

# ALABAMA LICENSING OFFICIALS CONFERENCE JANUARY 17, 2019

David Howell, Assistant Director  
Examiners of Public Accounts  
County Audit Division  
(334) 242-9200

▶ **Welcome New Officials!**



## DEPARTMENT OF EXAMINERS OF PUBLIC ACCOUNTS

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**HOTLINE to report Fraud, Waste and Abuse:**

1-844-56F-RAUD (1-844-563-7283)

Email: [report.fraud@examiners.alabama.gov](mailto:report.fraud@examiners.alabama.gov)

*Rachel Laurie Riddle*  
*Chief Examiner of Public Accounts*



## Who are the Examiners?

- ▶ The Department of Examiners of Public Accounts was created in 1947 and placed under the direction of the Legislative Committee on Public Accounts.
- ▶ The statutes which govern the Department's activities can be found in the ***Code of Alabama 1975***, Sections 41-5A-1 through 41-5A-24.
- ▶ The Department operates under the direction of a committee of the State Legislature known as the Legislative Committee on Public Accounts.
- ▶ The Department of Examiners of Public Accounts is empowered to audit the books, accounts, and records of all state and county offices, officers, bureaus, boards, commissions, corporations, departments, and agencies and to report on expenditures, contracts, or other audit findings found to be in violation of law.

## ▶ EPA County Audit Division Directors

▶ Division Director – James Hall (334) 242-9200

▶ Assistant Division Directors

Kathy Wren (256) 768-7592

Ashli Page (251) 847-2401 ext 101

David Howell (334) 242-9200

Email Address =

[firstname.lastname@examiners.alabama.gov](mailto:firstname.lastname@examiners.alabama.gov)

For example:

David.Howell@Examiners.Alabama.Gov

# County Division Audit Managers



<b>Otto, Lynn (334) 347-8820</b>	<b>Robin Lakey (256) 314-5783</b>	<b>Morrison, Nikki (205) 755-2053</b>	<b>Dekle, Teresa (334) 832-7713</b>	<b>Griggs, Gwyn (256) 927-8649</b>
	Lauderdale	Chilton	Lowndes	Marshall
Butler	Colbert	Shelby	Autauga	Calhoun
Coffee	Franklin	Clay		Cherokee
Covington	Lawrence	Coosa	Elmore	Cleburne
Crenshaw	Madison	Randolph	Tallapoosa	DeKalb
Geneva	Marion	Talladega	Montgomery	Etowah
	Limestone	St Clair		Jackson



<b>Raffle, Cherie (334) 677-4768</b>	<b>Patrenos, Shelley (205) 652-2285</b>	<b>TBA</b>	<b>Wheeler, Brian (251) 937-0338</b>	<b>Tyler, Emily (334) 295-2241</b>
<b>Bullock</b>	<b>Fayette</b>			<b>Dallas</b>
<b>Dale</b>	<b>Sumter</b>		<b>Baldwin</b>	<b>Marengo</b>
<b>Henry</b>	<b>Greene</b>		<b>Mobile</b>	<b>Perry</b>
<b>Houston</b>	<b>Lamar</b>		<b>Washington</b>	<b>Choctaw</b>
<b>Pike</b>	<b>Pickens</b>			<b>Hale</b>
	<b>Tuscaloosa</b>			<b>Bibb</b>

<b>Shelley, Tammy (334) 619-1517</b>	<b>Smith, Christina (251) 867-0296</b>	<b>Atchison, Whitney (205) 325-5680</b>
		Morgan
Barbour	Clarke	Blount
Chambers	Conecuh	Jefferson
Lee	Escambia	Walker
Macon	Wilcox	Winston
Russell	Monroe	Cullman

From your Manager you will hear a lot about...

- ▶ Minimum Accounting Requirements

- Section 41-5A-21

- Officers to keep uniform accounts.**

- Every state and county officer shall keep the books, records and accounts and make the reports of his office in accordance with such systems, procedures and forms as may be prescribed by the Chief Examiner pursuant to this chapter.
- Any officer who fails or refuses willfully to do so and the surety on his official bond shall be liable for a penalty of \$250.00 for each week such failure or refusal continues.

As licensing officials, you need the Minimum Accounting Requirements for Probate Judges and the Minimum Accounting Requirements for Tax Officials.

