

Office of the County Internal Auditor

Clerk's Office Integrated Audit

Original audit published
6/6/24



April 11, 2025

Background

Clerk's Office Mission

- overseeing elections and voter registration,
- maintaining County records,
- recording real property and marriage licenses,
- coordinating the Property Value Appeals Board,
- acting as the custodian of County historical records dating back to 1871



Recommendation Updates

Stronger IT controls, cash and procurement risks persist



*Management addressed risk.
Auditors will no longer monitor.*



*Recommendations are in
progress. Auditors will continue
to monitor.*



*Management accepted the risk of
not implementing the
recommendation.*



Additional segregation of duties control did not negatively impact customer service.

Resolved



We Found

Low occurrence rates for times when employees created and reviewed documents raised doubts about why segregations of duties was over-ridden.

We Recommended

The Clerk's Office analyze how often and when staff need to review a document they recorded and then decide whether recording and reviewing duties should be segregated.

Update

The Clerk's Office found it was possible to use software controls to segregate recording and reviewing without negatively impacting customer service.



Segregation of recording and reviewing duties decreased risk of errors.

Resolved



We Found

Staff disabled segregation of duties settings in document recording software, increasing the risk of mistakes and errors.

We Recommended

If the Clerk's Office decided record and review duties should be segregated, it should re-enable controls in the information system to enforce segregation.

Update

The Office enabled software controls to segregate roles to ensure no single person could record and verify their own work.



Management chose to implement new controls on voided receipts.

Resolved



We Found

Management allowed staff to void receipts because of low staffing levels. However, voids were rare with no voided receipts on most days.

We Recommended

The Office document workflow impacts of requiring supervisor voids and then decide whether voids should require supervisor authorization.

Update

The Office reactivated settings requiring supervisor approval on voided receipts.



Management replaced undocumented controls with software controls on voided receipts.

Resolved



We Found

Management disabled settings that prevented staff from voiding their own receipts, and did not document compensating controls.

We Recommended

The Office decided whether voids should require supervisor authorization, and either use controls in the information system to enforce authorization or document other compensating controls.

Update

The Office re-activated settings requiring supervisor approval on voided receipts.



Management stopped using a generic password in lieu of analyzing how often it was needed.

Resolved



We Found

Staff shared password for times when another staffer used a workstation that was previously used, but had not documented how often it was needed.

We Recommended

The Clerk's Office review how staff used the generic account including how often it was used.

Update

Instead of performing this analysis, the Office stopped using a generic username and password for computer access.



Staff no longer sharing passwords.

Resolved



We Found

Staff shared password for times when another staffer used a workstation that was previously used, but said there were other compensating controls.

We Recommended

If the Office continued to use the generic account, it should formally accept and document the risks associated with its use.

Update

The Office stopped using a generic username and password for computer access.



Purchasing card secured.

Resolved



We Found

The purchasing card was unsecured during business hours, creating potential for staff to make disallowed or personal purchases without identification.

We Recommended

The Clerks' Office assign someone to keep the payment card secured.

Update

Management secured the purchasing card under lock and key except when in use.



Commitment to improved performance reporting.

Resolved



We Found

The Clerk's Office had performance measures, but they didn't provide clear information about how well the Office functioned.

We Recommended

The Office improve performance reporting.

Update

The Office updated measures to reflect the correct status and stated that moving forward, it would continue to assess metrics to ensure they offered meaningful insights and aligned with County goals.



County Code clarified to assign Weed Control program requirements to Road Department.

Resolved



We Found

The Clerk's Office still had not requested a change to Code to move responsibility for Weed Control program requirements to the Road Department.

We Recommended

The Clerk's Office request that the Board of County Commissioners amend County Code to give responsibility to the Road Department.

Update

The code was amended in June 2024.



Fraud risk assessment still pending.

In Process



We Found

The Office had some risky financial practices in place but had not conducted a fraud assessment to formally document acceptance of associated risks.

We Recommended

The Clerk's Office conduct a fraud risk assessment and document outcomes.

Update

The Office committed to explore conducting a fraud risk assessment by April 2025. At the time of the update, it had not reported any progress.



No progress reported on procedures to resolve risky cash handling practices.

In Process



We Found

No fraud was discovered, but the Clerk's Office had incomplete documentation for mitigating cash handling risks.

We Recommended

The Clerk's Office document and implement procedures to address fraud risks identified in the risk assessment.

Update

The Office committed to explore conducting a fraud risk assessment by April 2025. At the time of the update, it had not reported any progress.



Preliminary conversations with Procurement Manager, but no changes yet.

In Process



We Found

The Clerk's Office inconsistently complied with County rules for procurement.

We Recommended

the Clerk's Office consult with the new procurement staffer about procurement requirements.

Update

The Office planned to have the recommendation implemented by December 2024 but had not completed it at the time of the March 2025 update.



Discrepancies with County procurement rules not yet resolved.

In Process



We Found

A review of Clerk’s Office payments to its highest paid vendors revealed discrepancies with County rules.

We Recommended

The Clerk’s Office conduct competitive procurements, put contracts in place, and get Administrator signoff related to services identified in the audit.

Update

The Office planned to have the recommendation implemented by December 2024 but had not completed it at the time of the March 2025 update.



Next Steps

We'll continue to follow-up on in process recommendations during annual global follow-ups.



Questions and Comments?

