



Essex County Sheriff's Department Internal Controls Over Cash Receipts and Disbursements

Report of Examination

Period Covered:

January 1, 2011 — September 30, 2012

2013M-35



Thomas P. DiNapoli

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State of New York Office of the State Comptroller

Division of Local Government and School Accountability

April 2013

Dear County Officials:

A top priority of the Office of the State Comptroller is to help local government officials manage government resources efficiently and effectively and, by so doing, provide accountability for tax dollars spent to support government operations. The Comptroller oversees the fiscal affairs of local governments statewide, as well as compliance with relevant statutes and observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving operations and Board of Supervisors' governance. Audits also can identify strategies to reduce costs and to strengthen controls intended to safeguard local government assets.

Following is a report of our audit of the Essex County Sheriff's Department, entitled Internal Controls Over Cash Receipts and Disbursements. This audit was conducted pursuant to Article V, Section 1 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the General Municipal Law.

This audit's results and recommendations are resources for local government officials to use in effectively managing operations and in meeting the expectations of their constituents. If you have questions about this report, please feel free to contact the local regional office for your county, as listed at the end of this report.

Respectfully submitted,

*Office of the State Comptroller
Division of Local Government
and School Accountability*

Introduction

Background

Essex County (County) is located in northeastern New York State and has a population of approximately 39,000. The County is governed by a Board of Supervisors (Board) which comprises 18 members, one of whom also serves as the Chairman of the Board. The Board has final administrative authority over County operations, and delegates overall responsibility for policy direction and oversight of County departments to committees¹ comprising individual Board members.

The County Manager (Manager) is the chief administrative officer and is charged with the County's overall administrative operations under the Board's direct supervision. The Manager is responsible for the general supervision and coordination of the activities of all County departments to efficiently implement the Board's directives. The County's budgeted general fund expenditures for the 2012 fiscal year were \$73.9 million. The Sheriff's Department's budgeted expenditures totaled \$5,947,269.

The Essex County Sheriff's Department provides County services under the supervision of an elected Sheriff, the Board and Manager. The Department performs various law enforcement services, including overseeing the operations of the correctional facility and the civil office. Correction officers are responsible for collecting bail at the jail and then remitting it to the civil office for deposit and disbursement. The civil office is also responsible for collecting and disbursing judgments, civil claims, and related fees. The civil office employs a civil clerk who works in the office and predominately handles the accounting of receipts and disbursements and a civil deputy who primarily works outside the office processing civil cases. The Department recorded collecting bail cash receipts totaling \$422,165 and civil office cash receipts totaling \$4,179,179² during our audit period.

Objective

The objective of our audit was to examine the Sheriff's Department's internal controls over cash receipts and disbursements. Our audit addressed the following related question:

¹ The Public Safety Committee, consisting of nine Board members, provides oversight of the operations of the Sheriff's Department.

² The recorded civil office cash receipts consists of payments for judgments and civil claims totaling \$4,079,434 and related fees (levy, service, filing, mileage, and poundage) totaling \$99,745.

- Are the Sheriff Department's internal controls over bail and civil office cash receipts and disbursements appropriately designed and operating effectively to adequately safeguard County assets?

**Scope and
Methodology**

We examined financial transactions related to the Sheriff's Department's cash receipts and disbursements for the period January 1, 2011 to September 30, 2012. We expanded our scope period to January 4, 2013 for our review of bank reconciliations.

We conducted our audit in accordance with generally accepted government auditing standards (GAGAS). More information on such standards and the methodology used in performing this audit are included in Appendix B of this report.

**Comments of
Local Officials and
Corrective Action**

The results of our audit and recommendations have been discussed with County officials and their comments, which appear in Appendix A, have been considered in preparing this report. County officials generally agreed with our recommendations and indicated they planned to initiate corrective action.

