

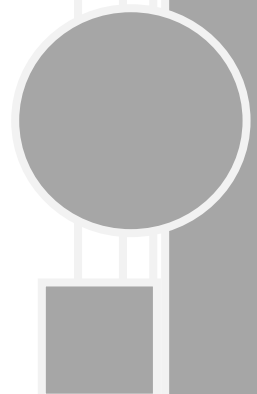


# AUDIT REPORT

DALLAS COUNTY  
HHS WELFARE - FY2021

Darryl D. Thomas  
Dallas County Auditor

ISSUED: 3/23/2023  
RELEASED: MAY 3, 2023



# HHS Welfare - FY2021

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This report is intended for the information and use of the agency/department. While we have reviewed internal controls and financial reports, this review will not necessarily disclose all matters of a material weakness. It is the responsibility of the department to establish and maintain effective internal control over compliance with the requirements of laws, regulations, and contracts applicable to the department



**DALLAS COUNTY**  
COUNTY AUDITOR

**MANAGEMENT LETTER**

Dr. Philip Huang  
HHS Director  
Dallas, Texas

Attached is the County Auditor's final report entitled "**HHS Welfare - FY2021**" Report. In order to reduce paper usage, a hard copy will not be sent through in house mail except to the auditee.

In you prefer that released reports be emailed to a different (or additional) recipient, please inform me of the name and the change will be made.

Respectfully,

*Darryl D. Thomas*

Darryl D. Thomas  
County Auditor

## EXECUTIVE SUMMARY

A review of the Health and Human Services Welfare division for fiscal year 2021 revealed the following significant observations listed below:

### **Summary of Significant Observations:**

1. Six client contribution payments for mortgage assistance totaling \$2,147.92 were received between six and 19 business days after being received by the department.

### **Repeat Observations from Previous Audits:**

- Eligibility documentation missing from client files.

**Only those weaknesses which have come to our attention as a result of the audit have been reported. It is the responsibility of the department management to establish and maintain effective internal control over compliance with the requirement of laws, regulations, and contracts applicable to the department.**

## INTRODUCTION

**Dallas County Auditor's Office mission is to provide responsible, progressive leadership by accomplishing the following:**

- Comply with applicable laws and regulations
- Safeguard and monitor the assets of the County utilizing sound fiscal policies
- Assess risk and establish and administer adequate internal controls
- Accurately record and report financial transactions of the County
- Ensure accurate and timely processing of amounts due to County employees and vendors
- Set an example of honesty, fairness and professionalism for Dallas County government
- Provide services with integrity
- Work in partnership with all departments to resolve all issues of the County
- Strive to utilize the latest efficient and effective technology in the performance of tasks
- Provide technical support and training in the development, implementation, and maintenance of information systems
- Hold ourselves accountable to the citizens of the County at all times
- Be responsive to the elected officials and department heads of Dallas County

The objectives of this audit are to:

1. Ensure compliance with statutory requirements
2. Evaluate internal controls
3. Verification of accuracy and completeness of reporting
4. Review controls over safeguarding of assets

This audit covered the period of October 1, 2020 through September 30, 2021.

The audit procedures will include interviews with key process owners, observation of transactions processing, data analysis and sample testing of transactions. The main system used will also be reviewed and incorporated as part of the testing of transactions.

**DETAILS****Food Assistance**

A review of five food vouchers processed during fiscal year 2021 revealed one food voucher totaling \$45 was approved and processed without obtaining a letter or notes in case file showing a call was made to verify whether recipient was receiving federal benefits under the SNAP food assistance program. Per the Welfare Procedure Manual, section 1.3.G. Processing Food Assistance: food vouchers are issued once the applicant has met eligibility criteria and verification of SNAP benefit status has been obtained. A case worker (CW)/ case manager (CM) may call Texas 211 to verify an applicant's status or obtain an official letter from the Texas Health and Human Services Commission (THHSC). Lack of management oversight combined with inconsistent employee training increased the risk of assistance being provided to ineligible clients.

**Recommendation**

Food Assistance

Management should:

- Provide training to caseworkers and management on documentation needed to determine eligibility for food assistance.
- Review client files to ensure all required forms are included and documentation supports food assistance eligibility determination.

**Management Action Plan**

- Program will provide additional training and implement a supervisory review process prior to issuance of food vouchers.

**Auditors Response**

None

**Mortgage and Rental Assistance**

A sample review of 10 money orders/checks provided to a case worker by a client for the difference between the amount of a mortgage payment and the qualifying assistance to be provided revealed six checks totaling \$2,147.92 were receipted into Class Wide Receipting (CWR) between six and 19 business days after the date of check. Additionally, a sample review of 10 client files for room and board payments processed during fiscal year 2021 revealed one client's case file had a clerical error in the caseworker's notes showing seven payments instead of 10 payments. Per Dallas County Code Sec 74-691, official receipts shall be written or generated immediately for all collections made in the official capacity of the various offices of the county. Further, all monies received should be promptly receipted and deposited properly, and timely in accordance with LGC § 113.022. Limited management oversight, incomplete employee training, and clerical error may result in inaccurate financial records and increased potential that funds may be lost or misappropriated.



**Recommendation**

Mortgage and Rental Assistance  
Management should:

- Timely receipt checks to County Wide Receipting system.
- Periodically review case files for accuracy.

**Management Action Plan**

- The date reflected on money orders/cashier checks reflect the date for which the client purchased the money order/cashier check to provide to the program. Following the issuance of the previous audit report by the Dallas County Auditor's Office (DCAO), the program developed and implemented procedures for receipting money orders/cashier checks. Additionally, the department updated the Welfare Policy and Procedures to no longer accept money orders/cashier checks effective fiscal year 2023. Updates to the Welfare Policies and Procedures were approved by the Commissioner's Court on September 6, 2022.
- Program will provide additional training to staff. Currently, the Monitoring and Compliance Section of the Financial Administration division review case files for eligibility and file completeness.

**Auditors Response**

None

cc: Darryl Martin, Commissioners Court Administrator