



Date: 9/15/2017

Purpose: This audit is performed at the request of the Sheriff to ensure that proper internal controls are in place and to ensure compliance with the Wayne County Cash Collection Policy.

Interviewed: Nicol Carr – Senior Criminal Records Clerk
Michelle Bennett – Senior Criminal Records Clerk
Debby Jayne – Criminal Records Clerk
Renee Maybee – Criminal Records Clerk
Debra Youngs- Account Clerk
Chief Deputy Stephen Sklenar

Examined: 1/1/16-12/31/16 Schedule of Department Payments to Treasurer, cash disbursement records, and general internal control inquiries.

Previous Internal Audit Recommendations:
No previous internal audits have been conducted.

Program:

Cash Receipts:

It was determined that all receipts are generated in Munis and a receipt number is assigned by the program for any forms of payment received in the records office. The two forms of payment accepted are cash and check only. Payments received through the Pistol Permit window are mainly for applications for a pistol permit and its corresponding fees and sale of ID cards. Payments collected at the Records Office window are primarily for accident reports. All funds collected at either window are placed in a shared cash drawer that is accessed by each of the clerks, and balanced at the end of each day. The cash drawer is reconciled weekly, before the preparation of the weekly deposit. A count of the cash drawer was performed by the audit department on 8/1/2017 showing a cash balance of \$441.00. This amount matched receipts of \$351, and a beginning balance of \$90.00.

Deposits:

Account clerk, Debra Youngs closes the receipt batch and prepares the deposit weekly and at the end of each month. Prior to preparing the deposit, the payments proof report and schedule of department payments to the treasurer are reconciled with the amount of

cash and checks in the drawer. Either a deputy or Debra Youngs bands the cash and checks to be deposited. A deputy delivers the deposit to the treasurer's office.

General Internal Control Questions

In the records office there are two full time records clerks, two full time pistol permit clerk and a part time clerk. It was determined that all clerks collect payments, in the form of cash or check, for both the records office window and pistol permit window. All receipts are created through Munis, and there are not any handwritten receipt books used unless there are technology problems with Munis. If there is an extenuating circumstance that does not allow the clerk to create a receipt in Munis, then the handwritten receipt is entered into Munis immediately after the program is available. All of the clerks place payments into one cash drawer. The cash drawer is locked when the office is closed. There is one key to access the cash drawer and it is kept in an account clerk's unlocked desk drawer when not in use.

Recommendations

- 1) Each clerk that collects cash or checks should have their own drawer with their sole access to maintain sufficient internal control. The drawer should be safeguarded while the clerk is out of the office.
- 2) The Wayne County Cash Collection Policy should be reviewed to ensure the policy and procedures are being followed.

Management Response

In an email from Sheriff Virts on 11/27/17 the Sheriff said:
Patrick,

Please correct "In the Records Office there are two full time records clerks, two full time pistol permit clerks and" (This was changed in our final report)

Also to maintain five separate cash drawers would be a burden on the operation of the Records Office and the processes to provided services to constituents and victims.

I propose that each clerk has an envelope placing cash they receive in their envelope and at the end of the day the cash from all the clerks is reconciled by one of the Senior Records Clerks (Michele or Nicole). In the absence of Michele and Nicole I would have a backup person.

The problem with this is "how to make change" for the transactions without setting up the five separate cash drawers.

Please advise.

Sincerely,

Barry C. Virts, Sheriff

Thank you,

Patrick Schmitt, CFE

County Auditor

11/27/2017