



May 31, 2016

**Cash Handling Internal Control
and Process Assessment Results
for:**

Eau Claire County

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EXECUTIVE SUMMARY

CliftonLarsonAllen LLP (“CliftonLarsonAllen” or “CLA”) performed an Internal Control Assessment for Eau Claire County. The purpose of the assessment was to assess the design of processes related to receipting, review and document internal controls and provide recommendations to improve the internal control environment and associated risk.

The assessment was performed as a result of Eau Claire County Administration understanding the importance of a strong internal control environment and supporting the implementation of such a culture.

The Internal Control Assessment was performed from January 2016 to May 2016 in accordance with the timeline agreed to by Eau Claire County.

The assessment was performed by first gaining an understanding of the processes, risks, and internal controls surrounding the current state design. CLA interviewed individuals from the following functional/process areas:

- Treasurer’s Department
- Clerk of Court
- Planning and Development
- ADRC
- Human Services
- Parks
- Register of Deeds
- Sheriff (Separately reported due to sensitive and confidential nature of certain law enforcement activities)

CLA documented MS Word narratives for each of the above processes, identifying key internal controls throughout the processes. In addition, process walkthroughs were conducted with process owners to gain a better understanding of the processes.

Based on the interviews, process walkthroughs, and documented MS Word narratives identifying key controls, CLA developed this report to communicate and address the following:

- Observations identified.
- Recommendations and best practices.
- Ranking of priority.

Conclusion

The goal of the project is to strengthen the County’s internal control environment. As a result, we provide you all of our recommendations regardless of significance for your consideration. While a communication of this type is critical in nature, it should be noted that we found instances of current practice or procedure that we found commendable. We wish to express our appreciation for the courtesy and cooperation extended to us during the course of our engagement.

OBJECTIVES AND SCOPE

The objective of the Internal Controls Assessment was to assist Eau Claire County with the following:

- Facilitate meetings with key staff and stakeholders to gain an understanding of the current state processes and internal controls.
- Evaluate the design of current state processes and internal controls to mitigate relevant risks (including people, process, and technology).
- Identify internal control improvement opportunities and provide recommendations.
- Propose future state changes that mitigate risk and better support internal controls.

The scope of the Internal Controls Assessment included the following functional areas / processes within Eau Claire County:

Functional Area	Detailed Coverage of Functional Area / Process
Treasurer	Collection of tax payments and monies from all other county departments, cash receipts processing, Accounts Receivable management/tax collections, revenue recognition, credit card receipts/electronic funds transfers, segregation of duties, scanning, document storage and retention, IT support of application
Clerk of Courts	Receipts processed through the Clerk of Courts office include, civil and criminal cases, traffic tickets, collecting all court fines and fees, receiving appellate petitions, conducting mortgage foreclosure sales, and securing evidence received by the court
Planning and Development	Collection of fees for permits, tree sales, recycling and public housing facilities
Parks	Collection of fees for county parks and campgrounds, timber sales and the Expo Center
ADRC	Collection of fees for Meals on Wheels program, congregate dining at multiple locations, adaptive equipment sales and rentals, exercise equipment sales, and fundraising.
Register of Deeds	Collection of fees for real estate and vital records transactions
Human Services	Collections of restitution, drug court fees, loan repayments, donations, etc. Additionally, Human Services is responsible for managing the inventory and disbursement of bus tokens, bus cards and gas cards

