



COMMISSIONERS COURT
COMMUNICATION

REFERENCE NUMBER CO#136904

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DATE: 11/23/2021

SUBJECT: **RECEIVE AND FILE THE AUDITOR'S REPORT OF THE REVIEW OF
FINANCIAL AND SYSTEM CONTROLS, CENTRAL RECORDS DIVISION**

COMMISSIONERS COURT ACTION REQUESTED:

It is requested that the Commissioners Court receive and file the Auditor's Report of the Review of Financial and System Controls, Central Records Division.

BACKGROUND:

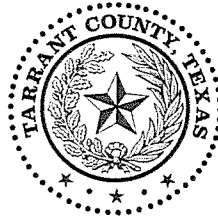
In accordance with the Local Government Code, the Auditor's Office reviewed financial and system controls in place for the three (3) month period ending July 31, 2021.

FISCAL IMPACT:

There is no direct fiscal impact associated with this item.

SUBMITTED BY: Auditor

PREPARED BY: S. Renee Tidwell
APPROVED BY:



TARRANT COUNTY
TARRANT COUNTY ADMINISTRATION BUILDING - ROOM 506
100 E. WEATHERFORD
FORT WORTH, TEXAS 76196-0103
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October 25, 2021

The Honorable Mary Louise Nicholson, County Clerk
The Honorable District Judges
The Honorable Commissioners Court
Tarrant County, Texas

Re: Auditor's Report – Review of Financial and System Controls, Central Records Division

SUMMARY

In accordance with the Local Government Code, we reviewed financial and system controls in place for the three-month period ending July 31, 2021. During the period under review, the Central Records Division recorded revenues totaling approximately \$4.3 million. Most of the revenue received (87%) was paid via the *eRecording* voucher system. A new comprehensive record management system went live on November 1, 2020. On June 1, 2021, we reported that a significant risk exists that errors or fraud may go undetected due to the lack of system-generated reports.

OBSERVATIONS

While there has been improvement in reporting functionality, the *Users Roles and Permissions* report remains incomplete. We observed that the *Users Roles and Permissions* report available does not provide adequate detail of permissions assigned to users. As a result, we could not determine whether system roles and permissions provided adequate segregation of duties to prevent clerks from voiding or adjusting their own receipts. We also identified five users whose access to the system should have been deactivated. The users' access was deactivated during our review. Furthermore, County Clerk's staff procedures did not include a periodic review of roles or permissions.

RECOMMENDATIONS

We recommend management request the vendor to provide a detailed report that describes all actions allowed for each permission assigned to users. We also recommend County Clerk management develop and document standardized procedures to perform a periodic review of access permissions and verify that the permissions align with the user's current job duties.

We also discussed less significant items with staff during our review.

CLOSING REMARKS

Attached is management's written response to this report. We appreciate the cooperation of the County Clerk staff during our review. Please call me if you have any questions regarding the contents of this report.

Sincerely,



S. Renee Tidwell, CPA
County Auditor

Attachment: Management's response

Distribution: Clinton Ludwig, Chief Deputy

Audit Team: Matt Jones, Audit Manager
Maki Brown, Senior Internal Auditor



Tarrant County 1895 Courthouse

Mary Louise Nicholson, County Clerk
Recording life's events since 2011

100 W. Weatherford, Rm.130
Fort Worth Texas 76196-0401

Date: November 9, 2023

From: Mary Louise Nicholson, Tarrant County Clerk


To: Renee Tidwell, Tarrant County Auditor

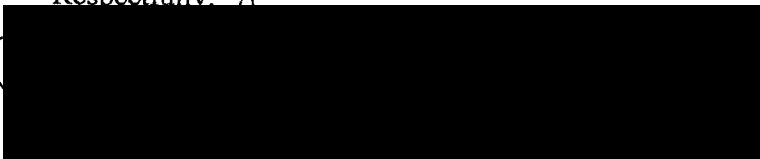
Re: Auditor's Report – Review of Financial and System Controls, Central Records Division

I would like to thank the Auditor's Office for their detailed approach and professionalism in this audit. We take our responsibility for oversight of our financial processes seriously and appreciate the Auditor's Office partnership to ensure we properly account for and safeguard the public's money and records. We believe this audit is especially necessary since we replaced our entire Official Public Records, Records Management System (RMS). We appreciate the Auditor's willingness to come and audit our new system to ensure we have everything correct from the very start instead of finding an error months or years down the road.

- 1) **"While there has been improvement in reporting functionality, the Users Roles and Permissions report remains incomplete. We observed that the Users Roles and Permissions report available does not provide adequate detail of permissions assigned to users. As a result, we could not determine whether system roles and permissions provided adequate segregation of duties to prevent clerks from voiding or adjusting their own receipts. We also identified five users whose access to the system should have been deactivated. The users' access was deactivated during our review. Furthermore, County Clerk's staff procedures did not include a periodic review of roles or permissions."**

Since the Audit we have worked with the vendor and County ITD to make corrections to the Roles and Permissions report and provide sufficient detail to determine that there is sufficient segregation of duties to prevent staff from voiding or adjusting their own receipts. We have also implemented procedures for off boarding and periodic audits of the report to ensure only authorized users have access to the system.

Respectfully, 


Mary Louise Nicholson, Tarrant County Clerk