



# COLLIN COUNTY

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Date: April 7, 2009  
To: Terry Box, Sheriff  
From: Donald W. Cozad, County Auditor   
Subject: Sheriff's Office First Quarter FY09 Inmate Medical Services, Property,  
Indigent Kits and Commissary Funds Audit Results – Final

Internal Audit personnel met with you on March 2, 2009 to start an examination of books and records for the County Auditor quarterly audit requirements. The audit objectives were to ensure county property and cash receipts were promptly accounted for, accurately recorded, safeguarded and disbursed properly.

The time period reviewed was October 1, 2008 through December 31, 2008. The scope of the audit entailed performing a cash count; a review of deposits and disbursements; bank reconciliations; and a review of inmate medical services and commissary fund.

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.

Your office personnel were extremely helpful and courteous in assisting with the quarterly review. An exit conference was held with you on March 25, 2009.

If we may be of any help or you have any questions, please feel free to contact us.

## Medical Service

### Findings:

We performed a walk through of the medical charges process with Medical Records staff. The process for medical charges begins with an Inmate Medical Charge Sheet which is kept by the nursing staff. The forms are pre-numbered and filled out by the nursing staff when an inmate is seen by the nurse, physician assistant, physician or dentist. The Inmate Medical Charge Sheet contains three copies: white, pink, & yellow. The copies are distributed in the following manner after medical services are performed:

1. The top white copy is retained and placed in the inmate chart.
2. The middle pink copy is given to the inmate as a receipt.
3. The yellow copy is forwarded to the Bond Division for processing.

We reviewed the medical charge process and identified the following exceptions:

1. The completed Medical Charge Sheets are forwarded to the Bond Division on Wednesday and Friday of each week to be posted to the inmate account. The Bond Division posts the medical charges on Friday of each week, which allows commissary services to be billed prior to medical services.
2. The pre-numbered Medical Charge Sheets were distributed to all the nursing stations and a control log was not maintained to manage the distribution of forms.
3. Medical Charge Sheets with errors are shredded at the nursing stations and another form is used to replace the shredded forms. There is no accounting for the shredded forms.
4. There is no system in place to ensure all Medical Charge Sheets completed are entered into an inmate account. Medical Charge Sheets are not properly tracked and accounted for between the Medical Services Department and Bond Division. Failure to track Medical Charge Sheets could cause inmate services to go un-billed.

### Recommendations:

1. The completed medical charge forms should be posted to the inmate account on a daily basis. The Commissary Contract states, "*Collin County currently charges inmates for medical visits which are deducted from the inmate commissary fund. The vendor's system shall be capable of deducting the charge for these visits on a daily basis before inmates are allowed to purchase commissary items.*"
2. A control log should be maintained to manage the distribution of Medical Charge Sheets.
3. Medical Charge Sheets with errors should not be shredded; forms with errors should be voided and all Medical Charge Sheets, including voids, should be retained for verification and posting.
4. The medical contractor should document all visits and health care services provided to an inmate, whether the services were chargeable to the inmate account or were non-chargeable services provided by the county, for verification of Medical Charge Sheets.

**Response:**

1. Procedures were implemented to ensure that daily deductions and/or credits are performed on the inmate commissary account for medical charges.
2. CHM has implemented a ledger book to ensure that each charge sheet is properly logged and documented. The ledger book ensures that documentation exists tracking the charge sheet through the entire process. The ledger book is maintained as a permanent record of the medical charge transactions.
3. CHM immediately implemented a process where Medical Charge Sheets are maintained in a permanent file with the word voided across the document. Furthermore, all Medical Charge Sheets will be kept as permanent documentation in the ledger book.
4. CHM will immediately begin documenting all health care service actions with a Medical Charge Sheet and note whether it is a chargeable action or non-chargeable.