

Upshur County Auditor
 P.O. Box 730
 Gilmer, TX 75644
 (903) 843-4001
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Brandy Lee
 County Auditor

Linda Sikes
 Assistant Auditor

Greg Dodson
 Assistant Auditor

UPSHUR COUNTY, TX.
 DEPUTY
[Signature]

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FILED
 TERRY ROSS
 COUNTY CLERK

**Auditor's Report on Unannounced Cash Counts
 3rd Quarter FY17**

July 13, 2017

Unannounced cash counts were conducted during the 3rd quarter of FY17. Below are details of any discrepancies or abnormalities that we observed. There is a summary sheet attached which reflects all cash counts performed.

<u>Department</u>	<u>Employee</u>	<u>Discrepancy</u>
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403 – County Clerk	Brett Spurlock	\$10 Over
<p>Brett was not sure why the cash drawer was \$10 over or how long it had been that way. Brett was instructed to issue a receipt for a \$10 overpayment and turn it in to the Treasurer. There was also \$400 in the drawer that had a handwritten receipt attached to it. Another employee had accepted the payment while Brett was in a meeting, for Brett to enter it in the system when he returned. We verified that the handwritten receipt as well as the overpayment were receipted in the system that same day.</p>		

450 – District Clerk	Hali Jackson	\$20 Short
<p>Change fund was \$20 short. Due to historical cash handling procedures in the District Clerk's office, employees were not using their change funds on a daily basis, which were in each employee's drawer. Instead they were all placing their collections in a centralized bag and only utilizing their change bags if they couldn't make change from the collection bag. Hali was not sure how long the change fund had been short. Hali personally paid \$20 to replenish the change fund. We discussed new cash handling procedures with the District Clerk and told her that we would provide them with a written copy of new procedures, a copy of which is attached.</p>		

452 – JP2	Kim Stone	\$0
<p>Initial count reflected a shortage of \$50. Upon examination of receipt journal, we noticed that a receipt for \$50 had been recorded in the system twice. We were advised that Judge Potter had issued a receipt while Kim was out of the office, and when Kim returned the next day, she entered the receipt again. After Kim reversed the second receipt, everything was balanced and there was no discrepancy.</p>		

499 – Tax Office Samantha Caffey \$0
Initial cash count showed checks to be short. However, there was one receipt that was recorded as a check, but it was actually a credit card payment.

499 – Tax Office Pam Dean \$0.50 Over
Tax drawer was \$0.50 over.

499 – Tax Office Pam Dean \$0.11 Over
Gladewater auto drawer was \$0.11 over due to a check being accepted for \$74.11 when the registration due was only \$74.00. Pam advised that payor did not have their glasses on and probably misread their registration invoice.

499 – Tax Office Pam Dean \$0
Gladewater tax drawer contained a handwritten receipt from 5/30/17. Pam advised she just hadn't taken it to the main office yet, but that it had been recorded in the system. We verified that the receipt had in fact been entered as of the same date on the handwritten receipt.

650 – Library Cynthia King \$4.50 Over
Friends of the Library bag and County bag are in the same drawer. Cynthia stated that most likely the \$4.50 is money that belongs in the Friends of the Library bag. Currently there are no daily balancing procedures at the Library. We discussed with Cynthia the importance of daily balancing, and they are going to begin reconciling cash in the County bag against the fee receipts daily.

