



**Council Auditor's Office**

**Follow-Up on Animal Care and Protective Services Audit**

**Report #781B**

**Released on:** October 19, 2022

**OFFICE OF THE COUNCIL AUDITOR**  
 Suite 200, St. James Building



October 19, 2022

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Honorable Members of the City Council  
 City of Jacksonville

The purpose of this report is to document our second follow-up review of our past report #781, Animal Control and Protective Services Audit, and to determine whether corrective action has been taken in response to our findings and recommendations. We are providing this special written report in accordance with Ordinance Code Section 102.102. This report does not represent an audit or attestation conducted pursuant to Government Auditing Standards. The initial audit report and follow-up can be found on our website.

We sent a follow-up letter to the City’s Chief Administrative Officer on May 24, 2022, inquiring as to the status of the remaining original audit report recommendations after the first follow-up. We reviewed the recommendations from our audit, the auditees’ responses to the recommendations, and the auditees’ responses to our follow-up letter. We then performed limited testing to verify the responses.

Based on the responses received and our follow-up testing, a table detailing the original number of issues noted and the number of issues resolved as of this follow-up is included below.

<b>Types of Issues</b>	<b>Original Number of Issues</b>	<b>Issues Cleared Prior to This Follow-up</b>	<b>Remaining Issues Prior to This Follow-up</b>	<b>Issues Cleared During This Follow-up</b>	<b>Remaining Issues</b>
Internal Control Weaknesses	5	2	3	0	3
Findings	8	6	2	2	0
Opportunities for Improvement	0	0	0	0	0
<b>Total</b>	<b>13</b>	<b>8</b>	<b>5</b>	<b>2</b>	<b>3</b>

The following is a brief summary of the remaining issues with responses from Jennifer Walter, Chief of Animal Care and Protective Services Division, that we received on October 18, 2022.

**Internal Control Weakness 1-1 \*Cash Handling Issues\***

In the original audit, we found various cash handling issues such as shared cash registers, receipts not printed at an offsite event, chain of custody documentation issues for revenues collected in the intake area, lack of monthly reconciliation of deposits to the City’s accounting system, lack of separation of

duties regarding checks received in the mail, and lack of a mandatory week-off each year rotation for an employee responsible for processing deposits.

During the second follow-up review, we found that the following issues had still not been brought into compliance with the City's cash handling policies:

1. The same person maintained accounting records, prepared reconciliations, and had custody of cash.
2. Monthly revenue reconciliations were not performed to compare revenues received per the division's cashiering system to the revenues deposited per the City's accounting system. While a monthly reconciliation is performed to match the revenues from the division's cashiering system to the Tax Collector's cash receipt system, a reconciliation between the Tax Collector's cash receipts system and the City's accounting system is performed quarterly. If this two-step approach is used in the future, the same employee should be responsible for performing both steps of this reconciliation process (from the source data to the City's accounting system) or at least the second employee needs to be able to have a way of confirming completeness from the source data when they are testing the amounts received in the City's accounting system.
3. There was no mechanism to ensure that the duties of processing cash deposits were assigned to a different employee for at least a week on an annual basis. While the employee who processes deposits took time off in the past, the processing of deposits was put on hold at that time.

***Animal Control and Protective Services Response to the Follow-Up of Internal Control Weakness 1***

Agree

Disagree

Partially Agree

*1. This was due to vacancies within the Division/Department. The positions are filled and being trained. The Neighborhoods Department Financial Analyst has begun taking over reconciliations effective 10/1/22.*

*2. Prior to 10/1/2022, the ACPS Accounting Manager was performing quarterly reconciliations due to the vacancies within the Neighborhoods Department. Effective 10/1/22, the quarterly reconciliation by the ACPS Accounting Manager has been discontinued. The Neighborhoods Department Financial Analyst has taken over the two-step monthly reconciliation process in which the cash receipts are compared to 1Cloud and then double checked against Chameleon.*

*3. This was due to vacancies within the Division/Department. the positions are filled and being trained. Moving forward, the cash deposits will be assigned to a different employee for at one week on an annual basis.*

**Internal Control Weakness 1-2 \*Access Rights Issues\***

In the original audit, we found that many users had improper access rights to the information system used by the animal care facility. During the first follow-up review, we found that a periodic review of the access rights was taking place; however, there was still an issue with timely removal of access rights for terminated employees.

During this follow-up, we still found issues with timely removal of access rights. There is a written policy that requires supervisors to notify the administrative coordinator to remove staff upon separation and the administrative coordinator is also required to review a weekly report from ITD to ensure all employees that have access are current employees. However, we found that access for two employees terminated in September and November of 2021 was not removed until June 21, 2022, which was the day prior to our site visit to pull this data for testing.

***Animal Control and Protective Services Response to the Follow-Up of Internal Control Weakness 1-2***

Agree                       Disagree                       Partially Agree

*This was an oversight. The process was revised to include a weekly Chameleon "User Access Report" from ITD, which is verified by the Administrative Coordinator. The Chief has also been added to the distribution list to ensure duplication of this activity as well as coverage while the Administrative Coordinator is out on leave.*

**Overall Internal Control Weakness 1 \*Lack of Formal Policies and Procedures\***

In the original audit, we found that there were no written internal policies and procedures in place. During the first follow-up review, we obtained a copy of six procedures covering various operations and functions; however, all of them were in draft format.

During this follow-up, we were provided ten approved policies and procedure that were finalized and approved by the director. However, two of these procedures contained instructions on how to process items in the City's old financial system that was replaced in February 2020. We recommend that this procedure be updated to include instructions for the new financial system.

***Animal Control and Protective Services Response to the Follow-Up of Overall Internal Control Weakness 1***

Agree                       Disagree                       Partially Agree

*This procedure is currently being updated and the revised procedures will be forwarded upon completion.*

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We would like to thank the Animal Control and Protective Services Division for their cooperation in conducting this follow-up review.

Respectfully submitted,

*Kim Taylor*

Kim Taylor, CPA  
Council Auditor