CONCLUSION

CLA identified the following observations and recommendations. The table provides a description of the control activity, our observation of your process and recommendations for improving controls in these areas.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Treasurer's Office	Individuals responsible for collecting cash and preparing the bank deposit should not have the ability to record transactions.	All Treasurers' office staff are authorized to receipt, record, deposit and reconcile which compromises the appropriate segregation of duties.	High	While cross training is essential so that all members of a team understand the full transaction cycle, separation of responsibilities is necessary. Separate individuals should receipt payments, make deposits and reconcile accounts.
Treasurer's Office	Secure undeposited cash and deposits in a vault or safe until they are deposited in the bank and restrict access to the vault or safe. Deposits are taken to the bank daily.	All Treasurers' office staff have access to the vault and cash cart compromising the security of the assets. Advance tax payments are held (not deposited) in the vault for an extended period of time until the tax bills are generated. Customers are provided a receipt (prenumbered and duplicated) and the receipts are locked in the vault. Typically very low dollar value until November timeframe at which time significant advance receipts may be held.	Low	The County has a policy on the maximum cash allowed to be held on hand. Consideration should be given to the timeliness of cash deposits.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Treasurer's Office	Assign individual user login credentials and cash drawers.	A single system login and a shared cash drawer are used at the Treasurer's window.	High	Separate cash drawers should be used for each employee so that the integrity of the cash over/under is maintained by person. Likewise, shared login credentials should be eliminated and replaced by credentials unique to each individual. Both of these controls mitigate the risk of fraud and provide a trail to identify misappropriation or error.
Treasurer's Office	A receipt is provided to the taxpayer that indicates the date, amount paid and the payment type. Cash, checks and credit card slips are placed in the cash drawer and checks are restrictively endorsed prior to placing them in the drawer.	Checks are not restrictively endorsed.	High	All checks received should be restrictively endorsed immediately upon receipt. This will limit the ability for the checks to be cashed or transferred to another party.
Treasurer's Office	Collectors should not accept checks for over the amount due.	Checks over the amount of tax due are accepted and the difference is refunded in cash for counter transactions. The County does have a written policy for overpayments but it doesn't specify a dollar limit.	Low	Overpayments should be discouraged and there should be a policy to limit the amount of overpayment accepted in order to mitigate the risks of check laundering scheme.
Treasurer's Office	The individual authorized to record transactions should not be authorized to process void transactions or write-off balances in the ACS system.	The Treasurer, Office Manager and two Fiscal Associates are authorized to void transactions. While voids are reviewed during the daily reconciliation process, there is no formal review and approval required or documented.	High	A process should be implemented to account for all void and write-off activity. Documented approval of all voids by someone outside of the Treasurer's department should be required.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Treasurer's Office	Deposits received from the various departments should be counted in the presence of department staff. Department deposits should be counted, recorded and deposited by separate individuals.	Funds received from departments are not counted in the presence of a department representative. Funds can be counted, recorded and deposited by the same Treasurer's department staff.	Moderate	Transporting deposits between departments should be scheduled to the extent possible to ensure staff availability and to avoid peak traffic times in the Treasurer's office. Upon delivery, a cash count should be performed and documented through dual signature.
Treasurer's Office	Counter staff conduct an end of day count of the cash drawer prior to securing it in the safe.	The cash drawer is not counted by the counter staff at the end of the day. The drawer is placed in the vault and counted by the Treasurer or Office Manager the following morning.	High	Uncounted funds left unattended over a period of time allow the opportunity for misappropriation. Modification of window or office hours may be needed to allow sufficient time at the end of the day to perform cash counts.
Treasurer's Office	Staff roles and responsibilities.	No defined rotation of responsibilities or temporary transition of duties resulting from mandated vacations.	Moderate	Policies and procedures should incorporate periodic rotation of responsibilities to mitigate the risks associated with certain fraud schemes. Rotation and or mandatory vacation periods should be required for any staff entrusted with cash handling. Random vault cash counts could be performed by personnel from other departments. Delinquent taxes can periodically be reviewed and reconciled by Finance.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Treasurer's Office	Physical controls and monitoring.	The Treasurer's office counter and vault are substantial cash handling locations. Currently, these locations are not properly covered by surveillance equipment	High	<p>Video surveillance is a very effective fraud preventive control that is used extensively in high transaction industries such as retail and banking. The Treasurer's office handles a significant volume of cash and therefore, should be monitored adequately.</p> <p>At lower volume cash collection sites, consider imitation surveillance as a lower cost alternative. The mere presence of a camera is an effective mitigating control.</p>
Treasurer's Office	Training provided and required for all cash handling personnel.	The County does not have a formal training program for personnel with cash handling responsibilities. As a result, cash handling procedures differ between departments.	Moderate	<p>Cash handling training should be provided as part of the on-boarding process and required periodically throughout employment. Formalizing the training will also help the County develop a consistent approach to cash handling across all departments.</p> <p>Update: A two hour training session is being provided on May 19th and recorded for future use.</p>