The Board has the responsibility to initiate corrective action. A written corrective action plan (CAP) that addresses the findings and recommendations in this report should be prepared and forwarded to our office within 90 days, pursuant to Section 35 of the General Municipal Law. For more information on preparing and filing your CAP, please refer to our brochure, *Responding to an OSC Audit Report*, which you received with the draft audit report. We encourage the Board to make this plan available for public review in the Clerk of the Board's office.

Cash Receipts and Disbursements

County and Sheriff Department (Department) officials are responsible for establishing effective internal controls over the Department's cash receipts and disbursements to ensure that all moneys are properly collected, safeguarded, accounted for, and disbursed. Effective internal controls require Department officials to establish, implement, and communicate policies and procedures to ensure that duties are properly segregated, moneys received and disbursed are properly accounted for, and monthly reconciliations are prepared. Department officials also must provide sufficient oversight of those officers and employees who receive or disburse cash.

Although the Department established a money-handling policy³ in April 2012 providing guidance and internal controls over cash receipts and disbursements, cash receipts and disbursements were not processed in accordance with the policy. We found the civil clerk performed virtually all financial duties without sufficient oversight or other mitigating controls. We also found that bail and civil office cash receipts were not properly accounted for, secured, and deposited in a timely manner, resulting in a \$6,184 overdraft in the civil office bank account in August 2012.

In addition, the civil clerk affixes the Sheriff's signature to Department checks without his direct oversight or review. We also found that bank reconciliations were not prepared properly or timely, resulting in \$2,050 in bail payments not being transferred into the civil office bank account for over three months after the date of receipt and an unidentified balance in the civil office bank account of \$2,567. Lastly, the Department's computer system allowed for the ability to modify and delete financial transactions, creating the opportunity for the manipulation and concealment of transactions. The Department's failure to adhere to established internal controls over bail and civil office cash receipts and disbursements and Department officials' lack of oversight increases the risk that Department moneys could be misused without timely detection or correction.

Segregation of Duties

An effective system of internal controls requires the separation of duties so that no single individual controls most or all phases of a transaction and so that the work of one individual is verified by that of another in the course of their regular duties. For example, the same person should not collect cash, record cash receipts, disburse checks,

³ The Sheriff stated that the money-handling policy was established based on a recommendation that we made while performing an on-site risk assessment at the Department during January 2012.

and prepare bank reconciliations. When an optimal segregation of duties is not practical, it is important that Department officials implement other mitigating controls, such as increased supervisory oversight and reviews.

We found a lack of segregation of duties over bail and civil office cash receipts and disbursements. The civil clerk was responsible for handling bail that was remitted to the civil office for deposit, collecting civil office cash receipts, issuing manual receipts, recording receipts in the civil office computer system, preparing deposits, printing and signing checks with the Sheriff's signature stamp, and preparing bank reconciliations with only minimal oversight.

The Department established a money-handling policy in April 2012, which included additional oversight procedures, such as the Sheriff, Undersheriff, or Chief Deputy reviewing and signing monthly check registers containing civil office disbursements prior to the checks being disbursed and a second Department employee verifying and initialing bank reconciliations. However, we found that the oversight procedures were not properly adhered to. For example, the monthly check registers for August and September 2012 were not reviewed and signed by the Sheriff, Undersheriff, or Chief Deputy. As a result, there continued to be a lack of segregation of duties over bail and civil office cash receipts and disbursements without sufficient mitigating controls.

Concentrating key cash receipts and disbursements duties with one individual weakens internal controls and significantly increases the risk that errors and/or irregularities might occur and go undetected and uncorrected. The lack of proper oversight by Department officials further increases the potential for fraud and abuse.

Cash Receipts

Effective controls over cash receipts require Department officials to supervise employees who handle moneys and ensure that all press-numbered receipts are issued in sequence and accounted for, and that all such receipts issued are properly recorded in a cash receipts ledger, retained, periodically compared to the amounts recorded in the financial records and actually deposited in the bank. In addition, the Department should properly secure all moneys received and deposit them in the bank daily or as soon as possible.

