

GALVESTON COUNTY



Office of County Auditor

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P.O. Box 1418, Galveston, Texas 77553

(409) 770-5304

722 Moody Ave 4th Floor, Galveston, TX 77550

May 24, 2016

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

Honorable Mark A. Henry and Members of the Court:

Attached for your consideration is the internal audit report of The Children's Center, Inc. on behalf of the Professional Services Department. The audit covered the period March 1, 2015 through February 29, 2016. Also attached is the response letter from David Delac, dated May 5, 2016.

Sincerely,

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

Randall Rice CPA
County Auditor

Attachment: The Children's Center, Inc. Internal Audit Report
Response Letter, David Delac

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April 11, 2016

To: David Delac
Chief Financial Officer

From: Madeline Walker
Compliance Audit Team Lead

Re: The Children's Center, Inc. Internal Audit Report

An internal audit was performed on The Children's Center, Inc. on behalf of the Department of Professional Services. The purpose of the audit was to determine the validity and reliability of invoices submitted to the county by the Children's Center, Inc.

Payments to The Children's Center, Inc. are not to exceed \$125,000.00 per fiscal year. The amounts paid to the organization by the county were in compliance with the contract, as they did not exceed this amount.

Finding: The Children's Center, Inc. invoices for the Family Crisis Center do not consistently match the county calculated invoice amounts. Due to the contracted limit of the amount that can be paid to the organization, this did not affect the overall billing.

Recommendation CS-16-01: Invoices should be calculated based on \$15.00 per day for each child housed in the Family Crisis Center.

We wish to thank Mr. Delac and his staff for their cooperation and assistance.

cc: Randall Rice CPA, County Auditor
Kristin Bulanek CIA, First Assistant Auditing



COUNTY OF GALVESTON
Professional Services Department

DAVID M. DELAC, CHIEF FINANCIAL OFFICER

CDBG Housing Department
CDBG Non-Housing
Child Welfare
Fleet
Grants/FEMA

Budget
Financial Assistance
Guardianship Program
Indigent Burials
Indigent Health Care

May 5, 2016

RE: The Children's Center, Inc. Internal Audit Report

I have reviewed the Children's Center, Inc. Internal Audit report and I will work with the Children's Center to ensure that the invoice amounts are accurate. If there are any discrepancies with the invoice Galveston County needs to address those prior to making the monthly payment. Any discrepancies are purely a timing issue based on the \$15.00 per day for each child housed in the Family Crisis Center. We will continue to work with the Children's Center, Inc. on the accuracy of the invoice. Galveston County provides a not to exceed amount of \$125,000 to the Children's Center per fiscal year.

Sincerely,

A handwritten signature in black ink, appearing to read "David M. Delac".

David M. Delac