

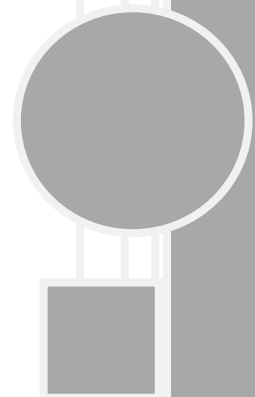


AUDIT REPORT

DALLAS COUNTY

COUNTY TREASURER - FY2019 (3RD QUARTER)

Darryl D. Thomas
Dallas County Auditor
ISSUED: August 16, 2019
RELEASED: August 23, 2019



COUNTY TREASURER - FY2019 (3RD QUARTER)

TABLE OF CONTENTS

MANAGEMENT LETTER.....	3
EXECUTIVE SUMMARY.....	4
INTRODUCTION.....	5
DETAILS.....	7
CWR Deposits.....	7

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 Pauline Medrano
County Treasurer
Dallas, Texas

Attached is the County Auditor's final report entitled "**County Treasurer - FY2019 (3rd Quarter)**" 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,

A handwritten signature in blue ink that reads "Darryl D. Thomas".

Darryl D. Thomas
County Auditor

EXECUTIVE SUMMARY

A review of the Dallas County Treasurer during the third quarter of fiscal year 2019 revealed the significant observations listed below:

Summary of Significant Observations

- None identified

Repeat Observations from Previous Audits:

- Deposits remain pending in excess of 5 business days.

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 April 1, 2019 through June 30, 2019.

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

CWR Deposits

A review of County Wide Receipting (CWR) reports for deposits pending during the third quarter of fiscal year 2019 revealed four deposits totaling \$4,957.68 were approved in excess of five business days after initial system entry date. Inconsistent management oversight related to deposit handling and untimely department follow-up resulted in delayed revenue recognition and increased the potential for a loss deposit funds.

Recommendation

CWR Deposits

Management should develop cash deposit and receipting procedures to include:

- Updated training communicated to staff involved in the deposit review processes.
- Timely communication of all unresolved deposits to departments for immediate resolutions.
- Controls for transporting deposits from departments to Treasurer's Office receipt
- Process to ensure that no deposits are missed or unaccounted for.

Management Action Plan

Agree with recommendations and procedures have been updated.

Auditors Response

None

cc: Darryl Martin, Commissioners Court Administrator