason for the delay in deposit will be noted on the deposit copies that are retained in the office. If the authorized staff person is out of the office for an extended period, another staff person will prepare the deposit by the 3<sup>rd</sup> business day.

**Auditor's Response:**

In response #2 above, you state, "If the authorized staff person is out of the office for an extended period, another staff person will prepare the deposit by the 3<sup>rd</sup> business day." Please refer to our recommendation #2 which states, "All cash and checks should be deposited to the bank by the next business day." If the authorized staff person is out of the office the deposit will still need to be deposited by the next business day.

**Fixed Assets**

**Findings:**

We verified the fixed assets with fixed asset register and found that the following items were not included in the Animal Shelter asset register.

<b>County Tag #</b>	<b>Item</b>	<b>Location per AS400</b>
31696	Chevrolet 2500 Van	Motor Pool
31957	Ford 250 Pick up truck	Development Services
49961	Sony Digital Camera	Development Services
49968	Sony Digital Camera	Development Services
49969	Sony Digital Camera	Development Services
49971	Sony Digital Camera	Development Services

**Recommendation:**

Fixed Asset register should be verified and the items should be registered with the assigned location.

**Response:**

Purchasing was notified of the required change to the FA location of the aforementioned items and a reply via email (03/22/07) stated that they would correct the problem on the FA register and change the location of the items to Animal Control.