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Treasurer's Office	Reconciling delinquent taxes to the general ledger.	Delinquent taxes historically haven't been adjusted until after year-end and the supporting documentation for the related journal entry does not contain sufficient detail.	High	Progress in this area has already been made. Delinquent taxes can be adjusted as early as September 1 st each year at the time when the sale book is run. The related entry should be supported by detail documentation.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Planning and Development	Individuals responsible for collecting cash and preparing the bank deposit should not have the ability to record transactions.	Planning and Development staff are authorized to receipt, record, deposit and reconcile which compromises the appropriate segregation of duties.	High	While cross training is essential so that all members of a team understand the full transaction cycle, separation of responsibilities is necessary. Separate individuals should receipt payments, make deposits and reconcile accounts.
Planning and Development	Secure undeposited cash and deposits in a vault or safe until they are deposited in the bank and restrict access to the vault or safe. Deposits are taken to the bank daily.	Cash and checks remain in the cash drawer until deposited to the bank every two weeks.	Moderate	Consider the timeliness of bank deposits.
Planning and Development	Assign individual user login credentials and cash drawers.	A single cash drawer is shared by all users.	High	Separate cash drawers should be used for each employee so that the integrity of the cash over/under is maintained by person. Likewise, shared login credentials should be eliminated and replaced by credentials unique to each individual. Both of these controls mitigate the risk of fraud and provide a trail to identify misappropriation or error.
Planning and Development	A receipt is provided that indicates the date, amount paid and the payment type. Cash, checks and credit card slips are placed in the cash drawer and checks are restrictively endorsed prior to placing them in the drawer.	Checks are not restrictively endorsed.	High	All checks received should be restrictively endorsed immediately upon receipt. This will limit the ability for the checks to be cashed or transferred to another party.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Planning and Development	Mail is opened by an individual other than the person responsible for recording the transactions and making the bank deposit. The individual authorized to record transactions should not be authorized to process void transactions or write-off's. A person independent of the receipting process should provide the reconciliation.	The Administrative Specialists open the mail and process receipts. Additionally, mail addressed to specific individuals is not opened, which leads to checks being distributed to various staff members.	Moderate	Consider having a person independent to the receipting process open the mail and log checks and cash prior to distributing.
Planning and Development	Counter staff conduct an end of day count of the cash drawer and prepare a bank deposit daily.	Deposits are made twice per month and funds remain in the cash drawer until delivered to the Treasurer for deposit to the bank. The bank deposit is prepared and reviewed by those responsible for receiving and recording receipts.	High	Consider the timeliness of bank deposits. Additionally, deposits should be prepared by an individual independent of the receipting process.
Planning and Development	The individual authorized to record transactions should not be authorized to process voids.	The Administrative Specialists are authorized to process voids, however, there is a policy that requires that they not process voids on transactions that they initiated.	High	A process should be implemented to account for all void and write-off activity to include documented approval of all voids.
Planning and Development	Receipts are reconciled by someone independent of the receipting process.	The Administrative Specialist III is responsible for reconciling the cash register.	High	Develop a policy that requires that a person independent of the receipting process prepare the reconciliation.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Planning and Development	User Security is managed by someone independent of the receipting process.	The Administrative Specialists are responsible for setting up new users and assigning permissions.	High	Develop a policy that requires that a person independent of the receipting and reconciling process manage users and permissions (possibly the Director or IT).
Recycling - Planning and Development	Adequate controls are in place to ensure that the county is receiving the appropriate funds for curbside pickup.	No formal process exists to ensure that the haulers are billing and remitting the correct amount due the County.	Moderate	Implement a formal policy to regularly audit the billings and receipts from the haulers. Modify the reporting process from the haulers to include more detailed information to accompany receipts.
Housing – Planning and Development	Individuals responsible for collecting cash and preparing the bank deposit should not have the ability to record transactions or prepare reconciliations.	Housing Authority staff are authorized to receipt, record, deposit and reconcile which compromises the appropriate segregation of duties.	High	While cross training is essential so that all members of a team understand the full transaction cycle, separation of responsibilities is necessary. Separate individuals should receipt payments, make deposits and reconcile accounts.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Clerk of Courts	The individual authorized to record receipt transactions should not be authorized to process void transactions or write-off's.	The Fiscal Clerks have access to void/modify transaction amounts. The current system has a function that allows user to reset the assessed fees to zero. All users currently have access to this feature.	High	<p>A process should be implemented to account for all void and write-off activity to include documented approval of all voids.</p> <p>Permissions should be modified to eliminate access to the "reset assessed fees to zero" feature.</p>
Clerk of Courts	A receipt is provided to the customer that indicates the date, amount paid and the payment type. Cash, checks and credit card slips are placed in the cash drawer and checks are restrictively endorsed prior to placing them in the drawer.	Checks are not restrictively endorsed.	Moderate	All checks received should be restrictively endorsed immediately upon receipt. This will limit the ability for the checks to be cashed or transferred to another party.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Clerk of Courts	Proper security of assets.	The Clerk of Courts staff has direct access to the vault in the Treasurer's office where they place their deposit for transport to the bank.	High	<p>Develop a policy that requires the Clerk's staff to deliver deposit to Treasurer's window as the other departments do.</p> <p>Video surveillance is a very effective fraud preventive control that is used extensively in high transaction industries such as retail and banking. The Treasurer's office handles a significant volume of cash and therefore, should be monitored adequately.</p> <p>At lower volume cash collection sites, consider imitation surveillance as a lower cost alternative. The mere presence of a camera is an effective mitigating control.</p>