Bail Receipts – Bail is only collected by correction officers in the jail even if the civil office is open. Correction officers issue manual duplicate, press-numbered receipts for each individual bail payment collected. Bail is often in the form of cash and individual bail payments range from \$100 to more than \$10,000. The bail received is locked in a safe in the supervisor's office until it is remitted to the

civil office for deposit. However, we found that at least nine Sheriff's Department employees have access to the safe.

We examined all issued bail receipts during our audit period and found that they were not issued in sequence. For example, press-numbered receipts 492259, 492260, and 492261 were issued on June 10, October 25 and June 23, 2011, respectively. In addition, once correction officers issued all receipts from a receipt book, they used another receipt book that did not continue the sequential numbering of receipts. Furthermore, correction officers took a receipt book from the civil clerk in the civil office that she had been using to issue receipts for civil office cash receipts, without her knowledge, and then used it to issue the remaining receipts for bail payments that were collected. When receipts are not issued in sequential order, there is an increased risk that fraud or concealment could occur and remain undetected.

The Department established a money-handling policy in April 2012, which outlines that receipts that are issued for bail should be signed by one officer and initialed by another officer to improve the oversight of bail collections. However, we examined all 48 issued bail receipts for the period May 1, 2012 through September 30, 2012 and found that 39 of the 48 receipts were not signed by an officer and initialed by another officer. As a result, there was a lack of oversight of bail receipts and the Department was not in compliance with the money-handling policy.

We also reviewed a sample of 50 bail cash receipts⁴ totaling \$67,840 that were received during our audit period to verify that they were accurately accounted for in the computer system and deposited timely. We found that all 50 bail cash receipts were accurately accounted for in the computer system and the same amounts deposited. However, 21 of the 50 bail cash receipts totaling \$32,500 were deposited more than five days after receipt. For example, a bail cash payment totaling \$500 that was received on August 10, 2012 was not deposited until 14 days later on August 24, 2012. This occurred even though the Department's money-handling policy stipulates that bail will be remitted to the civil office the next business day and deposited. When cash is not deposited promptly, it is subject to increased risk of loss or misuse.

Unless Department officials improve their oversight and Department employees perform their duties in accordance with the Department's policy, there is an increased likelihood that errors and irregularities could occur and remain undetected and that bail cash receipts could be lost or misused.

⁴ Our judgmental sample consisted of selecting bail cash receipts that were received in the form of cash and were received throughout our audit period.

Civil Office Receipts – Civil office cash receipts are received through the mail and in person at the civil office by the civil clerk and the civil deputy. The civil clerk and civil deputy issue manual duplicate, press-numbered receipts and assign a receipt within the civil office computer system for payments that are received in person at the civil office, while payments that are received through the mail are only assigned a receipt within the computer system, not a manual receipt. The civil clerk prepares the deposits for the civil office cash receipts which the civil deputy deposits. However, we found that cash receipts related to service of process⁵ fees are not physically safeguarded because they are stored in an unlocked file cabinet in the civil office until they are deposited, and, therefore, are readily accessible to all Department employees that have access to the civil office.

We examined all manual-issued civil office receipts during our audit period and found that the receipts were not issued in sequence and were not issued for all payments that were received in person at the civil office. Specifically, we found that there were only three receipts⁶ issued between February 8, 2011 through March 11, 2011 and 67 receipts⁷ issued from July 25, 2011 through September 30, 2012. The civil office employees did not have an explanation as to why manual receipts were not issued during the period January 1, 2011 through February 7, 2011. However, manual receipts were not issued for cash receipts during the period March 12, 2011 through July 24, 2011 because when the civil clerk realized that the civil office receipt book was missing, she ordered additional receipt books instead of obtaining them from the County. This resulted in an extended lapse in time between manual receipts being issued. When press-numbered receipts are not issued in sequence and for all cash collections, there is an increased risk that fraud or concealment could occur and remain undetected.

