



# COLLIN COUNTY

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Date: September 13, 2010  
To: Judge W.M. "Mike" Yarbrough, Justice of the Peace 4  
From: Jeff May, County Auditor   
Subject: Second Quarter FY10 Audit Results - Final

Internal audit began an examination of books and records on June 17, 2010 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, 2010 through March 31, 2010. The audit procedures included performing a cash count; a test of deposits, disbursements and bank reconciliations; and a fixed 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 your staff on June 30, 2010.

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

## **Cash Drawer**

### **Finding:**

A cash count was performed with no discrepancy.

**Recommendation:** None at this time

**Response:** None required

## **Bank Reconciliation**

**Findings:** Bank Reconciliations were completed with no findings.

**Recommendations:** None at this time

**Response:** None required

## **Report Verification**

### **Finding:**

There were 144 cases where \$2 was collected instead of \$6 for the indigent fee on evictions, small claims, or justice cases that occurred after January 1, 2010. The total amount charged and collected for all of cases was \$11,273. The total amount charged should have been \$11,849. The difference between what was collected and what should have been collected was \$576.

### **Recommendation:**

When fees are changed, updates need to be immediately corrected in the system and personnel need to be notified to charge the correct fees. The \$576 difference between what was collected and what should have been collected needs to be paid by either the customers or by the department head, Judge Yarbrough.

### **Response:**

The fee in question was the subject of a lengthy email debate, which included the Auditor's Office, regarding population triggers on the fee. The JP system administrator keeps fees updated and as of January 7, 2010 the fee was in the JP node in Odyssey, but because someone questioned whether the fee applied to Collin County it was taken out for all JP courts until Judge Lewis called Austin to speak with the bill's author; he received an answer late January 14, 2010 and the fee was entered back into the system after hours on January 15, 2010. Efforts are being made to collect the difference. There are, however, a few cases where the mailbox rule applies because the checks were written prior to January 1, 2010 so they will not owe the new fee.

## **Asset Verification**

### **Finding:**

An asset inventory test was performed with no discrepancy.

**Recommendation:** None at this time

**Response:** None required