



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

February 13, 2013

The Honorable Veronica Escobar, County Judge
and County Commissioners
County of El Paso County
Room 301, County Courthouse Building
El Paso, Texas 79901

Dear Judge and County Commissioners:

Attached are the reports issued by the County Auditor's Internal Audit Division to the various departments from October 2011 through September 2012. The following is a listing of the departments which were characterized as having weak or extremely weak internal controls:

| <u>Department</u> | <u>Date of Report</u> | <u>Page No.</u> |
|--|------------------------------|------------------------|
| County Attorney | October 7, 2011 | 5 |
| County Clerk | September 5, 2012 | 130 |
| District Attorney – Special Accounts | September 21, 2011 | 1 |
| El Paso County Constable, Precinct 1 | August 6, 2012 | 117 |
| El Paso County Emergency Services District # 2 | December 20, 2011 | 22 |
| El Paso County Oaths of Office | March 29, 2012 | 43 |
| El Paso County Sportspark | March 9, 2012 | 37 |
| El Paso County Tax Office – Auto Registration | July 10, 2012 | 102 |
| El Paso County Tax Office – Licensing Division | August 14, 2012 | 121 |
| Elections Department | August 15, 2012 | 127 |
| Justice of the Peace, Precinct 1 | September 12, 2012 | 138 |
| Justice of the Peace, Precinct 3 | April 30, 2012 | 61 |
| Justice of the Peace, Precinct 5 | December 7, 2011 | 18 |
| Justice of the Peace, Precinct 7 | November 18, 2011 | 15 |
| Parking Garage – Facilities Management | September 20, 2012 | 142 |
| West Texas Community Supervision | May 17, 2012 | 71 |

The following is a listing of the contracts which were characterized as not being in compliance with contract stipulations:


| <u>Department</u> | <u>Date of Report</u> | <u>Page No.</u> |
|--------------------------|------------------------------|------------------------|
| Primos Café and Catering | May 7, 2012 | 65 |

The Honorable Veronica Escobar, County Judge
and County Commissioners
February 13, 2013
Page 2

As noted on the list above, there were 17 out of 33 reports or 52 percent, issued by the internal audit division during the period noted above in which the departments did not have adequate internal controls or were not in compliance with contract stipulations. The County Auditor's Internal Audit Division has made recommendations to the departments to help strengthen the internal control structure.

If you have any questions in this matter, please don't hesitate to call me.

Sincerely,

A handwritten signature in black ink, appearing to read "Edward A. Dion". The signature is fluid and cursive, with a long horizontal stroke at the end.

Edward A. Dion
County Auditor

EAD:JO

Attachments



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

09-27

September 21, 2011

The Honorable Jaime Esparza
District Attorney
Suite 203, County Courthouse Building
El Paso, Texas 79901

Dear Mr. Esparza:

A copy of a memorandum from Mrs. Claudia Parra, internal auditor, dated September 21, 2011 is attached. This memorandum is a report on a review of the District Attorney's Special, State Agent, and Asset Sharing accounts for April 2010 through June 2011. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to the District Attorney's Office as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendations made by Mrs. Parra.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Very truly yours,

A handwritten signature in black ink that reads "Edward A. Dion".

Edward A. Dion
County Auditor

EAD:CP:ya

Attachment



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

09-27

September 21, 2011

The Honorable Jaime Esparza
District Attorney
Suite 203, County Courthouse Building
El Paso, Texas 79901

Dear Mr. Esparza:

A copy of a memorandum from Mrs. Claudia Parra, internal auditor, dated September 21, 2011 is attached. This memorandum is a report on a review of the District Attorney's Special, State Agent, and Asset Sharing accounts for April 2010 through June 2011. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to the District Attorney's Office as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendations made by Mrs. Parra.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Very truly yours,

Edward A. Dion
County Auditor

EAD:CP:ya

Attachment



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

09-28

MEMORANDUM

Edward A. Dion
TO: EDWARD A. DION, COUNTY AUDITOR
Teresa Molinar
THRU: TERESA MOLINAR, OPERATIONS MANAGER
James O'Neal
THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR
Claudia Parra
FROM: CLAUDIA PARRA, INTERNAL AUDITOR
DATE: SEPTEMBER 21, 2011
SUBJECT: REVIEW OF THE DISTRICT ATTORNEY'S SPECIAL, STATE AGENT,
AND ASSET SHARING ACCOUNTS

Overview

A review of the District Attorney's Special, State Agent and Asset Sharing accounts has been completed from April 2010 through June 2011. The objective of this review was to verify the information contained within the District Attorney's financial reports.

