



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

Latoya Jordan
First Assistant, I.T. Systems

October 29, 2013

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

Honorable Judge and Members of the Court:

Attached for your consideration is the close out audit report of District Clerk Doryn Glenn. The audit covered the period November 2012 through January 2013. Also attached is the response letter from Honorable John Kinard, dated October 14, 2013.

Sincerely,

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

Randall Rice CPA
County Auditor

cc: Honorable John Kinard

Attachment: Close Out of Doryn Glenn Audit Report
Response Letter, Honorable John Kinard



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

Latoya Jordan
First Assistant, I.T. Systems

September 20, 2013

To: Honorable John Kinard
Galveston County District Clerk

From: Yun Yap
Internal Auditor III

Re: District Clerk's Office Close Out of Doryn Glenn

The Internal Audit Division of the Auditor's Office performed close out procedures to close the accounts of the Honorable Doryn Glenn and set up accounts for the Honorable John Kinard. The procedures were conducted in the period of December 10, 2012 through February 25, 2013. During this time period, Internal Audit was made aware of possible Odyssey reporting issues. Through further investigation and additional time spent working with the Odyssey Support Team, the Odyssey Project Manager noted a reporting issue and is currently working on corrective action.

The primary objectives of the close out were to provide reasonable assurance that 1) the valuation of the various accounts and its amounts were correct and 2) there were sufficient funds in the accounts to fund liabilities. The District Clerk's Office chose not to open new bank accounts for Honorable John Kinard; therefore, funds for continuing operations were used from the existing bank accounts. Procedures consisted of confirming the funds on hand (the cash count) and reviewing the bank reconciliations, period of November 2012 through January 2013. The procedures did not encompass any testing of transactions. As a result, there is a risk that error and irregularities may exist. The official retains the responsibility for the accuracy and completeness of the financial information.

Cash Count

The cash count was performed at the Galveston and League City branch locations on December 10, 2012. The primary objectives of the cash count were to ensure that 1) cash on hand was accounted for at the time of the cash count, 2) cash was properly handled and in a timely manner, and 3) the safeguarding of the assets was properly exercised.

At the time of the cash counts, all collections were accounted for at both locations. Collections that were prepared for deposit were properly secured in a locked safe. Collections were deposited the next business day by a deputy for both locations.

Internal Audit concluded the District Clerk's Office handled and safeguarded the assets properly and in a timely manner.

Bank Reconciliations

At the time of Honorable Doryn Glenn completing her term as an interim District Clerk, she had four active bank accounts. Internal Audit reviewed the bank reconciliations for period of November 2012 through January 2013 for the following accounts:

Registry Account (Interest Bearing)

Internal Audit reviewed the balances of the Registry Account (Interest Bearing) for the period of November 2012 through January 2013. After further investigation of Odyssey reporting, the month of August 2013 was reviewed to ensure there were sufficient funds in the accounts to fund liabilities. Internal Audit found the balance of the Registry Account (Interest Bearing) was in agreement with the bank balance.

General Registry for Civil Account (Non-Interest Bearing)

Finding: As of December 31, 2012, the total adjusted bank balance was short by \$6,446.59. The cause of the shortage could not be determined. This shortage was found during the close out of a prior District Clerk.

Recommendation DCCO 2012-01: Replenish the shortage from the prior District Clerk, Latonia Wilson, Fee account then close the account and deposit these funds in the County's general fund as unclaimed.

This Fee account has remained opened due to the District Clerk performing cleanup work from stale cases. It is the District Clerk's intention to complete the cleanup work and close this account by October 31, 2013.

Child Support Account

As of December 31, 2012, the total bank balance was short by \$97. The cause was due to a child support payment that was erroneously recorded as Certified Copy fee and deposited into the County Treasury Depository account. The erroneous transaction was corrected in Odyssey and the shortage was replenished in March 2013.

Minor Trusts

Internal Audit reviewed the balances of the Minor Trust Funds for period of November 2012 and found the balance of the Minor Trust Funds was in agreement with the bank balance.

Internal Audit would like to thank you and your staff for the assistance, cooperation and patience during the course of this close out audit.

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



JOHN D. KINARD

DISTRICT CLERK GALVESTON COUNTY

TO: Randall Rice, CPA
County Auditor

DATE: October 14, 2013

RE: Close Out Report on District Clerk Doryn Glenn

The report recommends that the District Clerk replenish the Civil Account from an old fee account. We plan to do this as soon as the processing of the current batch of refunds through the County's Accounts Payable system is complete.

Following this, the District Clerk will remit the unencumbered money in this account to the County as miscellaneous revenue and not unclaimed property. The account will be left open until we can send the outstanding checks to either the State or the County pursuant to statute in 2015.