Sincerely,



Brandy Lee
County Auditor

**Upshur County Auditor
Quarterly Cash Count Summary**

Dept./Employee	Discrepancy	Date	Comments	Dept./Employee	Discrepancy	Date	Comments
County Clerk 403				Tax Office 499			
Kaye Cain	\$ -	<u>5/4/2017</u>		Luana Howell (Extra)	\$ -	<u>6/14/2017</u>	
Glenda Cox	\$ -	<u>5/4/2017</u>		Fran Gardner (Auto)	\$ -	<u>6/14/2017</u>	
Kristi Bell	\$ -	<u>5/4/2017</u>		Christie Craver (Auto)	\$ -	<u>6/14/2017</u>	
Brett Spurlock	\$ 10.00	<u>5/4/2017</u> *		Samantha Caffey (Auto)	\$ -	<u>6/14/2017</u> *	
Regina Simmons	\$ -	<u>5/4/2017</u>		Brandy Davis (Auto)	\$ -	<u>6/14/2017</u>	
				Brandy Davis (Tax)	\$ -	<u>6/14/2017</u>	
District Clerk 450				Fonda Leonard (Tax)	\$ -	<u>6/14/2017</u>	
Hali Jackson	\$ (20.00)	<u>6/2/2017</u> *		Jackie Suiter (Tax)	\$ -	<u>6/14/2017</u>	
Lauren Gipson	\$ -	<u>6/2/2017</u>		Andreana Smith (Tax)	\$ -	<u>6/14/2017</u>	
Mandi Perryman	\$ -	<u>6/2/2017</u>		Pam Dean (Tax)	\$ 0.50	<u>6/14/2017</u> *	
James Thomas	\$ -	<u>6/2/2017</u>		Cary Ellinburg (Auto Drive Thru)	\$ -	<u>6/14/2017</u>	
Karen Bunn	\$ -	<u>6/2/2017</u>		Carry Ellinburg (Tax Drive Thru)	\$ -	<u>6/14/2017</u>	
				Pam Dean (Auto Gladewater)	\$ 0.11	<u>6/27/2017</u> *	
				Pam Dean (Tax Gladewater)	\$ -	<u>6/27/2017</u> *	
JP Offices							
Wyone Manes 451	\$ -	<u>6/2/2017</u>		Jail/Commissary 565			
Kim Stone 452	\$ -	<u>6/2/2017</u> *		James Grunden	\$ -	<u>6/6/2017</u>	
Jamie Warren 453	\$ -	<u>6/27/2017</u>					
Polly Hawthorne 454	\$ -	<u>5/4/2017</u>		Dump 611			
				Lisa Tefteller	\$ -	<u>6/7/2017</u>	
Elections 490							
Lory Harle	\$ -	<u>5/4/2017</u>		Library 650			
				Cynthia King	\$ 4.50	<u>6/14/2017</u> *	

Revised 7/11/2017

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Brandy Lee
County Auditor

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July 13, 2017

Upshur County District Clerk
Karen Bunn

This letter is just to confirm what we discussed on June 2, 2017 regarding change funds and cash handling in the District Clerk's office.

The purpose of assigning separate change funds to each deputy clerk is to ensure that each employee is only responsible for the portion of funds that they are handling. I have attached a copy of the finding from our outside auditors regarding the potential risk involved with only having one cash drawer.

Effective immediately, all deputy clerks will need to use their own cash bag. Money collected throughout the day should be placed in the bag assigned to the employee issuing the receipt, along with their change fund.

At the end of each day, all employees should reconcile their money with the receipts they issued that day, and verify that the correct change fund amount remains. After balancing, each employee should remove that day's money from their bag, and give it to the employee responsible for preparing the daily deposit. That employee should reconcile the total office collections for the day with the amount of funds given to them.

Please let me know if you have any questions regarding these procedures.

Sincerely,

A handwritten signature in cursive script that reads "Brandy Lee".

Brandy Lee
County Auditor

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UPSHUR COUNTY, TEXAS
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2016

Item 2015-001

Condition: The District Clerk's office only has one cash drawer per office. This allows all of the clerks in the office to share the same cash drawer.

Effect: Revenues may be misappropriated and the financial statements understated if all clerks have access to the same cash drawer.

Cause: Only one cash drawer is located in the District Clerk's office and all clerks must use the same cash drawer to complete transactions.

Recommendation: Each Clerk performing financial transactions should have his or her individual cash bag that he or she is responsible so if an error or misappropriation of funds occurs, the incident may be isolated to one Clerk. Management should issue each Clerk his or her own cash bag.

Management's Response: The County Auditor has discussed with the District Clerk that the District Clerk's office will be issued additional change funds so each cashier will maintain a separate cash drawer.

Contact Person Responsible for Corrective Action: Brandy Lee, County Auditor

Anticipated Completion Date: Immediately

FILED
TERRI ROSS
COUNTY CLERK
2017 JUL 14 AM 9:18
UPSHUR COUNTY, TX.
BY 
DEPUTY