Scope and Purpose

The scope and purpose consisted of:

1. The monthly bank reconciliations for the three accounts were reviewed for accuracy, completeness, and timeliness.
2. A sample of 45, or five percent, out of 914 disbursements from the Special Account was reviewed to ensure disbursements were justified, approved, and properly documented.
3. All the JP Morgan Chase credit card payments were reviewed to ensure disbursements were justified, approved and properly documented.
4. All the manual receipts were traced to the deposits posted in the State Agent check register and to the bank statement.
5. The Special Account disbursements were reviewed to verify that expenditures did not exceed the approved budgeted amount.

General

1. Observation: While reviewing the bank reconciliations for the Special, State Agent and Asset Sharing accounts, no discrepancies were noted.

proper and complete documentation is attached as back-up. After meeting with the DA's office, it was determined that some enforcement agencies may not always supply the DA's with a currency denomination form. In which case a note should be made on the rest of the back-up stating that this particular item will be missing as supporting documentation. It is also recommended that management verify that all forfeitures are deposited into the correct account.

5. *Observation:* Upon review of the budgeted amount allotted for expenditures, it was noted that the expenditures exceeded the allotted amount for the current fiscal years expenditures.

Corrective Action/Recommendation: It is recommended that the District Attorney's Office try to maintain their expenditures at the budgeted amount. It is further recommended that a more precise forecast of future planned fiscal years expenditures be implemented. It is also recommended that a running balance be kept by management comparing the actual expenditures to the budgeted amount on a monthly basis to allow for sufficient appropriations.

Summary

This financial review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. The internal control structure implemented by the District Attorney's Office appears to be extremely weak, but should be strengthened with implementation of the above mentioned recommendations.

CP:ya



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

10-17

October 7, 2011

The Honorable Jo Anne Bernal
County Attorney
County Courthouse, Room 503
500 East San Antonio Street
El Paso, Texas 79901

Dear Ms. Bernal:

A copy of a memorandum from Mr. Ricardo Gabaldon, internal auditor, and Ms. Ruth Bernal, internal auditors II, dated October 7, 2011, is attached. This memorandum is a report on a review of your financial records from December 2010 through July 2011. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to your office, as defined by AICPA professional standards. However, this review was performed with objectivity and due professional care. I concur with the recommendations made by Mr. Gabaldon and Ms. Bernal.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Very truly yours,

Edward A. Dion
County Auditor

EAD:RG:RB:ya

cc: Mr. Manuel Romero, Assistant County Attorney




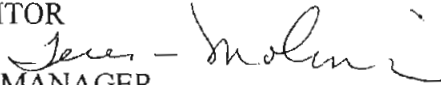
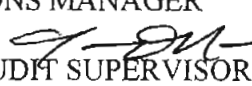


COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

09-53

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR 
THRU: TERESA MOLINAR, OPERATIONS MANAGER 
THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR 
FROM: RUTH BERNAL, INTERNAL AUDITOR II 
RICARDO GABALDON, INTERNAL AUDITOR 
DATE: OCTOBER 7, 2011
SUBJECT: COUNTY ATTORNEYS- CASH COUNT

Overview

The objective of this review was to verify the County Attorney's Hot Check daily collections and that proper controls are in place to safeguard collections.

Scope and Purpose

The scope and purpose of the review consisted of the following:

1. A surprise cash count was performed in accordance with Local Government Code §115.0035.

General

1. Observation: The following items were noted at the time of the cash count:
 - On August 3, 2011 an attempt to perform a cash count was made; however, it was indicated that cash counts can only be done from 7:30 a.m. to 8:30 a.m. because that is the time that the safe is opened.
 - A cash count was performed on August 5, 2011; however, the County Attorney's Office was not open at the time that was indicated previously.
 - Although access to the office was permitted, we were asked to wait in the lobby until the person in charge, Ms. Vanessa Rosales, Legal Collections Analyst, arrived. We had to wait in the lobby for 10 to 15 minutes.
 - When Ms. Rosales arrived, she indicated that the collections report was being downloaded and it would take a while to generate the report. In the mean time, we asked if funds could be counted while the report was being generated, but Ms. Rosales insisted that she would feel more comfortable opening the box after the report was ready.