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Parks	Individuals responsible for collecting cash and preparing the bank deposit should not have the ability to record transactions	<p>Parks staff are authorized to receipt, record, deposit and reconcile which compromises the appropriate segregation of duties.</p> <p>At the Coon Fork location, the Park Ranger receives payments, reconciles the cash register, prepares the bank deposit and delivers the deposit to the bank.</p>	High	While cross training is essential so that all members of a team understand the full transaction cycle, separation of responsibilities is necessary. Separate individuals should receipt payments, make deposits and reconcile accounts.
Parks	Secure undeposited cash and deposits in a vault or safe until they are deposited in the bank and restrict access to the vault or safe. Deposits are taken to the bank daily.	<p>Cash and checks that will not fit in the safe are kept in a locked office. Cash collected from the various park locations is held in a desk drawer until counted. It is not uncommon for this cash to be unsecured for several days.</p> <p>Deposits are made approximately every two weeks.</p> <p>Envelopes collected from the park locations are opened and counted in an area accessible to the public. It is not uncommon for the cash to be left unattended while assisting customers at the counter.</p>	High	<p>Consider the timeliness of bank deposits and a policy that requires deposits to be prepared in a secure location.</p> <p>Video surveillance is a very effective fraud preventive control that is used extensively in high transaction industries such as retail and banking. The Park's office handles a high volume of cash and therefore, should be monitored adequately.</p> <p>At lower volume cash collection sites, consider imitation surveillance as a lower cost alternative. The mere presence of a camera is an effective mitigating control.</p>

