Audit Department

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February 11, 2011

Mr. Don Burnette
Clark County Manager
500 South Grand Central Parkway, 6th Floor
Las Vegas, Nevada 89106

Dear Mr. Burnette:

Pursuant to Audit Department policy, we performed follow-up procedures on significant findings from the County Clerk's Office Marriage Bureau Division Audit dated December 7, 2009. This follow-up letter should be read in conjunction with the original audit. The follow-up procedures performed included interviews with responsible parties and an examination of related documentation. This follow-up engagement does not represent a complete re-examination of the Marriage Bureau Division Audit.

The auditor's role in follow-up reviews is to compile corrective actions taken from affected Department/Division management, assess whether these responses are adequate or not adequate to correct reported deficiencies, and relay those findings to management.

It is the Department/Division management's responsibility to decide if any appropriate action should be taken in response to reported audit findings. It is also their responsibility to assume the risk by not correcting a reported condition because of cost or other consideration.

The results of our follow-up review showed that as of January 31, 2011, of the seven recommendations to our findings, five (or 71 percent) were implemented, and two (or 29 percent) were not implemented. The recommendations not implemented related to the proper segregation of duties at the branch offices of the Marriage Bureau Division and the supervisor's end-of-shift cash verifications at the Marriage Commissioner's Office. It should be noted that the two recommendations that were not implemented were due mainly to staff shortages and budget constrains.

The assistance and cooperation of Clerk's Office staff is recognized and appreciated.

Sincerely,

/s/ Jeremiah P. Carroll II

Jeremiah P. Carroll II, CPA
Audit Director

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COUNTY CLERK'S OFFICE
MARRIAGE LICENSE BUREAU DIVISION AUDIT
FINDINGS, RECOMMENDATIONS, AND CORRECTIVE ACTION TAKEN
as of January 31, 2011

Ref	Audit Finding	Recommendation	Corrective Action Taken		
			Fully Implemented	Not Implemented	Other
Proper Segregation of Duties					
1	Inquiry from the Marriage Bureau Division and examination of daily AmCad reports disclosed that one part-time clerk is employed at the Henderson branch office, one part-time clerk is employed at the Mesquite branch office, and one part-time clerk and one full-time clerk are employed at the Laughlin branch office, but their shifts usually do not overlap. The clerk's responsibilities include entering daily transactions on the AmCad system, collecting, counting and verifying cash collected throughout the day, and depositing daily proceeds in the Clerk's Bank of America (BOA) account. Having one person handle cash transactions from beginning to end affects the proper safekeeping of assets and adequate segregation of duties. In addition, lack of adequate segregation of duties reduces assurance that the daily revenue collected is properly recorded and accounted for.	We recommend that the Clerk's Office re-evaluate the duties and responsibilities of the clerks at the branch offices of the Marriage Bureau to ensure proper safekeeping of assets and adequate segregation of duties.		**X(a)**	

Ref	Audit Finding	Recommendation	Corrective Action Taken		
			Fully Implemented	Not Implemented	Other
Accounting for Overages and Shortages					
2	Daily overages and shortages are not separately accounted for in the general ledger. Instead, the daily net overage or shortage is combined with the revenue fees that are collected and posted in revenue account 431100- Clerk's Civil Fee (also called Miscellaneous). Overages and shortages do not represent revenue for the Marriage License Bureau. As a result, they should not be comingled with any revenues and booked against a revenue account. When cash variances are combined with revenues, the true nature of the variances is diluted for reporting purposes.	Overages and shortages should be recorded using an over/short account, regardless of the amount.	**X**		
Marriage Commissioner's Office Sign					
3	Civil wedding ceremonies are performed in the Commissioner's Office during normal business hours for a fee of $50. One clerk is present at the office during each shift. The clerk is responsible for entering all applicable information pertaining to the performance of a wedding ceremony on the AmCad computer system. Further, the clerk is responsible for updating all necessary computer records and logs. In addition to the computer system, the Commissioner's Office keeps a notebook log. Each time a civil ceremony is performed; the groom and a witness are required to sign the notebook log to attest to the performance of the ceremony. Although a notebook log is utilized to keep track of the number of marriage ceremonies performed, the notebook can be moved around easily. In addition, the signing of the log depends solely on the clerk, since there is no sign alerting customers and witnesses of the existence of the log. As a result, the list of civil marriage ceremonies in the notebook log may not be complete.	We recommend that the Clerk's Office explore and evaluate the possibility of placing a sign to notify customers and witnesses that they have to sign the notebook log. We also recommend that the sign be permanently affixed and in clear view of the people entering the Marriage Commissioner's Office.	**X**		

