



COLLIN COUNTY

OFFICE OF COUNTY AUDITOR
2300 Bloomdale Road • Suite 3100
McKinney, Texas 75071
(972) 548-4731 • Metro (972) 424-1460
Fax (972) 548-4696

Date: February 29, 2012
To: Terry Box, Sheriff
From: Jeff May, County Auditor 
Subject: Second and Third Quarter FY11 Audit Result – Final

Internal Audit began an examination of the books and records on September 8, 2011 in accordance with Texas Local Government Code §115.002. The audit objectives were to provide reasonable assurance receipts and disbursements were promptly accounted for, accurately recorded and properly disbursed, and the internal controls were sufficient to protect County assets.

This review covered the period between January 1, 2011 and June 30, 2011. The audit procedures included a cash count, a test of deposits and receipts, a verification of disbursements, a review of the fee schedule and an examination of other financial aspects of your office.

During the review, we identified certain practices and procedures we believe could be enhanced to strengthen internal controls and increase efficiencies. This review was not intended to be a comprehensive examination of every procedure, activity, or control. Accordingly, the findings and recommendations presented in this report should not be considered all-inclusive of the areas where improvements may be needed.

Your office personnel were extremely helpful and courteous in assisting with this review. An exit conference was held with you on November 22, 2011.

Please feel free to contact us with any questions you may have.

Bank Reconciliation

Finding:

The financial transactions in the General Account for July were recorded on the June reconciliation. A July deposit of \$537.00 and check number 61544 in the amount of \$29,322.55 were included on the June reconciliation.

Recommendation:

The reconciliation should be prepared as of the end of the month being reconciled and all activity completed prior to the end of the month would be recorded as the reconciled month's activity. If a disbursement is not made until after the last day of the month or monies are not received as of the last day of the month, these activities would be recorded in the following month and reported in that month.

Response:

The AS400 and Odyssey reconciliations are processed two separate ways. The reconciliation which the financial clerk prepares manually should be completely independent of the Odyssey reconciliation. In the AS400, they were dependent on each other. To resolve the issue, a new format for the reconciliation should be created.

Receipts

Findings:

1. A fee of \$7 is charged for the cost of offender electronic monitoring. This fee amount does not agree with the service fee identified in the contract. The price identified in the contract is \$5.45. In addition, this fee is not identified on the fee schedule approved by Commissioners Court.
2. Receipts do not specify the number of days that are being paid for to ensure the amount collected is accurate.
 - a. Room & Board (R & B) cost is \$42 a day and receipt number 908663 was written for \$84. Although this appears to be payment for two (2) days, the mathematical accuracy of the calculation cannot be verified. Additional examples may be found on receipts numbers 901730, 906989, 908636, 908637 and 908663.
 - b. The Short Jail List cost is \$2 per day and receipt number SO-2011-00837 was written for \$62. Although this appears to be payment for thirty-one (31) days, the mathematical accuracy of the calculation cannot be verified on the receipt. Additional examples may be found on receipt numbers SO-2011-00401, SO-2011-00404, SO-2011-00632, SO-2011-01013 and SO-2011-01238.

Recommendations:

1. This fee and the amount should be submitted to Commissioners Court for approval.

NOTE: The contract was previously approved by Commissioners Court; however, the fee was never added to the approved fee schedule.

2. Receipts should specify the quantity of items that make up the total of the charge.

Response:

1. The fee was incorrect and should have been \$5.45 per day as outlined in the contract. The electronic monitoring fee has been corrected effective November 23, 2011, to reflect \$5.45 per day.
2. In the future, a notation will be made on the receipt reflecting the number of days collected multiplied by the price per day.

We agree with your recommendations.