



Audit Report
MEDICAL EXAMINER
APRIL 1, 2013 – SEPTEMBER 30, 2013
Status: Final

For action:
William Rohr

Medical Examiner

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 Medical Examiner 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 September 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 Medical Examiner was held on May 1, 2014 to discuss this report.

The time and assistance provided by the Medical Examiner and the staff during this engagement is greatly appreciated.

Observations and Recommendations

Observation	Recommendation	Management Response
<p><u>Condition:</u> During a cash count, the balance remaining after accounting for money received was \$10.00 less than the approved cash fund balance.</p> <p><u>Effect:</u> The approved cash fund balance was \$10.00 less than it should be.</p> <p><u>Cause:</u> The \$10.00 cash fund balance was removed to make change without documentation.</p> <p><u>Criteria:</u> The cash fund balance should equal the remaining cash drawer amount. If money is removed from the drawer to make change, approved documentation should be completed.</p>	<p><u>A. Transaction Required:</u> None</p> <p><u>A. Internal Control Change:</u> A cash withdrawal form should be filled out to explain when money is taken out with a stated reason. Also, this form is required to be initialed or signed by the administrative staff and the supervisor for verification.</p>	<p><u>A. Response:</u> Agree.</p> <p><u>B. Response:</u> Agree.</p> <p><u>Status of Recommendation:</u> Have been instructed by the auditor about the internal control change which has been implemented in this office.</p>

Observation	Recommendation	Management Response
<p><u>Condition:</u> Receipt #940503, dated 8/1/13 for \$25 is not shown as a deposit on the weekly report and the Treasury receipt report. Since the customer has not paid, the white copy of the receipt is still attached to the receipt book and has not been issued to the customer.</p> <p><u>Effect:</u> Receipt #940503 for \$25 shows as an outstanding deposit.</p> <p><u>Cause:</u> Even though there was no money actually collected from the customer, the receipt was still completed.</p> <p><u>Criteria:</u> Receipt #940503 should not have been completed if no money was collected.</p>	<p><u>A. Transaction Required:</u> Receipt #940503 for \$25.00 should be voided since no money was received.</p> <p><u>B. Internal Control Change:</u> Receipts should not be completed until customers pay the amount due.</p>	<p><u>A. Response:</u> Agree.</p> <p><u>B. Response:</u> Agree.</p> <p><u>Status of Recommendation:</u> Will follow auditor's recommendation.</p>

Observation	Recommendation	Management Response
<p><u>Condition:</u> Receipt #938418 dated 5/22/13 for \$25 (check) and receipt #938419 dated 5/24/13 for \$25 (check) were not deposited until 6/21/13, instead of 6/5/13. Receipt #938447 dated 6/7/13 for \$25 (cash) was not deposited until 7/9/13, and this receipt was recorded out of receipt sequence on the weekly report with a receipted date as 7/7/13 instead of 6/7/13.</p> <p><u>Effect:</u> The cash receipts were deposited to the Treasury out of receipt and date sequence.</p> <p><u>Cause:</u> The Medical Examiner's Office did not present the weekly report with a correct receipt sequence due to cash receipts being held and delayed in deposit.</p> <p><u>Criteria:</u> The Medical Examiner's Office should report the cash receipts and deposit the monies timely to the Treasury according to the receipt and date sequence.</p>	<p><u>A. Transaction Required:</u> Not Required</p> <p><u>B. Internal Control Change:</u> Cash receipts should be reported on a weekly report in a receipt and date sequence and sent to the Treasury in a timely manner.</p>	<p><u>A. Response:</u> Agree.</p> <p><u>B. Response:</u> Agree.</p> <p><u>Status of Recommendation:</u> Will follow auditor's internal control recommendation.</p>

Observation	Recommendation	Management Response
<p>Condition: Receipt #938393, dated 5/6/13, written for \$25 cash was not deposited and received by Treasury. This deposit was sent through interoffice and accidentally received by the auditor's office with no report documentation attached. Receipt #940447, dated 7/1/13, written for \$25 cash was not deposited and received by Treasury. This receipt should have been included with the 7/9/13 report. Instead on the 7/9/13 report was receipt #938447 dated 6/7/13, which was reflected as 7/7/13 on the report.</p> <p>Effect: The funds collected for these receipts have not been deposited to the Treasury.</p> <p>Cause: The money collected for these receipts have not been properly handled.</p> <p>Criteria: The Medical Examiner's Office should account for all monies receipted and deposit them to the Treasury timely.</p>	<p>A. Transaction Required: The missing cash deposit of \$25 for receipt #940447 should be made up by Medical Examiner office and deposited to the Treasury.</p> <p>B. Internal Control Change: To reduce the risk of missing cash deposits, the cash receipts should be handled properly and deposited to the Treasury in a timely manner.</p>	<p>A. Response: Agree.</p> <p>B. Response: Auditor should have notified the department head immediately when a deposit was received through interdepartmental mail. If notified immediately, many of the other subsequent problems discovered in this audit would not have occurred. WE WERE NOTIFIED ONE YEAR LATER. THE AUDITOR IS NOT SUPPORTING THIS DEPARTMENT AS IT SHOULD BE. Mrs. Curtis, without clearance or discussion with the department head, instituted a policy contrary to what she was instructed to do. She was instructed to place receipts and deposits in the lock box in a locked evidence room February-March of 2013 which had been done since 1988. Instead she kept deposits and receipts in an interdepartmental mail envelope near her desk. It was only a matter of time before one or more deposits/receipts went out to another department. This was not brought to my attention until December 2013. When I realized how deposits and receipts were being handled I put a stop to the practice. It is the reason the deposit/receipt went to other departments and probably the reason the \$25 cash is missing, in my opinion.</p> <p>Status of Recommendation: Who do I give the \$25 to? Will follow auditor internal control change recommendation. All deposits/receipts now go directly to the lock box.</p>