Ref	Audit Finding	Recommendation	Corrective Action Taken		
			Fully Implemented	Not Implemented	Other
Marriage Commissioner's Office Cash Verifications					
4	At the end of his/her shift, a supervisor (or assistant supervisor) walks to the Commissioner's Office, opens the safe and reviews and reconciles all batch receipts containing cash to the corresponding system reports, forms and daily logs. The supervisor verifies that all batch receipts are accounted for, but he/she does not count the cash in each receipt. Once all batch receipts are accounted for and reconciled, the supervisor places them in a sealed plastic bag or a locked money bag. The bag is left in the safe in the Commissioner's Office. If a plastic bag is used, the bag is signed and dated by the supervisor or the assistant supervisor performing the reconciliation. In addition, the total amount of cash is noted on the bag. Even though the supervisor does not touch the cash in the batch receipts, he/she has access to the funds. If money were to be missing, it would be difficult to identify whether the clerk or the supervisor misplaced the funds.	We recommend that two individuals, a supervisor or assistant supervisor and the clerk present at the time, verify all batch receipts at the Commissioner's Office. We also recommend that the two individuals sign a count summary sheet attesting to the amount of the cash verified.		**X(a)**	

Ref	Audit Finding	Recommendation	Corrective Action Taken		
			Fully Implemented	Not Implemented	Other
Marriage License Downtown Office Cash Verifications					
5	At the Marriage License Downtown office, at the end of his/her shift, the supervisor for the shift prints a summary report and verifies and reconciles the paperwork and cash in his/her possession. The supervisor fills out a count summary sheet, listing a count of the bills by denomination. All the cash along with the summary count sheet are locked in a small plastic bag. The bag is placed in the Marriage License Bureau safe. The bags from all shifts are locked in the safe for the night. When only one individual counts and verifies a cash amount, the assurance that the cash is properly accounted for and recorded is impaired. Having two individuals count and verify the cash collected for a shift increases confidence that the cash is properly safeguarded and accounted.	We recommend that in addition to the supervisor, another individual count and confirm the amount of the cash for the shift. We also recommend that the two individuals performing the count sign the count summary sheet to attest to the amount of cash verified.	**X**		
Written Count/Deposit Procedures					
6	We reviewed the written daily count/deposit procedures of the Clerk's Office. We noted some inconsistencies between documented and implemented procedures. According to the written procedures, the safe located in the count room of the Clerk's Office contains two petty cash change banks for the Marriage License Bureau, one of $10,000 and one of $3,300. According to the actual procedures, the safe located in the count room of the Clerk's Office contains $13,000 petty cash change bank for the Marriage License Bureau. When written procedures are not updated to reflect current amounts, tasks may not be performed in a consistent manner among employees.	We recommend that the documented daily count-deposit procedures be updated to reflect current operations of the Marriage Bureau Division.	**X**		

Ref	Audit Finding	Recommendation	Corrective Action Taken		
			Fully Implemented	Not Implemented	Other
Hours of Operation of Marriage Bureau branch offices					
7	The BCC determines the hours during which a branch office of the Marriage License Bureau remains open to the public. We examined the BCC approved agenda items establishing the office hours of the Marriage License Bureau offices and noted some discrepancies between the BCC approved and actual hours of operation.	We recommend that the Clerk's Office submit a resolution to adjust the BCC approved hours to match the actual hours of operation of the Marriage License Bureau Offices. It should be noted that as of September 1, 2009, the Clerk's Office presented a new resolution to the BCC to change the hours of operation of its Laughlin and Henderson branch offices. We recommend that the Clerk's Office review the hours of operation posted on the Marriage Bureau webpage and update them to reflect any new changes.	**X**		

X(a) It should be noted that the two recommendations that were not implemented were due mainly to staff shortages and budget constrains.