

AUDITOR'S REPORT

HARRIS COUNTY CLERK THREE MONTHS ENDED MAY 31, 2015



July 17, 2015

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Harris County Auditor**

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BARBARA J. SCHOTT, C.P.A.
HARRIS COUNTY AUDITOR

July 17, 2015

Mr. Stan Stanart
Harris County Clerk
201 Caroline, Suite 460
Houston, Texas 77002

RE: Procedures applicable to the monthly collection reports submitted by the County Clerk's Office for the three months ended May 31, 2015

As required by Local Government Code Chapter 115, the Compliance Audit Department examined the monthly collection reports submitted by the County Clerk's Office (the Office) for the three months ended May 31, 2015.

The procedures performed included:

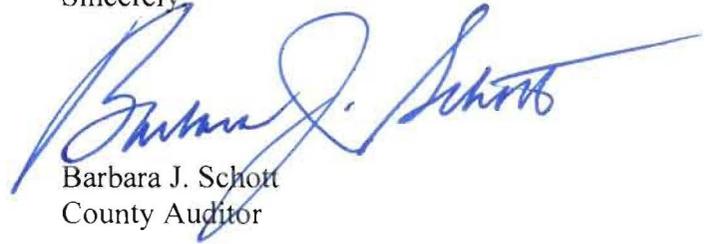
- Evaluating whether amounts reported on the monthly collection reports were properly deposited in the County's depository and/or settled via credit card.
- Accounting for the numerical sequencing of computer generated and manual receipts.
- Evaluating whether amounts were properly recorded in the County's Integrated Financial and Administrative Solution (IFAS) system.
- Performing an analytical review of transactions by comparing selected information between periods.

The enclosed Auditor's Report presents the significant issues identified during our procedures, recommendations developed in conjunction with your staff, and any actions you have taken to implement the recommendations. Less significant issues and recommendations have been verbally communicated to your staff.

Mr. Stan Stanart
Harris County Clerk

We appreciate the time and attention provided by you and your staff during our procedures.

Sincerely



Barbara J. Schott
County Auditor

cc: District Judges
County Judge Ed Emmett
Commissioners:
 R. Jack Cagle
 El Franco Lee
 Jack Morman
 Steve Radack
Devon Anderson
Vince Ryan
William J. Jackson

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ISSUES AND RECOMMENDATIONS

Deposit Slip Preparation

Background

Harris County Accounting Procedure F.1-2-2, *Deposits via Armored Carrier or Field Location*, states that if funds received by the bank do not agree with the amount noted on the enclosed deposit slip, the bank issues a debit/credit advice for the difference between the deposit slip amount and the actual total funds received.

Issue

The Office deposited the correct amount of collections, but made an error when completing the daily deposit slip. When totaling cash and checks, the amount reflected on the deposit slip was misstated. As a result, the bank issued a deposit correction to reflect the proper amount of the deposit.

The following chart provides detailed information for this issue.

Business Month	Deposit Slip Number	Amount Recorded on Deposit Slip	Actual Amount of Funds Deposited	Difference	Type of Error	Date Bank Correction Issued
March 2015	5151905812	\$892.00	\$829.00	\$63.00	Transposition Error	4/2/15

Recommendation

Office management should re-emphasize the importance of ensuring that the amount recorded on the deposit slip is the correct amount and that it agrees with the amount being deposited. Office management should also review the daily closeout documents for accuracy and evidence the review with their signature.

Management Response

Office management will continue to stress to the department the importance of ensuring that the amount recorded on the deposit is the correct amount being deposited. Office management does review the daily closeout documents for accuracy and accepts the risk associated with the procedure in place.