



**Date:** 9/4/2019

**Purpose:** This audit is performed annually at the request of the Sheriff to ensure that proper internal controls are in place and procedures are being followed.

**Interviewed:** Julianna Lake – Account Clerk  
Cindy Tyler – Account Clerk  
Lt. Matt Ryndock

**Examined:** 1/1/18-12/31/18 Daily Cash receipt logs, cash receipt books, January 2018-December 2018 Bank Statements, and general internal control questions.

**Previous Internal Audit Recommendations:** All previous internal audit recommendations have been sufficiently addressed.

**Program:**

**Bank Statement Reconciliations:**

Bank Statements were tested to ensure that all transactions on the bank statement were supported with proper documentation. The months of January, April, July, and November were selected for a detailed review tracing deposits to deposit slips and checks to check stubs with the bank statement. All bank reconciliations that were reviewed were both signed and dated by three employees.

January: No issues found

April: No issues found

July: No issues found

November: No issues found

**Cash Receipt Books:**

Cash receipt books were selected at random to review receipts for the following; date, whom the funds were received from/for, amount, account type (i.e. income execution (most common)), method of payment, and a signature. The Civil Office uses pre-printed, triplicate, pre-numbered cash, and carbon copy cash receipts. A total of nine receipt books were reviewed for compliance. Below is a list of receipt books reviewed in detail and any findings:

- Book #11651-11700
- Book #11701-11750
- Book #11851-11900
  - 11888; the date on the receipt is incomplete, it just states "4."
- Book #12001-12050
  - 12011; a method of payment was not selected
  - 12012; all three parts of the receipt were missing
- Book #12201-12250
  - 12206; no payment method was recorded
- Book #12351-12400
- Book #12401-12450
- Book #12701-12750
  - 12723; no white or yellow copy with voided receipt, only pink copy
- Book #12751-12800

### **Daily Receipt Journals**

For the period of 1/1/18 – 12/31/18 a random selection of 15 days journals were pulled and reviewed for the following: supporting check stubs or check information and the yellow portion of the cash receipt were with the receipt journal and matched the journal. All of the daily receipt journals that were reviewed had one signature, unless noted below. Below is a list of the days selected and any findings:

- 1/17/2018
- 3/1/2018
- 3/15/2018
- 3/21/2018
- 4/11/2018
- 4/23/2018
- 5/18/2018
- 6/20/2018 – two signatures
- 7/10/2018
- 8/3/2018
- 8/29/2018
- 9/19/2018 - two signatures
- 10/16/2018 – no signatures, just dated
- 11/29/2018 – two signatures
- 12/19/2018

### **Internal Control Summary**

It was determined that both clerks collect cash and checks received through the window and by mail. All cash and checks received through the window are receipted using the receipt books previously described. A receipt is not created for payments that arrive by mail. Lt. Ryndock has electronic access to the bank account and retrieves electronic copies of the bank statements at the end of each month. Julianna prepares the bank reconciliation after receiving the bank statement from Lieutenant Ryndock. Julianna, Cindy and Lt. Ryndock, all sign and date the bank statement after reconciliation. Julianna

prepares the disbursements for all funds received by the Civil Office. One check run a month is done with approximately 100 - 115 checks in it. Cindy prepares the daily deposit and it is signed off by either Lt. Ryndock, Deputy Montemorano, or Deputy Carr. The Civil Office does have its own bank account and a check is written once a month to transfer funds to the county for items such as poundage, mileage, and fees collected for Civil Office Services.

### **Recommendations**

- 1) Accounts clerks should ensure that the receipts are filled out entirely.
- 2) All payments should be receipted, including payments that are received by individuals in the mail. An audit by the New York State Comptroller's Office issued in May of 2019 of the Ontario County Sheriff's Department, Civil Division, states the following regarding a deficiency found in their office; "...Division staff do not prepare and send receipts to those individuals who mail payments as required by the manual and GML (General Municipal Law)."

### **Managements Response**

The following response was received in an email from Sheriff Virts dated 9/3/2019:

**In consulting with Lieutenant Ryndock, our response is in RED, Civil Audit 2019 Date: 8/30/2019 Purpose: This audit is performed annually at the request of the Sheriff to ensure that proper internal controls are in place and procedures are being followed.**

**Interviewed: Julianna Lake – Account Clerk Cindy Tyler – Account Clerk Lt. Matt Ryndock**

**Examined: 1/1/18-12/31/18 Daily Cash receipt logs, cash receipt books, January 2018- December 2018 Bank Statements, and general internal control questions.**

**Previous Internal Audit Recommendations: All previous internal audit recommendations have been sufficiently addressed.**

### **Program:**

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**November: No issues found**

**Cash Receipt Books: Cash receipt books were selected at random to review receipts for the following; date, whom the funds were received from/for, amount, account**

type (i.e. income execution (most common)), method of payment, and a signature. The Civil Office uses pre-printed, triplicate, pre-numbered cash, and carbon copy cash receipts. A total of nine receipt books were reviewed for compliance. Below is a list of receipt books reviewed in detail and any findings:

**Receipt book contains 50 receipts, each receipt has three (30 copies; top copy is white, next is yellow and the third is pink in color. White copy is issued to person making the payment, yellow copy goes with the payment to be used for the daily receipt journal, pink copy stays in the receipt book.**