We also reviewed a sample of 50 civil office cash receipts,⁸ totaling \$2,347, that were received during our audit period to verify that they were accurately accounted for in the computer system and deposited timely. We found that four of the 50 civil office cash receipts totaling \$197 were not recorded in the computer system or deposited because the civil office does not record cash receipts related to service of process fees in the computer system or deposit them until the service has been completed. We obtained corresponding documentation related to these four cash receipts that indicated that the services were

⁵ Civil fees are charged by the civil office for service of process, which includes, but is not limited to, serving a summons, subpoena, or eviction notice.

⁶ Receipts numbered 492222, 492223 and 492224

⁷ Receipts numbered 642801 through 642867

⁸ Our judgmental sample consisted of selecting civil office cash receipts that were received in the form of cash and were received throughout our audit period.

not completed and that the cash receipts were returned to the payee. However, we also found that 39 of the 46 civil office cash receipts totaling \$1,777 were deposited more than five days after receipt. For example, a civil fee cash payment totaling \$126 that was received on August 6, 2012 was not deposited until 24 days later on August 30, 2012. When cash is not deposited promptly, it is subject to increased risk of loss or misuse.

During our review of civil office cash receipts we found a letter from the bank dated August 2012 that was sent to the Sheriff and indicated that 18 checks totaling \$15,431 cleared the bank on August 6, 2012, but that the bank account did not have sufficient funds, resulting in an overdraft of \$6,184. We determined that this resulted because the civil clerk had prepared five deposit slips dated July 27, 2012 through July 31, 2012 totaling \$19,805, but the deposits were not made until August 7, 2012.

This further illustrates Department officials' lack of oversight and Department employees' failure to deposit cash receipts in a timely manner. Department officials' failure to effectively oversee civil office cash collections provides little or no assurance that cash receipts are properly accounted for and increases the risk that such moneys could be used for purposes other than as intended.

Cash Disbursements

Effective controls over cash disbursements are vital to prevent unauthorized payments and misused funds. The Sheriff is the official responsible for signing checks and, as such, the Sheriff plays a critical role in the cash disbursement process. The Sheriff must ensure that all disbursements of moneys are made by checks signed by himself or, in his absence, by the Undersheriff. In addition, the Sheriff must control the use of checks and account for all checks, whether they are issued, voided, or unissued.

The Department had not established an adequate system of internal controls over disbursements. We found that the Sheriff did not maintain adequate control over his signature stamp. The civil clerk affixes the Sheriff's signature to computer-generated Department checks with a rubber signature stamp, without the Sheriff's direct oversight or review. In addition, the Sheriff's signature stamp and blank check stock are not physically safeguarded because they are stored in an unlocked desk drawer in the civil clerk's desk. Therefore, the stamp and check stock are readily accessible to all employees of the Sheriff's Department that have access to the civil office.

Due to these control weaknesses, we reviewed a sample of 50 checks⁹ totaling \$99,308 that were issued during our audit period to verify that they were properly supported, accurately recorded in the cash disbursement records, and for appropriate purposes. In addition, we reviewed a sample of 20 overpayments¹⁰ totaling \$2,057 and a sample of 50 payments¹¹ totaling \$3,512 that were received through income executions to verify that they were disbursed to the appropriate party. We also scanned a sample of 200 canceled checks¹² to verify that they were issued in sequence and could be accounted for. We identified one minor exception based on our testing, which we discussed with Department officials.

The use of a signature stamp and the lack of physical safeguards over it and blank check stock significantly increases the risk that someone could sign and issue unauthorized checks. In addition, the lack of controls over cash disbursements does not provide complete assurance that signed checks are produced for only legitimate purposes and are properly disbursed.