- After the report was printed, she proceeded to open the drop box, but only gave us two small yellow envelopes that contained the funds that pertained to the report for the prior day.
 - When we requested that the drop box be opened again, it was noted that a white envelope was inside. It was later explained that the envelope contained a credit card that belonged to an individual that accidentally left it behind.
 - The safe box located next to the drop box was also requested to be opened. We were told that approval is required by the supervisor before the safe can be checked due to confidential information also stored in the safe. Mr. Manuel Romero, Assistant County Attorney, was contacted for authorization. It was explained that the safe box is not only used for collections for their department, but also the collections for the Justice of the Peace Number 3 and restitution payments for the Deceptive Business Practice department. It was also explained that the Justice of the Peace Number 3 collections are picked up by the armored car carrier at the County Attorney's Office and that a log from the armored car carrier is used as documentation for the transport of Justice of the Peace Number 3 collections. Furthermore, the Deceptive Business Practice collections are also recorded on a log of what is received and submitted to the corresponding businesses.
 - Mr. Romero authorized us to check the safe and observed the inspection. However, it was indicated that we could not look at the contents of a yellow envelope and a carton box. It was explained that the envelope and the box contained documents for cases that were still under investigation and are confidential.
- Corrective Action / Recommendation: The following items are recommended:
- Pursuant to the meeting with the County Attorney's that took place on Tuesday October 4, 2011, it was agreed that cash counts could be conducted anytime during regular business hours in accordance with Local Government Code §115.0035, copy attached. Moreover, the contents of the safe will also be open for examination.
 - County Attorney's cashiers should be given a cash drawer with a change fund; this should help eliminate overpayments and in turn provide for efficiencies. It is also recommended that the County Attorney consider acquiring lock bags to secure the change funds.
 - County Attorney should look into obtaining an extra safe to be used in their department. This will allow for sensitive material, such as cases that are still under investigation, to be separate from daily collections.

Summary

This review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, error or irregularities may occur and not be detected. Based on this review, the internal control structure of the County Attorney's Hot Check Division appears to be weak, but should be strengthened with the implementation of the above mentioned recommendations.

RG:ya



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

10-15

October 11, 2011

The Honorable Richard D. Wiles
El Paso County Sheriff
3850 Justice Drive
El Paso, TX 79938

Dear Sheriff Wiles:

A copy of a memorandum from Ms. Linda Hemme, internal auditor, dated October 11, 2011 is attached. This memorandum is a report on a review of your financial records from December 2010 through August 2011. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to the Sheriff's Department, as defined by the AICPA professional standards. However, this review was performed with objectivity and due professional care. I concur with the recommendations made by Ms. Hemme.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Division.

If we can be of further assistance, please let us know.

Very truly yours,

A handwritten signature in black ink, appearing to read "Edward A. Dion".

Edward A. Dion
County Auditor

EAD:LH:ya

Attachment




COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

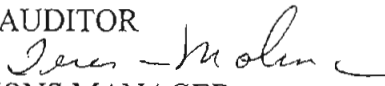
EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

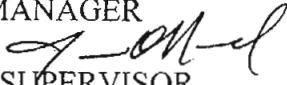
County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

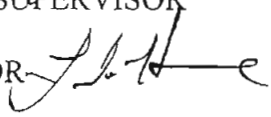
10-16

MEMORANDUM

TO: 
EDWARD A. DION, COUNTY AUDITOR

THRU: 
TERESA MOLINAR, OPERATIONS MANAGER

THRU: 
JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR

FROM: 
LINDA HEMME, INTERNAL AUDITOR

DATE: OCTOBER 11, 2011

SUBJECT: REVIEW OF SHERIFF'S DEPARTMENT FINANCIAL RECORDS

Overview

A review of the Sheriff's Department financial records for December 2010 through August 2011 has been completed. The objective of this review was to provide reasonable assurance that the records are accurate in all material respects.

