



COLLIN COUNTY

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Date: May 23, 2012
To: Andrea Stroh Thompson, District Clerk
From: Jeff May, County Auditor 
Subject: Change-of-Office Audit Result – Final

An examination of the District Clerk financial books and records began on December 7, 2011 prior to the appointment of the new District Clerk, and a subsequent review after the appointment on December 9, 2011. The audit objectives were to provide reasonable assurance that County money and assets were accounted for throughout the change of office process.

The audit procedures included a cash count; a test of deposits, receipts, and disbursements; a review of financial records; and a verification of assets.

During the review, certain practices and procedures were identified that 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.

District Clerk personnel were extremely helpful and courteous in assisting with this review. An exit conference was held on February 13, 2012.

Please feel free to contact this office with any questions.

Cash Drawer

Finding:

A cash count of ten (10) cash drawers and one (1) cash change fund box was conducted in the McKinney and Plano locations.

One (1) cash drawer in Plano had \$0.10 more than the receipts and change fund. No explanation for this overage was given.

Recommendation:

Any overages in money collected during the day should be documented and remitted to the county as an overage for the day.

To strengthen internal controls, a written explanation should be required for any overages or shortages.

Response:

An explanation cannot be provided at the time of the audit count because it is conducted in the middle of the work day. At the time of end of day balancing, if there is an overage or shortage, an explanation is available.

Bank Reconciliation

Finding:

The District Clerk maintains five (5) separate bank accounts to conduct County activity. They are the following: 1. Attorney Fax account, 2. Criminal Cash Bond account, 3. Criminal Court Costs account, 4. Court Registry account, and 5. Civil Fee account. All of the accounts were reviewed and the following was identified:

The OFM balance was used to verify the Civil Fee bank account. There was \$53.41 in the bank that was not accounted for in the Odyssey Financial Manager or in the bank reconciliation. This balance was consistent from June to November of 2011 and reflected correcting adjustments that were recommended by the Auditors Office and approved and implemented by the new District Clerk.

Recommendation:

The District Clerk should attempt to identify the extra \$53.41 in the bank. If this imbalance is not corrected or identified within six months, then the money should be remitted to the County as unidentified funds.

Response:

The cause of this recurring error has not been identified, therefore the District Clerk's office will be remitting the unidentified funds to the County at the end of 6 months as recommended.

Cash Receipts

Finding:

There were two manual receipts issued during the audit period. Both were input into the Odyssey system. However, the payor information was not transferred over to the Odyssey system for one receipt.

Recommendation:

Manual receipts should be accurately input into the Odyssey system to ensure financial records are correct and to facilitate future actions, such as collections for returned checks for insufficient funds (NSF).

Response:

This was a clerical error.