Bank Reconciliations

The reconciliation of bank account balances to a cash control register¹³ is an essential control activity. This process allows for the timely identification and documentation of differences between the Department's and the bank's cash balances. Bank reconciliations provide a unique opportunity for an internal verification of cash receipt and disbursement transactions. Without accurate and complete bank reconciliations performed or reviewed by an individual independent of the cash-custody function, Department officials cannot have a reasonable level of assurance that the accounting records are correct or that moneys are accounted for properly.

The civil clerk received the bank statements and reconciled the bank account¹⁴ without any oversight or review by Department officials through January 31, 2012. Although the civil deputy did initial the civil clerk's bank reconciliations for the months of February 2012

⁹ Our judgmental sample consisted of selecting two issued checks from 13 of the months during our audit period and three issued checks from the other eight months during our audit period.

¹⁰ Our judgmental sample consisted of selecting one overpayment from 20 of the 21 months during our audit period.

¹¹ Our judgmental sample consisted of starting with the first recorded payment that was received through an income execution and then selecting every 165th recorded payment during our audit period.

¹² Our judgmental sample consisted of selecting a check that was issued during our audit period as our starting check and then selecting the next 199 checks in numerical sequence.

¹³ A list of deposits and disbursements that provides a running total of cash on deposit

¹⁴ The Sheriff's Department civil office maintains one bank account, which is used to make deposits and disbursements for both bail and civil office cash receipts.

through September 2012, he told us that he was not sure what he should be looking for during his review, and that his initials just signified that he had looked at the civil clerk's bank reconciliations. This is made evident by the fact that the civil deputy initialed the civil clerk's bank reconciliation for the month of March 2012 with a recorded adjusted bank balance of a negative \$39,435.

As a result of these weaknesses, we reviewed a sample of four months of bank reconciliations,¹⁵ prepared during our audit period, to verify that they agreed with a cash control register. We found that the civil clerk improperly reconciled the bank account for all four months, with the largest variance being the adjusted bank balance being understated by \$41,992 during the month of March 2012. These errors resulted because of the civil clerk did not properly calculate the amount of the outstanding checks and/or made unnecessary adjustments for bail that was deposited in the previous month and disbursed during the current month.

We also found that \$550 of the \$4,405 amount that was recorded as deposits in transit in the bank reconciliation for the month of September 2012 was for two bail payments that were made with credit cards on September 21, 2012 but were not deposited into the bank account during the subsequent month. As of January 4, 2013, Department employees had not approved the transactions so that they would be transferred into the bank account by the third-party credit card processor. In addition, a \$1,500 bail payment that was received on September 26, 2012 had not been approved. As a result, bail payments totaling \$2,050 that had been disbursed to local courts during the months of September and October 2012 had not been transferred into the civil office bank account as of January 4, 2013. These oversight errors would have been detected by the civil clerk if she had prepared a bank reconciliation for the month of October 2012 in a timely manner. However, as of January 4, 2013, the civil clerk had not prepared bank reconciliations for the months of October, November, and December 2012.

In addition, we found that the civil clerk did not maintain a cash control register containing a running total of cash on deposit, but instead only maintained separate monthly check registers that included the deposits and disbursements that were made each month. Therefore, the civil clerk could not prepare a proper monthly bank reconciliation because she could not compare the adjusted bank balance to a book balance to ensure that they were in agreement. Consequently, Department officials were not aware that the bank account contained an unidentified balance of \$2,567 as of September 30, 2012.

¹⁵ Our judgmental sample consisted of selecting the bank reconciliation for the month of March 2011 and then selecting every 6th month's bank reconciliation during our audit period (September 2011, March 2012, and September 2012).

The civil clerk's failure to properly and timely reconcile the civil office bank account has resulted in employee errors that were not detected and corrected in a timely manner and an unidentified balance in the bank account. In addition, the failure to properly prepare and lack of oversight of bank reconciliations increases the Department's exposure to the possibility of fraud, abuse, and professional misconduct.