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Parks	Assign individual user login credentials and cash drawers.	The cash register being used at the Coon Fork location is shared by all staff. There are currently 4-5 individuals with access to the cash drawer.	High	Separate cash drawers should be used for each employee so that the integrity of the cash over/under is maintained by person. Likewise, shared login credentials should be eliminated and replaced by credentials unique to each individual. Both of these controls mitigate the risk of fraud and provide a trail to identify misappropriation or error.
Parks	A receipt is provided to the customer that indicates the date, amount paid and the payment type. Cash, checks and credit card slips are placed in the cash drawer and checks are restrictively endorsed prior to placing them in the drawer.	Checks are not restrictively endorsed at either the Coon Fork location or the main office.	Moderate	All checks received should be restrictively endorsed immediately upon receipt. This will limit the ability for the checks to be cashed or transferred to another party.
Parks	Mail is opened by an individual other than the person responsible for recording the transactions and making the bank deposit.	The Administrative specialist opens the mail, processes receipts and prepares the deposit.	High	Consider having a person independent to the receipting process open the mail and prepare a deposit log.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Parks	A collection process exists that ensures that collections from the campground lock boxes are not misappropriated.	Seasonal parks staff are responsible for collecting the receipts from the park lock boxes. There is no process in place to mitigate the misappropriation of these payments.	High	<p>Require at least two staff members be present when opening the lock box and recording the contents on a collection log.</p> <p>Replace the lock boxes with boxes that are interchangeable to allow the lock boxes to remain locked until received at the Parks office for processing. Require two individuals be present for opening and recording the funds received.</p>
Parks	The individual authorized to record transactions should not be authorized to process void transactions or write-off's.	<p>The Administrative Specialist and seasonal park staff are authorized to process voids.</p> <p>At Coon Fork, voids are noted on the reconciliation report from the cash register, however, there is no evidence that this information is being reviewed by someone independent of the receipting process.</p>	High	A process should be implemented to account for all void and write-off activity to include documented approval of all voids.
Parks	Receipts are reconciled by someone independent of the receipting process.	There is currently no independent reconciliation of receipts.	High	Develop a policy that requires a person independent of the receipting process prepare the reconciliation.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
ADRC	Secure undeposited cash and deposits in a vault or safe until they are deposited in the bank and restrict access to the vault or safe. Deposits are taken to the bank daily.	<p>Meal donations are placed in a locked box at the meal locations and deposited once per week. The locked box is kept in a locked closet during non-meal hours.</p> <p>ADRC receives payments for purchased products and rental equipment. The funds are kept in a locked cash bag in a drawer behind the counter.</p> <p>Additionally, cash and checks are received for rental deposits. These funds are kept in the ADRC office until the equipment is returned and are then returned to the customer. No bank deposit is made for rental deposit funds.</p> <p>Funds are collected by various individuals at fundraising events and placed in a locked box until transported to the ADRC office.</p>	High	<p>Consider the timeliness of bank deposits.</p> <p>Consider installing secured lock boxes at the meal locations. Currently, the locked box is set out on a table at meal time.</p>
ADRC	Individuals responsible for collecting cash and preparing the bank deposit should not have the ability to record transactions or prepare reconciliations.	ADRC staff are authorized to receipt, record, deposit and reconcile which compromises the appropriate segregation of duties.	High	While cross training is essential so that all members of a team understand the full transaction cycle, separation of responsibilities is necessary. Separate individuals should receipt payments, make deposits and reconcile accounts.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
ADRC	A receipt is provided to the customer that indicates the date, amount paid and the payment type. Cash, checks and credit card slips are placed in the cash bag and checks are restrictively endorsed prior to placing them in the bag.	Equipment sold during exercise classes is not tracked and no receipt is provided to the customer. Checks are not restrictively endorsed.	Moderate	A person other than the instructor should track the inventory of items for sale. A 3 part prenumbered receipt should be completed for these transactions with one copy to the customer, one copy attached to the payment, and one remaining in the receipt book.
ADRC	The individual authorized to record transactions should not be authorized to process void transactions or write-off's.	While certain staff members are designated as primary for processing specific types of transactions, the entire staff is authorized for all transactions.	High	A process should be implemented to account for all void and write-off activity to include documented approval of all voids.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Register of Deeds	Individuals responsible for collecting cash and preparing the bank deposit should not have the ability to record transactions or prepare reconciliations.	Register of Deeds staff are authorized to receipt, record, deposit and reconcile which compromises the appropriate segregation of duties.	High	While cross training is essential so that all members of a team understand the full transaction cycle, separation of responsibilities is necessary. Separate individuals should receipt payments, make deposits and reconcile accounts.
