AUDIT REPORT

DALLAS COUNTY

COUNTY CLERK RECORDING - FY 2023

Wendwessen Stefanos, CPA
First Assistant County Auditor

ISSUED: 7/29/2024
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County Clerk Recording - FY 2023

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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

Honorable John Warren
County Clerk
Dallas, Texas

Attached is the County Auditor's final report entitled "**County Clerk Recording - FY 2023**" Report. In order to reduce paper usage, a hard copy will not be sent through in-house mail except to the auditee.

If 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,

Timothy J. Hicks

Timothy J. Hicks, CPA
County Auditor

500 Elm Street, Suite 4200 Dallas, Texas 75202 TEL: 214-653-6472
FAX: 214-653-6440

EXECUTIVE SUMMARY

A review of County Clerk Recording for fiscal year 2023 revealed the significant observations listed below:

Summary of Significant Observations

- None identified.

Repeat Observations from Previous Audits

- None identified.

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.

500 Elm Street, Suite 4200 Dallas, Texas 75202 TEL: 214-653-6472
FAX: 214-653-6440

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, 2022 through September 30, 2023.

The audit procedures may have included interviews with key process owners, observation of transactions processing, data analysis and sample testing of transactions. The main system used may have been reviewed and incorporated as part of the testing of transactions.

DETAILS

Computer Receipt Adjustments

A review of 40 randomly selected adjustments totaling $4,985 processed during fiscal year 2023 identified the following:

- Three instances occurred in which computer receipts totaling $80 were adjusted and a reason was not noted on the Vanguard system.

Two instances totaling $56 occurred in which non-management personnel issued and adjusted computer receipts. The payment tender was changed from credit card to cash.

- Two instances occurred in which computer receipts totaling $230 were adjusted more than 21 days after the original receipt date.
  - One instance was adjusted 21 days after original receipt date.
  - One instance was adjusted 97 days after original receipt date.

Recommendation

Computer Receipt Adjustments

Management should:

- Establish business processes or system-enforced roles that prevent non-supervisory employees from having the ability to perform adjustments.
- Periodically review system reports and daily work for accuracy and staff compliance with established policies and procedures.

Management Action Plan

- For every adjustment, a reason must be provided for later reference.
- The supervisor that did not provide a reason has been counseled on this oversight.
- The ability for non-management to make any adjustments has since been removed from the system.
- No further action required.

Auditor's Response

- None

cc: Darryl Martin, Commissioners Court Administrator