

A Report to the
Chambers
County
Commissioners
Court

County Judge:

Jimmy Sylvia

Commissioners:

Jimmy Gore

Larry George

Gary Nelson

Rusty Senac



Chambers County Child Welfare Board

2017 Annual Audit

Ashley Savell

June 6, 2018

Chambers County
Auditor
Tony Sims
P.O. Box 910
Anahuac, TX
77514
(409) 267-2405

TABLE OF CONTENTS

Nature of the Engagement	2
Audit and Procedures	2
Observations and Findings	2-3
Recommendations	4
Conclusion	4



CHAMBERS COUNTY AUDITOR

Tony Sims

P.O. Box 910 Anahuac, Texas 77514

(409) 267-2405

Nature of the Engagement:

The Chambers County Auditor's office has completed an annual internal audit of the Chambers County Child Welfare Board (CCCWB) for the year of 2017.

The overall objective of this audit was:

- Assess and evaluate CCCWB's financial integrity and implementation of the procedures outlined in the Texas Council of Child Welfare Boards (TCCWB) Operations Manual and Texas Family Code Sections 264.005-008.

Audit and Procedures:

The audit performed was designed to evaluate compliance with requirements set out in the TCCWB Operations Manual and Texas Family Code Sections 264.005-008.

The following procedures were used to accomplish the examination:

- Determine if the Board is meeting the requirements that are set out according to the TCCWB Operations Manual and Texas Family Code Sections 264.005-008.
- Verify if funds were appropriately distributed for the children's needs and had approval of the Board.
- Analyze the bank statements and the monthly meeting minutes provided by the Board, then identify any discrepancies.

Observations and Findings:

While conducting the audit, the following was observed:

1. Additional Funding:

- In August of 2017, the Board requested a total of \$10,000.00 in reimbursements for 2016 and 2017 school vouchers. Another \$5,000.00 was requested in January of 2018 for Christmas vouchers from 2017.

Observations and Findings- Continued:

2. Members and Corresponding Documents:

- In 2017, Lesley Gershmel, Lisa Shoemaker, and Laura Carrington were approved to be on the Board. The TCCWB Operations Manual states, “state law requires new members to receive training on the Open Meetings Act and the Public Information Act within 90 days from the date of appointment.”
- None of the new members completed their training within the required timeline.
- Each member must sign a Confidentiality Statement and an annual Conflict of Interest Policy. Nine members have Confidentiality Statements on file and nine Conflict of Interest Policies have been submitted.

3. Establishing Quorum:

- Quorum was established in each monthly meeting.

4. Expenditures:

- In December of 2016, there were five purchases made and four of those purchases have corresponding receipts. Thus, \$11.90 is unaccounted for in 2016.
- In the amended bylaws presented in Commissioners’ Court on August 8, 2017, Article 8 states, “For emergency situations, two or more Board Officers are authorized to approve an amount not to exceed \$750.00 per request.” This allows, members have the ability to make purchases without prior approval if they are under extenuating circumstances. The president of the board stated that the receipts are kept and discussed in the meetings, but are not often recorded in the written minutes.
- After the Board produced its collection of receipts, there were three purchases that did not have corresponding receipts. The total amount of unauthorized purchases made in 2017 is \$762.83.
- The total amount of expenses for the year of 2017 was \$33,993.39, which was well within the \$56,286.00 that was budgeted for the year.

Recommendations:

- Ensure that all certifications and training are completed and filed within the time frame outlined in the TCCWB Operations Manual and Texas Family Code Sections 264.005-008.
- As stated in the CCCWB January 2017 meeting minutes, “Any time we spend money, including reimbursements to members of the board for expenses, there must be an agenda item for approval due to Open Meetings Act.” Thus, every expense must be sufficiently recorded in the written minutes.
- Approving the purchases in the minutes as well as keeping an organized collection of the physical receipts will allow the Board to keep track of all purchases.

Conclusion:

From December of 2016 to December of 2017, there were purchases made without physical receipts however, the Board documented and approved the majority of their expenses. The Board needed a few weeks to gather and supply the requested financial information. Implementing the recommendations listed above will reduce the amount of time needed to organize the financial and personnel information for future audits. In addition, it will also help the Board remain in compliance with the TCCWB Operations Manual and Texas Family Code Sections 264.005-008.