



# COLLIN COUNTY

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Date: March 23, 2009  
To: Mr. Steve Deffibaugh, Fire Marshal  
From: Donald W. Cozad, County Auditor   
Subject: Second, Third, and Fourth Quarter FY08 & First Quarter FY09 Audit  
Results – Final

Internal Audit began an examination of books and records on September 15, 2008 for the County Auditor's quarterly audit requirements for the second and third quarter of FY08. After a delay in the audit, the audit continued and completed the fourth quarter of FY08 and the first quarter of FY09. The audit objectives were to confirm county property and cash receipts were promptly accounted for, accurately recorded, and safeguarded and disbursed properly.

The time period reviewed was January 1, 2008 through December 31, 2008. The scope of the audit entailed performing cash counts, a review of receipts, deposits and the fee schedule; and inventory verification.

During the review, we identified certain practices and procedures that we believe could be to strengthen internal controls 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.

Your office personnel were extremely helpful and courteous in assisting with the quarterly reviews. An exit conference was held with you on March 11, 2009.

A written response to the audit recommendations should be sent to me and to Jerry Higgins, Internal Audit Supervisor, within ten business days after receipt. If all recommendations will be implemented as stated, please respond with a statement to that effect; otherwise, please respond as to why and/or how the finding will be corrected. Your response may be communicated via email or hard copy.

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

## **Cash Drawer**

### **Finding:**

Cash counts for the Fire Marshal Office were completed on September 15, 2008 and January 13, 2009. No discrepancies were identified.

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

**Response:** None required.

## **Receipt and Deposit Verification:**

### **Finding:**

All receipts were posted and deposited timely. The office is not open to the public when the office manager is not in the office. On those occasions, customers are directed to leave payments under the door per a sign on the door.

### **Recommendation:**

Install a lock box, mounted on the inside of the door, with a slotted opening in the door to drop the money into instead of leaving money under the door.

### **Response:**

A "lock box" of "payment drop box" would be okay, however I believe the most cost effective way, instead of cutting a hole in the door would be to secure a box on the outside of the door. Another idea is if Development Services could accept the money on our behalf. They have three times the clerical staff that we do and could even accept money and issue receipts and make deposits, when Monica is gone and I am not available; just a suggestion.

### **Auditor Response:**

Thank you for the excellent alternative ideas in response to this finding. Our recommendation is only a recommended idea to resolve the finding and your alternate implementation is always acceptable if it abrogates the finding and resolves the risk identified.

- We concur that a wall drop box would be an acceptable alternative to a door mounted drop box.
- We do not usually recommend another office taking monies for another office, as this increases the risk for both offices and both offices would then be included in that offices' audit. In our opinion, it would be the least attractive alternative.

## **Fines and Fees Schedule:**

### **Finding:**

The office does not have an updated copy of the International Fire Code (IFC) to identify what laws have changed and to assist in updating the fee schedule or the request of additional fees.

### **Recommendation:**

The office should house an updated copy of the International Fire Code (IFC) to identify what laws have changed and to assist in updating the fee schedule or the request of additional fees. Per information from the Fire Marshal, the IFC comes out every three years and a new copy is due out this year.

### **Response:**

The 2009 IFC is not set for distribution until March 2009 and we had already made plans to order the most recent version. However the IFC does not dictate an amount of fees charged, but give authority to charge a fee for construction and operations and the fee schedule is recommended by this Office each budget year and has to be approved by Commissioners' Court. We are currently working on a new fee schedule, to be more in line with other County Fire Marshal Offices who work under an adopted Fire Code.

## **Inventory Listing Verification:**

### **Finding:**

One AED was not found in Annex B and the satellite phone and several of the surveillance systems were not in working order.

### **Recommendation:**

Update the files as to the new location of the AED that was located in Annex B. Turn in the satellite phone and surveillance equipment to the Purchasing Department for repair or salvage.

### **Response:**

I have requested from Facilities the new location of the AED which had been located in Annex B. They never notified me when the unit was removed or where it was taken to. As far as the satellite phone, it was issued to me from Homeland Security and I will return it to them for disposition.