



COLLIN COUNTY

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Date: May 24, 2011
To: Tracey Dry, President, Child Protective Services Board
From: Jeff May, County Auditor 
Subject: Third Quarter FY06 through Fourth Quarter FY10 Audit Results – Final

Internal Audit personnel began an examination of books and records on October 25, 2010 as requested by the Child Protective Services Board. The audit objectives were to ensure county property and cash receipts were promptly accounted for, accurately recorded, safeguarded and disbursed properly.

The period reviewed was April 1, 2006 through September 30, 2010. The scope of the audit entailed performing a review of CPS Board bank reconciliations, deposits, disbursements and related documents.

During the review, we identified certain practices and procedures 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.

CPS personnel were extremely helpful and courteous in assisting with the quarterly review. An exit conference was held with you and Leigh Althaus on January 7, 2011.

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

Findings:

1. There was 1 voided check, number 1256 dated 03/30/2009 for \$380, on file with the signature block still attached. Internal controls require the removal of the signature area. With modern washing techniques for reusing checks, even a large "VOID" Stamp will not deter the re-use of a check.
2. We found 2 checks that were dated prior to board approval.

Check #	Check Date	Check Amount	Approved Date	Approved Amount
1038	2/17/2007	\$ 1,864.84	3/26/2007	\$ 1,898.60
1079	8/2/2007	\$ 23.00	8/27/2007	\$ 23.00

We were not able to locate board approval for 1 check.

Check #	Check Date	Check Amount	Approved Date	Approved Amount
1042	3/5/2007	\$ 586.70	Not Found	Not Found

We found one check that was issued for an amount above the board approved amount without explanation on file.

Check #	Check Date	Check Amount	Approved Date	Approved Amount
1262	5/18/2009	\$ 106.06	5/18/2009	\$ 70.23

Recommendations:

1. Signature blocks should be removed from all voided checks.
2. Proper internal controls require board approval of all disbursements and changes to previously approved disbursements, prior to issuance of the disbursements.

Response:

1. This check was initially voided based on the recommendation of the CPS caseworker overseeing this foster child. The Board had initially approved the funds for camp for the child, but due to behavioral problems, the CPS caseworker recommended that he not be able to attend. As a result, the check was voided. After reviewing the audit findings with Collin County staff, our Board was unaware of this particular policy regarding voided checks. Once informed of the policy, the Board will now remove the signature area of any voided check.
2. Check # 1038—Dated 2/17/2007—Check Amt.—\$1,864.84
This check was for counseling services for a foster child. It was deducted from the Foster Care Crisis line item and was a quick check that was needed emergently. As such, it was not voted on until the following meeting in March. It appears that there was an error in the amount provided in the minutes. This may have been the result of error by the Secretary in drafting the minutes or on the Special Needs Request Form.

Check #1079—Dated 8/2/2007—Check Amount—\$23.00

This check was also a quick check to obtain a birth certificate needed in the legal proceedings associated with the adoption of this child. It was approved at the following board meeting in August.

Check #1042—Dated 3/5/2007—Check Amount—\$586.70

This check was also for counseling services provided by Debra Thomas, L.C. for the same children as provided for in Check #1038. It appears that this check was a quick check, but was not presented at the following meeting for board approval.

Check #1262—Dated 5/18/2009—Check Amount—\$106.06

The request was approved by the Board for \$70.23 as a reimbursement to a CPS worker. It appears that the reimbursement was for more than what was initially approved by the Board.

As a result of the findings by the Auditor's Office, the CPS Board has requested a yearly audit rather than one every four years. It is the goal of the current CPS Board to ensure that the funds provided by the Collin County taxpayers are used appropriately and documented correctly. This Board writes at least 20 checks every month in an effort to assist foster children of Collin County. We were glad to see that while improvement is needed, there were only four instances of erroneous documentation. It further supports the fact that the volunteers on this board work diligently and conscientiously for the County and this community.