**-Book #11651-11700**

**-Book #11701-11750**

**-Book #11851-11900**

**11888; the date on the receipt is incomplete, it just states "4." - Overlooked**

**-Book #12001-12050**

**12011; a method of payment was not selected - Overlooked**

**12012; all three parts of the receipt were missing - Upon examination of the Book in question in between the pink copies of # 12011 and 12013 there is only one white and only one yellow stub that is left after # 12013 was issued, where if 12012 had been issued there would be an additional white and yellow stub in there along with the pink receipt or at least the pink stub if all 3 copies for receipt # 12012 were taken out. Conclusion-# 12012 was missed during the printing process. The receipt book is on the shelf in a box in the Record's Office with the other used receipt books for 2018 for viewing.**

**-Book #12201-12250**

**12206; no payment method was recorded - Overlooked**

**-Book #12351-12400**

**-Book #12401-12450**

**-Book #12701-12750**

**12723; no white or yellow copy with voided receipt, only pink copy - Refer to receipt # 12751 and see copies of receipt #s 12723 and 12751, white copy of 12723 was given to the Matthew Wendler when he issued his check # 1069 for \$258.00 on 12/10/18, he then had to be invoiced for additional postage reference the eviction so his initial check # 1069 was voided and he gave a new check #1070 for \$271.34 on 12/20/18 and was issued the white copy for receipt # 12751. The yellow copies for 12723 and 12751 are stapled to each other in the daily receipt journal for 12/20/18.**

**-Book #12751-12800**

**Daily Receipt Journals For the period of 1/1/18 – 12/31/18 a random selection of 15 days journals were pulled and reviewed for the following: supporting check stubs or check information and the yellow portion of the cash receipt were with the receipt journal and matched the journal. All of the daily receipt journals that were reviewed had one signature, unless noted below. Below is a list of the days selected and any findings: Per previous recommendation if both are working, one senior account clerk posts the daily payments and the other prepares the daily deposit form and signs it. If only one senior account clerk is working then the signature of Lt. Ryndock in his absences a designee to sign off with the senior account clerk that is working alone that day.**

**1/17/2018**

3/1/2018  
3/15/2018  
3/21/2018  
4/11/2018  
4/23/2018  
5/18/2018  
6/20/2018 – two signatures  
7/10/2018  
8/3/2018  
8/29/2018  
9/19/2018 - two signatures  
10/16/2018 – no signatures, just dated **Overlooked**  
11/29/2018 – two signatures  
12/19/2018

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### **Recommendations**

1) Accounts clerks should ensure that the receipts are filled out entirely.

**Lt. Ryndock conducted refresher training on August 28 in regards to the procedure(s) for receiving payments with the Civil Office senior clerks, a copy of the attendance sheet and sheet depicting the proper procedures trained on has been completed.**

2) All payments should be receipted, including payments that are received by individuals in the mail. An audit by the New York State Comptroller's Office issued in May of 2019 of the Ontario County Sheriff's Department, Civil Division, states the following regarding a deficiency found in their office; "...Division staff do not prepare and send receipts to those individuals who mail payments as required by the manual and GML (General Municipal Law)."

**The Wayne County Office of the Sheriff Civil Manual (SOPs) does NOT require receipts to be sent to those individuals who mail payments, only those individuals that bring their payments into the Sheriff's Civil Office are issued a receipt and we**

**are in compliance with the law as one part that was not referenced in the GML (General Municipal Law) above as highlighted. The section of law referred to is:**

McKinney's General Municipal Law § 99-b

§ 99-b. Receipts for money received; records of money disbursed by check  
Currentness

1. Every public officer or employee who shall receive payment of money for or on behalf of any municipality, school district, public corporation or political subdivision of which he is an officer or employee shall, **where no other evidence satisfactory for purpose of audit is available**, issue a receipt to the person paying the same. He shall also retain a copy of such receipt, which receipt and copy or stub thereof shall be numbered consecutively. The receipt shall be in such form as the state comptroller, in the exercise of his supervision of municipal accounts, may approve.

**Evidence satisfactory for purpose of audit is available: When payments are received in the mail they are logged into the Soft Code System and a receipt # is assigned to them along with the date, check # (or listed as CASH if that is the case) , who it is received from , the Sheriff # , principal, interest, poundage, and if applicable, the county fees, 3<sup>rd</sup> party fees, refund and unapplied. The Judgment Receipt Report is printed out every business day and is included with the Daily Receipt Journal. A receipt can be automatically generated through Soft Code for each of these types of payments and are available upon request and sent to the individual upon their request if they are the one so named. Sending out receipts via the mail upon request we have no issue complying with that and do that as a regular course of business, but to do it for every payment received in the mail when not required by law, would take up time that is needed for other tasks, duties and functions, not to mention the increase cost incurred for postage, envelopes and paper. On average 350 payments a week received by mail. The rare instance that a person does send cash via mail we will issue a receipt and send that to them along with a note that states not to send cash via the mail in the future.**

**To process the 350 payments received weekly by mail and send a receipt will require an additional senior account clerk.**

**This Office relies on the Soft Code software as the “other evidence satisfactory for the purpose of audit” being available as explained above to cover mailed in payments, rather than hiring a third senior account clerk.**

**Please note the Wayne County Sheriff’s Civil Office is accredited by the New York State Sheriffs’ Association.**

Kristen Scott  
County Auditor  
9/4/2019

Heidi Kronbeck  
Internal Audit Clerk  
9/4/2019