



Audit Report
COUNTY CLERK
APRIL 1, 2014 – SEPTEMBER 30, 2014
Status: Final

For action:
Stacey Kemp

County Clerk

For information:

Jeff May
Linda Riggs

County Auditor
First Assistant Auditor

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Report Summary

As part of the 2014 Compliance Audit Plan, an audit of the County Clerk 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, 2014 through September 30, 2014.

Refer to the Observations and Recommendations section, as well as the Appendix 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 County Clerk was held on Monday, April 20, 2015 to discuss this report.

The time and assistance provided by the County Clerk and the staff during this engagement is greatly appreciated.

Observations and Recommendations

Observation	Recommendation	Management Response
FINDING NUMBER: 121		
<p><u>Condition:</u> Approximately 70 cases were reviewed for deferred adjudication cases, \$5 Electronic Efiling Conviction Fee was not assessed on all these reviewed cases between 9/1/13 and 4/30/2014.</p> <p><u>Effect:</u> Defendants were given inaccurate assessments, the county did not receive the correct revenue.</p> <p><u>Cause:</u> Fee Schedules were not properly set-up within the system, and/or the manually added additional fees were not properly applied where applicable.</p> <p><u>Criteria:</u> Fees should be assessed and collected according to the legislative statutes based on the type of offenses and services provided.</p>	<p><u>A. Transaction Required:</u> None</p> <p><u>B. Internal Control Change:</u> Procedure should be put in place to ensure that all established fee schedules correspond with the appropriate offence and/or service type.</p>	<p><u>A. Response:</u> This fee was imposed under HB 2302 and became effective September 1, 2013. It is to be assessed upon a defendant's conviction. Once collected, the fee is forwarded to the state comptroller.</p> <p><u>B. Response:</u> Procedures have been put into place to prevent any future issues.</p> <p>Fee schedules in Odyssey were fully audited and updated as required by statute. The department does not anticipate any future issues.</p>

Observation	Recommendation	Management Response
FINDING NUMBER: 120		
<p>Condition: A corresponding computer receipt was not issued for manual receipt # 886351, dated 4/4/14, for \$10.00 cash. Furthermore, the \$10.00 was not deposited until 11/17/14 (during the audit)</p> <p>Effect: The \$10.00 cash collected was not deposited, therefore the money received for the day was understated.</p> <p>Cause: The manual receipt from the Plano office was either missing or was not forwarded to the County Clerk location in McKinney for processing.</p> <p>Criteria: Manual receipts should be entered into the computer system and money received should be deposited timely at the Plano location and should not be forwarded to McKinney for deposit.</p>	<p>A. Transaction Required: Not Required</p> <p>B. Internal Control Change: All manual receipts should be collected, posted into a computer system and deposited to the bank on a timely basis. Any cash or checks collected from the Plano office should be deposited at that location. Monies should not be forwarded to the Administration Office for deposits. Also, copies of the generated computer receipts should be attached to the manual receipts book.</p>	<p>A. Response: This is a voluntary donation to the Texas Home Visiting Program when purchasing a marriage license. This donation was made after the marriage license transaction had been completed. The clerk accepted the donation and issued a manual receipt.</p> <p>B. Response: The clerks in the vital statistics section have been trained in how to properly process any donation to this program. They will no longer issue a manual receipt. Should it become necessary, the initial transaction will be voided and re-entered to include the donation. All funds will be deposited following established processes. The department does not anticipate any future issues.</p>