Scope and Purpose

The scope and purpose of the review was as follows:

1. The bank reconciliations for the state forfeiture fund, justice forfeiture fund, asset sharing fund, general, legal, abandoned vehicle, abandoned vehicle escrow, and special bond accounts from December 2010 through August 2011 were reviewed for accuracy and completeness. No discrepancies were noted.
2. A review of the Sheriff's forfeiture funds was conducted to ensure that incurred expenses were allowable under the "Guide to Equitable Sharing for Foreign Countries and Federal, State, & Local Law Enforcement Agencies" or Chapter 59.06 of the Code of Criminal Procedures.
3. A sample of receipts issued for the Sheriff's Legal account was reviewed to ensure that all transactions were deposited and accounted for.
4. A sample of receipts for execution of sales, foreign civil, identification & record and justice of the peace fines was reviewed. Further, all deposits were traced to the County Auditor's Treasury Division and the Financial Accounting Management Information System (FAMIS) to ensure that all transactions were accounted for properly.
5. The Sheriff's Prisoner Transportation Travel expenses were reviewed to ensure that the expenses are allowable and that the correct amount with proper documentation was returned to the County in a timely manner. No discrepancies were noted.

6. An analysis of the Sheriff's General Account was conducted to identify the composition of the account balance.
7. The State monthly paper ready inmate reports from December to September 2011, which are submitted to the Texas Commission on Jail Standards (TCJS), were reviewed for accuracy. No discrepancies were noted.
8. The Sheriff's monthly Bail Bond Posting fee reports were reviewed to ensure that all transactions were accounted for properly. A sample of receipts was verified and all deposits were traced to FAMIS. Bond fees were transferred to the State, as required. No discrepancies were noted.
9. Surprise cash counts were performed at the Sheriff's Civil Section, Crime Records, Evidence and Forensics Section (CREFS) and the Strike Team fund from the Criminal Investigation Division to verify the daily receipts collected. Minor discrepancies were noted.

General

1. Observation: While reviewing the Sheriff's forfeiture funds, it was noted that there were some expenses made from the Justice Forfeiture account to pay for registration fees for memorial races or walks. The "*Guide to Equitable Sharing for State and Local Enforcement Agencies*" (The Guide) is unclear if these type of expenses are allowed. The County Auditor's office contacted the U.S. Department of Justice (DOJ) to inquire about these types of expenses. According to the DOJ, these expenses as considered impermissible that may have an appearance of personal gain.
Corrective Action/Recommendation: It was recommended to the Sheriff Budget Director that the Justice Forfeiture account be reimbursed for these expenditures from another account.
2. Observation: While reviewing the Justice Forfeiture account expenses, it was further noted that there was a donation made to a drill and dance academy for \$1,000.00. The Guide does not allow for cash transfers to non-law enforcement agencies. The Sheriff's Department contacted the academy and requested a breakdown of what this money was used for. The academy promptly provided the breakdown and copies of the receipts.
Corrective Action/Recommendation: It is recommended that when organizations request donations, the organizations should provide a breakdown of what the funding will be used for. The Sheriff's Department should also request receipts after the donation as been provided or directly make the purchases for the organization as described in The Guide.
3. Observation: A sample of receipts issued from the Legal account was reviewed for accuracy. It was noted that there was \$1,000.00 that was collected for a case in January 14, 2011. These funds were misplaced and not deposited until the funds were located in April 2011. The results of a Sheriff's Department investigation are pending.
4. Observation: While conducting an onsite review of the Sheriff's Civil Section, a money order dated 5/2/2002 for \$75.00 was found in the office safe.
Corrective Action/Recommendation: It was recommended to the Civil Section Supervisor, that Western Union be contacted to find out if the money order still has value. It was also recommended that if the money order has value to deposit the money

order listed in the deposit slip at its current value and to notify the bank about the deposit to avoid confusion and bank fees. It is further recommended that the safe be periodically checked to ensure that all funds have been deposited in a timely manner.