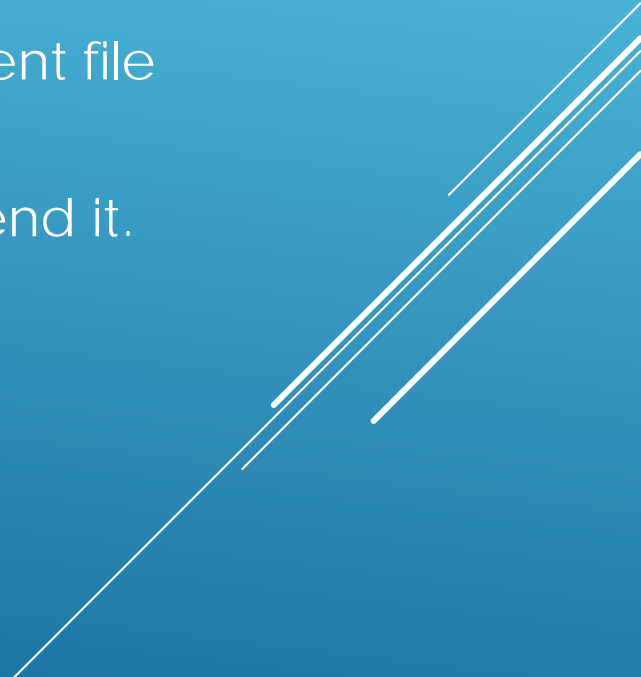
- ▶ **Another Code Section of Interest**

- ▶ **Section 40-1-23**

- ▶ **Liability of officers for conversion.**

- ▶ Any probate judge, clerk of a court of record, register, sheriff, coroner, tax collector, county treasurer, trustee of public schools, notary public, constable, or other public officer who knowingly converts to his own use or permits another to use any of the revenue of the state or of any county or municipality thereof or any money paid into his office or received by him in his official capacity is liable to indictment and, on conviction, must be punished as if he had stolen it.

# MAR – End of Year Reporting Requirements

- ▶ When submitting information electronically, please include in the subject line sufficient information to allow us to know the County and office that you are representing.
  - ▶ If you are sending multiple messages with attachments, please let us know this. Indicate in subject line “File 1 of \_\_”, File 2 of \_\_”, etc.
  - ▶ If multiple files are being sent, in one or more messages, use different file names for the files you are sending,
  - ▶ Don’t piece-meal the information to us. Get it all together, then send it.
  - ▶ Include the compliance certification.
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# CASE STUDY – Report No. 18-405

Instances of noncompliance with state and local laws and regulations and other matters were found during the examination as shown on the Schedule of State and Local Compliance and Other Findings and they are summarized below.

- ▶ 2017-001 relates to the failure of the Judge of Probate to ensure that all money collected is deposited into the official bank account.
- ▶ 2017-002 relates to the failure of the Judge of Probate to establish internal controls to ensure that the transfer of money between bank accounts is authorized.
- ▶ 2017-003 relates to bank accounts not being reconciled to the cashbook and the failure to investigate and resolve any differences noted.
- ▶ 2017-004 relates to the failure of the Judge of Probate to maintain a cashbook in accordance with the minimum accounting requirements prescribed by the Chief Examiner of Public Accounts.

## CASE STUDY (Continued)


- ▶ Instances of noncompliance with state and local laws and regulations and other matters were found during prior examinations as shown on the Schedule of State and Local Compliance and Other Findings and they are summarized below. These instances relate to the period January 15, 2013 through September 30, 2013.
- ▶ 2013-001 relates to the failure of the Judge of Probate to maintain a summary of all remittances to the various agencies for each year.
- ▶ 2013-002 relates to having an incomplete returned check register.

▶ Charge Against Employee - \$299,861.68

- ▶ All money collected by the Chambers County Judge of Probate is to be deposited intact into the Official's Operating Bank Account on a daily basis. Each individual clerk collects and receipts money for the day's transactions. At the end of the day, each clerk retains a pre-determined amount to be used for the next day's change fund and remits the remaining money to the bookkeeper. The bookkeeper: (1) generates a computer deposit breakdown report detailing each individual clerk's collections, specifically an analysis of cash, checks and credit cards collected for the day's transactions; (2) verifies the money collected by the individual clerks. If there are any discrepancies identified between the amounts of cash, checks and credit cards collected by the clerk and the amounts remitted to the bookkeeper, the bookkeeper and the clerk investigate and correct any discrepancies; (3) combines all the individual clerks collections for the day by cash, checks and credit cards and compares it to the deposit breakdown report; (4) prepares the deposit slip for all cash and checks collected by all the clerks, and (5) is responsible for taking the money to the bank to be deposited. Numerous instances were noted where the amount of cash recorded on the deposit slip by the bookkeeper, and deposited into the bank, was less than the amount of cash collected by the clerks and verified by the bookkeeper.



# Advice for New Officials

- ▶ Follow the Minimum Accounting Requirements Diligently
  - ▶ Refer to Your Handbook for Alabama Tax Assessors, Tax Collectors, License Commissioners and Revenue Commissioners
  - ▶ Keep Your Manager's Phone Number in Speed Dial
  - ▶ Develop Relationships with Competent Colleagues
  - ▶ Trust But Verify
  - ▶ Do Today's Work Today
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QUESTIONS?