Register of Deeds	A receipt is provided to the customer that indicates the date, amount paid and the payment type. Cash, checks and credit card slips are placed in the cash drawer and checks are restrictively endorsed prior to placing them in the drawer.	For Real Estate transactions paid with cash, a hand written receipt is provided. These receipts are not pre-numbered. Checks are not restrictively endorsed.	Moderate	Begin providing a 3 part prenumbered receipt for any transactions not producing an automated receipt. All checks received should be restrictively endorsed immediately upon receipt. This will limit the ability for the checks to be cashed or transferred to another party.
Register of Deeds	Secure undeposited cash and deposits in a vault or safe until they are deposited in the bank and restrict access to the vault or safe. Deposits are taken to the bank daily.	Funds remain in an unlocked cash drawer until the deposit is made each morning. This cash drawer is left out on the desk overnight.	High	Consider making the daily deposit at the end of each day. Provide a safe or a secured cash drawer for funds to remain until they are delivered to the Treasurer. The current cash drawer can be easily picked up and moved.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Register of Deeds	Assign individual user login credentials and cash drawers.	There is currently one station for processing transactions through the AVID system. All staff are authorized to process transactions.	High	Separate cash drawers should be used for each employee so that the integrity of the cash over/under is maintained by person. Likewise, shared login credentials should be eliminated and replaced by credentials unique to each individual. Both of these controls mitigate the risk of fraud and provide a trail to identify misappropriation or error.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Human Services	Individuals responsible for collecting cash and preparing the bank deposit should not have the ability to record transactions or prepare reconciliations.	Human Services staff are authorized to receipt, record, deposit, and reconcile which compromises the appropriate segregation of duties.	High	While cross training is essential so that all members of a team understand the full transaction cycle, separation of responsibilities is necessary. Separate individuals should receipt payments, make deposits and reconcile accounts.
Human Services	A receipt is provided to the customer that indicates the date, amount paid and the payment type. Cash and checks are placed in a locked drawer and checks are restrictively endorsed prior to placing them in the drawer.	Checks are not restrictively endorsed. There are instances where staff will collect payments in the field for restitution, donations, etc. No receipt is provided for these payments.	High	All checks received should be restrictively endorsed immediately upon receipt. This will limit the ability for the checks to be cashed or transferred to another party. Funds should not be collected in the field by Human Services staff. Update: The Human Services Director is implementing a policy immediately that prohibits staff from taking payments in the field.
Human Services	Deposits are taken to the bank daily.	Deposits are prepared weekly by the Fiscal Associate II.	Moderate	Consider the timeliness of bank deposits.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Human Services	Secure undeposited cash, checks, bus tokens, bus cards and gas cards in a vault or safe until they are disbursed to clients or deposited in the bank. Restrict access to the vault or safe.	All Fiscal Associates (7) have access to the safe. With each transaction processed, the safe is opened to either place the receipts in the safe or remove the requested bus tokens, bus cards or gas cards. Payments are collected in the field by social workers for restitution, donations, etc. There is no documentation provided to the client, and the receipts remain with the Social Worker until he/she delivers the receipts to the Human Services department.	High	Consider providing cash drawers for the daily transactions. This would eliminate the need for frequent access to the safe and mitigate the risk of fraud and provide a trail to identify misappropriation or error. Funds should not be collected in the field by Human Services staff. Update: The Human Services Director is implementing a policy immediately that prohibits staff from taking payments in the field.
		Social Workers have a supply of bus tokens to provide to clients in emergency situations. The client must show proof of need (i.e. letter from employer, job interview, etc.).	Low	While these tokens are not secured, the risk of loss is fairly insignificant. Less than 100 tokens (\$1.10 per token) per year are disbursed in this manner.
Human Services	Assign individual user login credentials and cash drawers.	Funds received by all Fiscal Associates are placed in the safe immediately upon receipt. There is a shared cash drawer at reception.	High	Separate cash drawers should be used for each employee so that the integrity of the cash over/under is maintained by person. Likewise, shared login credentials should be eliminated and replaced by credentials unique to each individual. Both of these controls mitigate the risk of fraud and provide a trail to identify misappropriation or error.

Functional Area	Control Activity	Observation Description (Control Gap)	Priority	Recommendation
Human Services	Receipts are reconciled by someone independent of the receipting process.	The Fiscal Associate II responsible for the month end reconciliation is also responsible for preparing the weekly deposit and recording the transactions in QuickBooks against the client accounts.	High	There are currently 7 Fiscal Associates. Separate individuals should receipt payments, make deposits and reconcile accounts.
Human Services	The individual authorized to record transactions should not be authorized to process void transactions or write-off's.	While certain staff members are designated as primary for processing specific types of transactions, the entire staff is authorized for all transactions.	High	A process should be implemented to account for all void and write-off activity to include documented approval of all voids or write-off's.

Eau Claire County
Department of Administration
Corrective Action Form



Functional Area:

Control Gap

Recommendation

Actions Planned in Response to Control Gap

Official Responsible for Corrective Action Plan

Planned Completion Date for Corrective Action Plan

Description of On-going Monitoring Activities