5. Observation: While reviewing a sample of Legal Account receipts, it was noted that it was difficult to trace the detective's manual receipts to the Legal Account receipts, which also made it difficult to determine if the money collected was deposited to the bank in a timely manner.

Corrective Action/Recommendation: It was recommended to the Sheriff Civil Section that the detective's manual receipts be cross referenced in the Legal Account receipts to make it easier to trace and ensure that all funds collected are properly and timely deposited. Beginning September 2011, the money collected for the Legal account is being recorded in Odyssey.

6. Observation: The Sheriff's department began accepting credit card payments in the Crime Records, Evidence and Forensics Section (CREFS) in July 2011. While reviewing the ID&R receipts and monthly reports for August 2011, it was noted that the Sheriff's department issued a receipt for a credit card transaction for the wrong amount. The cashier mistakenly issued the Recware receipt for \$10.00, instead of the \$6.00 charged on the credit card.

Corrective Action/Recommendation: It was recommended to the CREFS Supervisor that they begin preparing a monthly collections report that they can use to reconcile to what was collected and deposited. It is further recommended that due care be exercised when receipting money received.

7. Observation: An account analysis was conducted on the General Account in order to identify the composition of the account balance. The Sheriff Travel expenditures and reimbursements related to the General Account and other miscellaneous deposits and disbursements were reviewed for October 2010 to July 2011. This analysis revealed an unidentifiable balance of \$381.38.

Corrective Action/Recommendation: It is recommended that Bond and Inmate Trust Section (BITS) continue to conduct an analysis of the General account balance semi-annually to help prevent future unidentifiable amounts from accumulating.

Summary

This review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. The internal control structure of the Sheriff's Department appears to be adequate, and should be further strengthened with the implementation of the above-mentioned recommendations.



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

10-25

October 21, 2011

The Honorable Jaime Esparza
District Attorney
Ste. 203, County Courthouse Building
500 East San Antonio
El Paso, Texas 79901

Dear Mr. Esparza:

A copy of a memorandum from Mrs. Claudia Parra, internal auditor, dated October 21, 2011 is attached. This memorandum is a report on a review of your seizure and forfeiture funds for the reporting period September 1, 2010 through August 31, 2011.

If we can be of any assistance in this regard, please let us know.

Very truly yours,

Edward A. Dion
County Auditor

EAD:CP:rao

Attachment



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

MEMORANDUM

TO: *for* EDWARD A. DION, COUNTY AUDITOR *Teresa Molinar*

THRU: TERESA MOLINAR, OPERATIONS MANAGER *Teresa Molinar*

THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR

FROM: CLAUDIA PARRA, INTERNAL AUDITOR *CP*

DATE: OCTOBER 21, 2011

SUBJECT: REVIEW OF THE DISTRICT ATTORNEY'S SEIZURE AND FORFEITURE FUNDS FOR THE REPORTING PERIOD OF SEPTEMBER 1, 2010 THROUGH AUGUST 31, 2011

Overview

A review of the District Attorney's seizure and forfeiture funds has been performed for the reporting period of September 1, 2010 through August 31, 2011. The objective of this review was to verify compliance with the requirements of *Code of Criminal Procedure, Article 59.06 (g)*, copy attached.

Scope and Purpose

- The scope and purpose consisted of:
1. The proceeds and expenditures of the seizure and forfeiture funds were reviewed to ensure that they were accounted for properly. The Chapter 59 Asset Forfeiture Report, copy attached, was reviewed for accuracy and completeness.

General

1. Observation: While reviewing the proceeds and expenditures of the Asset Forfeiture Report, no discrepancies were noted.

EDWARD A. DION
COUNTY AUDITOR
OCTOBER 21, 2011
PAGE 2

Summary

This financial review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. The internal control structure of the District Attorney's Office, as it pertains to seizure and forfeiture funds, appears to be adequate.

CP:rao



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

11-18

November 18, 2011

The Honorable Bruce King
Justice of the Peace, Precinct Number 7
P.O. Box 1936
Canutillo, Texas 79835

Dear Judge King:

A copy of a memorandum from Mr. Rene Balderrama, internal auditor, dated November 18, 2011 is attached. This memorandum is a report on your financial records for October 2010 through September 2011. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to the Justice of the Peace as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendations made by Mr. Balderrama.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Division.

