



THE COUNTY OF GALVESTON
COUNTY AUDITOR'S OFFICE
P.O. Box 1418
GALVESTON, TEXAS 77553

County Auditor
Randall Rice CPA
CITP CISA CIO CBM DABFA CGMA

Ron Chapa CPA
First Assistant, Director of Auditing

Jeff Modzelewski CPA
First Assistant, Director of Accounting

February 17, 2015

Honorable Judge Mark A. Henry and
Members of the Commissioners' Court

Honorable Judge and Members of the Court:

Attached for your consideration is the cash count report for the Community Supervision and Corrections Department. The cash count was performed January 21, 2015. Also attached is the response letter from Kelly Bozeman, Administrative Branch Manager, dated January 30, 2015.

Sincerely,

A handwritten signature in blue ink that reads "Rice CPA".

Randall Rice CPA
County Auditor

cc: Janis Bane, Director
Community Supervision and Corrections Department

Attachment: Community Supervision and Corrections Department Cash Count Report
Response Letter, Kelly Bozeman, Administrative Branch Manager



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January 26, 2015

To: Janis Bane, Director
Community Supervision and Corrections Department

From: Tony Pompa
Internal Auditor

Re: Community Supervision and Corrections Department Cash Count

A surprise cash count of the Community Supervision and Corrections Department (CSCD) was conducted on January 21, 2015. The objective of the cash count was to determine if all the collections had been accounted for at the time of the surprise cash count, and if the collections were properly handled and in a timely manner.

- All collections were accounted for at the time of the surprise cash count.
- All collections were handled in a timely manner.

Daily Close-out

CSCD performs a close-out every afternoon at 3:00pm. The secretary counts the collections then submits the funds to the supervisor who takes the collections into his office and counts them again. The supervisor returns the collections to the cashier who prepares the deposit slip.

Finding: There is not a proper change-of-custody of the assets when counting down the collections.

Recommendation CSCD-15-01: The collections should be counted by both the secretary and supervisor and in each other's presence. Each employee should sign off on the collections.

CSCD
January 26, 2015
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I wish to thank Ms. Bane and her staff for their cooperation and assistance.

cc: Randall Rice, County Auditor
Ron Chapa, First Assistant Director of Auditing

COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT

GALVESTON COUNTY

123 ROSENBERG SUITE 4040 GALVESTON, TEXAS 77550
409-766-2425 FAX: 409-770-5530

Janis Bane, Director



Dan Moore, Deputy Director

January 30, 2015

Randall Rice CPA, County Auditor
County Auditor's Office
722 Moody 4th Floor
Galveston, TX 77550

Re: Cash Count Draft Report

Mr. Rice:

This letter is in response to your surprise cash count conducted on January 21, 2015. We value your input and appreciate any suggestions that your office may have to improve the integrity of our collections program.

As the Administrative Branch Manager, I am responsible for conducting the recount of the daily cash collections. In my absence, the task is performed by another member of the management team. Since our relocation to the new office, the manager conducting the recount has been conducting the recount away from the collection clerk's office due to the lack of privacy at the collections window. I can certainly understand your concern with the count not being done in the presence of both the collections clerk and manager, therefore as of January 30, 2015, we will implement the policy that the cash count be done in the presence of both parties.

Secondly, the audit suggested that each employee sign off on the collections. This procedure is already in place and historically has always been done accordingly. The collections clerk signs the cash count and collections summary slip and once the recount is done, the manager who recounts signs and dates the same slip. If this process is not sufficient to satisfy internal controls for chain- of-custody, we are happy to make any changes necessary.

Sincerely,

A handwritten signature in black ink that reads "Kelly Bozeman".

Kelly Bozeman
Administrative Branch Manager

Cc: Janis Bane, Director GCCSCD
Dan Moore, Deputy Director GCCSCD