Computerized Financial System

County officials are responsible for ensuring that appropriate computer systems are in place to adequately track and report cash receipts and disbursements. Effective user controls ensure that transactions are properly authorized and help identify errors or irregularities. One such control is an audit trail, which is a computer-generated record of any change or transaction made in the system. An audit trail enables management to determine when an entry was made and what it entailed, and establishes individual accountability by identifying the associated user account.

The Department uses a computer program that was created in-house by the County's Information Technology (IT) Department in 2000. We identified numerous deficiencies in the computer system that significantly weakened internal controls over receipts and disbursements. For example, the civil clerk and civil deputy had the ability to both modify receipt amounts and dates and delete receipts once they were posted, with no automated controls requiring authorization. In addition, the computer system does not have the capability of generating audit trail reports that record all changes or transactions made on the system. However, the system is able to generate reports that list any receipts that were deleted. Nonetheless, we found that these reports were not generated, reviewed, and approved by someone independent of the individuals that deleted the receipts.

As a result, we reviewed a sample of 25 receipts¹⁶ totaling \$11,662 that were deleted from the computer system during our audit period to verify that they were for appropriate purposes. We did not identify any exceptions.

Although our testing¹⁷ did not disclose any discrepancies, the ability to modify and delete financial transactions within the computer system and the lack of an adequate audit trail creates the opportunity for the manipulation and concealment of transactions, which significantly increases the risk that fraud could occur and go undetected.

¹⁶ Our judgmental sample consisted of starting with the first recorded deleted receipt and selecting every 3rd recorded deleted receipt during our audit period.

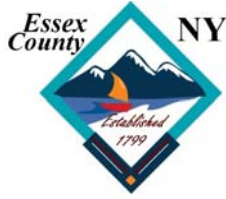
¹⁷ Our testing also included a review of 50 bail and 50 civil office cash receipts to verify that they were accurately accounted for in the computer system, which was included in the report section entitled "Cash Receipts."

Recommendations

1. The Sheriff and Department officials should ensure that cash receipts are maintained and disbursements are made in accordance with the Sheriff's Department's money-handling policy.
2. The Sheriff and Department officials should segregate cash receipts and disbursement duties. Where it is not practicable to segregate duties, the Sheriff and Department officials should establish appropriate mitigating controls, such as increased supervisory oversight and reviews.
3. The Sheriff and Department officials should ensure that duplicate, press-numbered receipts are issued in sequence for all bail payments that are received at the jail and all civil office payments that are received in person at the civil office.
4. The Sheriff and Department officials should ensure that bail and civil office cash receipts that are collected are physically safeguarded, accessible to only authorized employees, and deposited timely.
5. The Sheriff should maintain control of his signature stamp, directly oversee the signature process for all Department checks, and ensure that blank check stock is only accessible to individuals that are authorized to sign checks.
6. The Sheriff should assign someone independent of the cash receipts and disbursement functions to perform accurate and timely monthly bank reconciliations and ensure that any differences disclosed by the reconciliation process are promptly identified and resolved.
7. The civil clerk should maintain a cash control register containing a list of deposits and disbursements and a running total of cash on deposit.
8. Department officials should attempt to identify the source of the unidentified balance in the civil office bank account. If Department officials cannot identify the source of the balance, they should consult with the County Attorney on how to dispose of the moneys.
9. The County Manager and Sheriff should ensure that the Department's computerized financial system is updated to prevent the modification and deletion of financial transactions and to provide for adequate audit trail reports.

APPENDIX A
RESPONSE FROM LOCAL OFFICIALS

The local officials' response to this audit can be found on the following page.



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April 11, 2013

Jeffrey P. Leonard, Chief Examiner
Office of the State Comptroller
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Dear Mr. Leonard:

Please accept this letter as Essex County's response to the report entitled "**Essex County Sheriff's Office Internal Controls Over Cash Receipts and Disbursements**" 2013M-35.

