



Audit Report
ANIMAL SERVICES
APRIL 1, 2013 – JUNE 30, 2013
Status: Final

For action:
Misty Brown

Services Manager

For information:

Jeff May
Shela Vinson

County Auditor
Second Assistant Auditor

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Report Summary

As part of the 2013 Compliance Audit Plan, an audit of the Animal Services was conducted in accordance with Texas Local Government Code §115.002.

The overall objective of the audit was to provide assurance that internal controls are in place to ensure:

- The officer has collected all the money they are obligated to collect
- The money collected was properly remitted to the appropriate party
- All funds are properly managed
- All money is properly accounted for, accurately reported, and adequately safeguarded
- The operations of the office conform to prescribed procedures
- Exposure to potential risk is minimized

The audit scope included an audit of banking, cash receipts and internal controls. The time period audited was April 1, 2013 through June 30, 2013.

Refer to the Observations and Recommendations section for the results of the audit.

This review was not intended to provide absolute assurance on all procedures, activities, or controls. We will continue to examine aspects of the office in compliance with statutes and to provide reasonable assurance that County assets are safeguarded and appropriately managed.

An exit conference with the Services Manager was held on Wednesday, December 18, 2013 to discuss this report.

The time and assistance provided by the Services Manager and the staff during this engagement is greatly appreciated.

Observations and Recommendations

Observation	Recommendation	Management Response
<p><u>Condition:</u> On June 8, 2013, manual receipt #939607 was received for \$20 to record an animal redemption. Then the receipt was altered to record another \$30 received for a donation. The \$20 received for the redemption was reflected on a system generated receipt (#416400); however the \$30 donation was never recorded on a system generated receipt.</p> <p><u>Effect:</u> The total electronic receipts for the June 8, 2013 do not equal the deposit made to the bank, nor do they match what is reflected on the manual receipt.</p> <p><u>Cause:</u> A redemption was made for \$20 and an additional \$30 was donated. The electronic receipt was written for the redemption, but the donation was not added to the receipt or written on a separate system generated receipt.</p> <p><u>Criteria:</u> The receipt must be written to include all monies paid to match the deposited amount for the day.</p>	<p><u>A. Transaction Required:</u> Animal Shelter should properly record the \$30 donation on the system.</p> <p><u>B. Internal Control Change:</u> A till reconciliation should be completed by the employee at the end of their shift and/or at the end of the day verifying the amount collected against the amount on hand in the till.</p>	<p><u>A. Response:</u> Staff has been counseled to properly record all information on the manual receipts and the system receipts.</p> <p><u>B. Response:</u> A till reconciliation is performed every night.</p>

Observation	Recommendation	Management Response
<p>Condition: May 22, 2013 manual receipt #939446 was written for \$100. Out of the \$100 receipted, \$21 was cash and \$79 was to be charged on a credit card. When the credit card transaction was completed only \$75 was charged. Therefore leaving a \$4 balance due.</p> <p>Effect: Animal Shelter collected \$4 less and provided a service for less than the service charge should have been.</p> <p>Cause: When the credit card was processed, an incorrect amount was charged.</p> <p>Criteria: Animal Shelter should ensure they are entering the correct amount to be charged.</p>	<p>A. Transaction Required: The \$4 shortage should be accounted for and deposited into the bank.</p> <p>B. Internal Control Change: To reduce the risk of taking an incorrect amount, the money should be counted immediately upon receipt to ensure accuracy.</p>	<p>A. Response: Treasury has been contacted to determine how to enter and apply the \$4 so that it shows against the correct entry.</p> <p>B. Response: Staff has been counseled that money should be counted immediately upon receipt to ensure accuracy.</p>