



# COLLIN COUNTY

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Date: May 12, 2009  
To: John R. Roach, District Attorney  
From: Donald W. Cozad, County Auditor   
Subject: Second, Third, and Fourth Quarters FY08 and First Quarter FY09 Audit Results – Final

Internal audit began an examination of books and records on October 28, 2008 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 January 1, 2008 through December 31, 2008. The audit procedures included performing a cash count; a test of deposits, disbursements and bank reconciliations; and an asset inventory.

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 interview was held with you and Rhonda Watkins on April 7, 2009.

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

## **Cash Drawer**

### **Findings:**

A cash drawer was short by \$0.05 during the surprise cash count. No explanation was given for the shortage.

### **Recommendations:**

The cash drawer should be reimbursed for the shortage.

### **Response:**

All recommendations will be implemented as stated.

## **Bank Reconciliation**

### **Findings:**

Bank and book balances were reconciled for all months during the audit period with no exceptions noted.

**Recommendations:** None at this time.

**Response:** None required.

## **Report Verification**

### **Findings:**

1. Credit card receipts for December 4, 2008 were overstated in the Odyssey system by \$5 due to a manual adjustment Tyler personnel performed to fix a receipt error. This error caused cash to be understated by \$5 and credit cards to be overstated by \$5. Tyler personnel manually increase the cash deposits, but they did not reduce the credit card deposits to offset the increase.
2. Seven receipts erroneously calculated change due to the customer.
  - Receipt #DA-2008-425 was issued for a \$5 convenience fee. The customer paid with \$5 cash but the system calculated \$0.10 change due. However, no change was given by the DA's Office and the customer was not entitled to any change.
  - The remaining 6 receipts, #DA-2008-357, 375, 376, 427, 430, and 453, show \$5 change due to the customer, but no change was given by the DA's Office and the customer was not entitled to any change.

**Note:** A Tyler ticket, #612819, was created to address this issue. As of report date, it has not been resolved.

3. Two receipts were missing from the system.
  - o Auditor found that two receipts, number DA-2008-00358 and DA-2008-00359, did not exist in the system. Tyler personnel provided no explanation for the missing receipts.

**Note:** A Tyler ticket, #710438, was created to address this issue. As of report date, it has not been resolved and there is not a definitive answer why it occurred from Tyler.

**Recommendations:**

1. The DA's Office should not use manual adjustments as a method of correcting errors in the system.
2. The DA's Office should work with the Odyssey vendor to ensure that receipts are printing accurately.
3. Assurances were given during system presentations that there would be no missing system generated receipt numbers; that receipts would be sequential and auditable. All missing receipts in the system should be fully investigated and an explanation should be provided for the missing receipts.

**Response:**

All recommendations will be implemented as stated.

**Asset Verification**

**Findings:**

A Panasonic 13" TV/VCR combo, asset #34894, was not disposed of properly. Purchasing did not have proper documentation of the disposal of this asset.

**Recommendations:**

All County assets should be disposed of according to policy with proper documentation.

**Response:** None required.

**Homicide Symposium**

**Findings:**

A review of all receipts and deposits for the audit period relating to funds collected for the annual Homicide Symposium was reviewed with no discrepancies noted.

**Recommendations:** None at this time.

**Response:** None required.

## Odyssey Reporting

A review was conducted of five reports generated by the Odyssey System and the following discrepancies were noted:

Odyssey Report	Issue	Status
Account Balance Report	This is a report of the assets (money in the bank) vs. liabilities (money due to outside parties). However, this report does not tie to the reconciled bank balance.	According to Tyler, this error is due to manual adjustments in the system. <b>Note:</b> Issue must be monitored to verify resolution.
Deposit Report	Deposit tender type details do not correctly calculate to the summary.	This issue appears to have been fixed but must be monitored to verify resolution. <b>Note:</b> There is no information on when or how this issue was addressed by Tyler.
	There are no ending and beginning balances for the deposit report. Duplicate manual log must be maintained by agency.	System design issue that Tyler will not resolve.
Transaction Detail Report	Some deposits are being recorded in the system twice.	Per Tyler, issue was addressed in 3/13 patch. <b>Note:</b> Issue must be monitored to verify resolution
Check Register	Check numbers are not unique. System allows the same check number to exist in two separate instances at the same time. Check #400082 shows up twice with different amounts on October 2008 report.	Open Tyler Ticket #684331
	Checks are not required to follow a set sequence. The system allows the user to print checks without regard to last check number issued.	Open Tyler Ticket #684331
	Check number recorded in the system can be different from the check number on the printed/issued check.	Open Tyler Ticket #684331
	Voided checks are recorded in the period they were issued and not in the period in which they were voided.	Alternate reports were recommended by Tyler. <b>Note:</b> Issue must be monitored to verify resolution
	There is no hard close of an accounting period. Users are allowed to change prior period information and affect prior reports.	System design issue that Tyler will not resolve.
	There are no ending and beginning balances for the check register. Duplicate manual log must be maintained by agency.	System design issue that Tyler will not resolve.
Till Balance Report	"Over/Short" amounts on this report are not discrepancies in the cashier tills. These amounts appear to be the change given to customers during a cash transaction.	System design issue that Tyler will not resolve.

**Recommendations:**

The DA's Office should ensure that all reports are functioning properly and accurately prior to incorporating them into their financial reporting process. If Odyssey reports do not meet the needs of the DA's financial reporting process, alternate reports and/or alternate procedures should be maintained to ensure accurate and timely reporting of financial data.

**Response:**

All recommendations will be implemented as stated.