



**1/24/13**

**Internal Audit Annual Report**

As you all know, the Wayne County Audit Department is a two person team consisting of an Audit Clerk and the Internal Auditor.

Since our Audit Clerk, Paula Knorr started in June, she has been working to update our vendor database. This is proving to be quite challenging and she is doing an exceptional job of it.

During 2012, Internal Audit continued to process payments twice every month and processed "Special Audits" on an as needed basis. During an average week, we would do about six or seven "Specials".

The Mental Health (MH) Revenue Recording and Reconciliation Process developed during 2011 was implemented effective 1/1/12. We believe the new process will prove to be an improvement over the prior process. We helped them with their Journal Entries during 2012 and hope to have their staff take a more active role in this during 2013.

During 2012 we also performed a number of limited scope Departmental Audits and Reviews. The Finance Committee has been provided with hardcopy of these and copies of most of the reports have been posted on line since mid- year. The following is a brief outline of what we did along these lines.

**"Follow Up" Audits and Reviews** (to those performed during 2011) were performed during 2012 on the following departments.

Sheriff's Civil Office (Cash Controls)  
Jail Accounts (Cash Controls, Commissary Account)  
Probation Department (Restitution Account, Cash Controls)  
Planning Department (JMIP Fund, Grant Fund Accounts Balance Verification)  
County Clerk's Office (Cash Controls)  
Buildings & Grounds (Cash Controls)  
Department of Social Services - Child Support Collection Unit (Cash Controls)

All but a few of the original 2011 Audits and Reviews required at least some “Corrective Actions” and during the course of these “Follow Up” reviews, we determined “Sufficient and Effective Corrective Actions” were implemented by most.

Several other Audits and Reviews deemed necessary to improve Internal Control over various aspects of County operations were performed during the year and are as follows. Again, the Finance Committee was provided hard copy of these as they were completed.

Grant Claiming process used by the District Attorney’s Office  
County Fuel Pumps Controls were reviewed for potential enhancements  
Publicity (Tourism) (Cash Controls, Payments Processing)  
Department of Social Services (DSS) (Cash Controls, Payments Processing)  
Mental Health (MH) (Cash Controls, Petty Cash)  
Public Health (PH) (Cash Controls)  
Human Resources (HR) (Cash Controls, Payments Processing)  
Nursing Home (NH) (*Timely* adjustment of receivables)  
Aging & Youth (A&Y) (“On-Site” Cash Controls)

Other essential duties performed on a regular and/or on-going basis.

Pre-Distribution Review of Bi-Weekly Payroll  
MUNIS Security Reports run several times a month

#### Miscellaneous

A Primer on Cash Collections was written and distributed Countywide  
County Bank Account Confirmation was performed  
Department Head Payroll Distribution was performed  
The Division of Permissions between HR and PR was scrutinized  
Federal Excise Taxes and Time Warner  
The Closing of the Sheriff’s *Old* AS 400 Civil Office Account (Disposition of Remaining Monies)