We appreciate the opportunity to have financial specialists review our operations and give direction on how we can improve. The numerous and varied situations whereby our personnel handle money along with the limited number of people in certain offices often create situations where unique protocols must be created to ensure both an complete audit trail and accurate handling of these funds.

The review reflected the result that all monies handled: bail, fine, civil collections, service fees, inmate monies, and so on were all appropriately held and turned over to their rightful end status. Despite this, we do have some procedural issues that your audit uncovered and we have developed a plan to address these issues.

As we discussed during our exit conference, we generally concurred with your findings and recommendations and have established a plan to implement your recommendations into everyday practice. The Corrective Action Plan (CAP) required under Section 35 of the General Municipal Law will be filed within the 90 day period and will more specifically address the findings and recommendations of the audit and provide a progress report of the changes implemented in response to the audit.

We are committed to an agency of professionalism and accuracy and as such, your recommendations are invaluable to working to that goal.

Sincerely yours,

Daniel L. Palmer
Essex County Manager

cc: Michael Diskin, County Treasurer
Richard Cutting, County Sheriff
Randall Douglas, Chairman of the Board

APPENDIX B

AUDIT METHODOLOGY AND STANDARDS

Our overall goal was to assess the adequacy of the Department's internal controls over cash receipts and disbursements for the period January 1, 2011 to September 30, 2012. To accomplish this, we performed an initial assessment of the Department's internal controls so that we could design our audit to focus on those areas most at risk. During the initial assessment, we interviewed County and Department officials, performed limited tests of transactions, and reviewed pertinent documents such as Department policies and financial records and reports. After reviewing the information gathered during our initial assessment, we determined where weaknesses existed and evaluated those weaknesses as related to our objective.

To accomplish our audit objective and obtain relevant audit evidence, our procedures included the following:

- We interviewed the Sheriff, Department officials and employees and reviewed Department policies and various financial records and reports related to Department cash receipts and disbursements to gain an understanding of the internal controls over bail and civil office cash receipts and disbursements, and any associated effects of deficiencies in those controls.
- We physically inspected the location of bail and civil office cash receipts prior to deposit to verify that they were safeguarded and accessible to only authorized employees.
- We examined all issued bail receipts during our audit period to verify that they were issued in sequence.
- We examined all 48 issued bail receipts for the period May 1, 2012 through September 30, 2012 to verify that they were signed by one officer and initialed by another officer, in accordance with the Sheriff's money-handling policy that became effective during the month of April 2012.
- We reviewed a judgmental sample of 50 bail cash receipts that were received during our audit period to verify that they were accurately accounted for in the computer system and deposited timely.
- We examined all manual-issued civil office receipts during our audit period to verify that they were issued in sequence and were issued for all payments that were received in person at the civil office.
- We reviewed a judgmental sample of 50 civil office cash receipts that were received during our audit period to verify that they were accurately accounted for in the computer system and deposited timely.
- We physically inspected the location of blank check stock to verify that it was safeguarded and accessible to only individuals that are authorized to sign checks. We also physically inspected

the location of the Sheriff's signature stamp to verify that it was safeguarded and under the Sheriff's control.

- We reviewed a judgmental sample of 50 checks that were issued during our audit period to verify that they were properly supported, accurately recorded in the cash disbursement records, and for appropriate purposes.
- We reviewed a judgmental sample of 20 overpayments and a non-biased judgmental sample of 50 payments that were received through income executions to verify that they were disbursed to the appropriate party.
- We scanned a judgmental sample of 200 canceled checks to verify that they were issued in sequence and could be accounted for.
- We reviewed a judgmental sample of four months of bank reconciliations that were prepared during our audit period to verify that they agreed with a cash control register.
- We interviewed the civil clerk and a senior computer program analyst in the IT Department. We also inspected and observed financial transactions in the computer system.
- We reviewed a judgmental sample of 25 receipts that were deleted from the computer system during our audit period to verify that they were for appropriate purposes.

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

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