If we can be of any assistance in this regard, please let us know.

Sincerely,

Edward A. Dion
County Auditor

EAD:RB:ya

Attachment



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

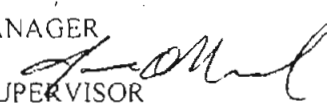
11-19


MEMORANDUM



TO: EDWARD A. DION, COUNTY AUDITOR

THRU: TERESA MOLINAR, OPERATIONS MANAGER

THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR 

FROM: RENE BALDERRAMA, INTERNAL AUDITOR 

DATE: NOVEMBER 18, 2011

SUBJECT: REVIEW OF JUSTICE OF THE PEACE, PRECINCT NUMBER 7, FINANCIAL RECORDS FOR OCTOBER 2010 THROUGH SEPTEMBER 2011

Overview

A review of the financial records for Justice of the Peace, Precinct Number 7, for October 2010 through September 2011 has been completed. The objective of this review was to verify the information contained in the financial records of the Justice of the Peace. The financial reports, generated off the Justice Information Management System (JIMS), are a recapitulation of all transactions that occurred during each month.

Scope and Purpose

The scope and purpose of the review consisted of:

1. A report listing future dated citations was reviewed to determine the reasonableness of those transactions
2. Outstanding bonds were reviewed to ensure that cases are being resolved in a timely manner.
3. Daily balance reports and cash count sheets were reviewed and compared to the deposit warrants. Deposits were verified for proper posting in the Financial Accounting Management System (FAMIS).
4. Deposits were reviewed to ensure that they were deposited in accordance with the rapid deposit law, *Texas Local Government Code §113.02*.
5. A cash count was performed on September 29, 2011 in accordance with *Local Government Code §115.0035*.
6. The mail log was reviewed for completeness and accuracy and to ensure that payments were properly entered into JIMS.
7. A sample of 22 out of 498, or four percent of cases dismissed or acquitted during the audit time period was reviewed to ensure that proper information was entered into the JIMS system.
8. Previous memoranda were reviewed for proper implementation of prior recommendations.

General

1. Observation: While reviewing cases for future dated citations, it was noted that 13 cases have a future date in the citation date field in JIMS.
Corrective Action/Recommendation: It is recommended that the clerk entering citations in JIMS review all information inputted into the system for accuracy and completeness.
2. Observation: While reviewing the outstanding bonds, it was noted that the office personnel are not periodically reviewing the pending bonds to ensure proper allocation.
Corrective Action/Recommendation: It is recommended that the Justice of the Peace personnel continue to ensure that all bond collections are reviewed and updated in a timely manner.
3. Observation: While performing a surprise cash count on September 29, 2011, it was noted that the cashier at the front counter did not secure the funds received for the day. The funds received were kept in a drawer with no locking mechanism.
Corrective Action/Recommendation: It is recommended that the justice of the peace personnel ensure that funds received are secured in a drawer that can be locked to prevent any loss of County funds.
4. Observation: While reviewing the mail log it was noted that the log is not always verified by a second person when processing the payments received for the day.
Corrective Action/Recommendation: It is recommended that the Justice of the Peace Personnel review the payments received by mail to ensure that payments are properly logged and reviewed for completeness and accuracy. It is also recommended that the court coordinator periodically review the mail log to ensure that complete and accurate records are kept and that a clear audit trail has been established.
5. Observation: While reviewing a sample of dismissed cases, it was noted that two of the cases did not have a motion to dismiss signed by the Judge.
Corrective Action/Recommendation: It is recommended that the office personnel ensure that all forms for dismissal have the proper signatures from the judge and that all dismissed cases have been completely documented in JIMS.

Review of Past Memoranda

1. Observation: It was previously noted that an updated procedures manual has not been provided to the County Auditor's Office.
Corrective Action/Recommendation: It is once again recommended that the Justice of the Peace office submit an updated office procedure manual as soon as it is available.

Summary

This review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. Based on this review, the internal control structure of the Justice of the Peace, Precinct Number 7, appears to be weak, but should be strengthened with the implementation of the above mentioned recommendations.



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

12-11

December 7, 2011

The Honorable Monica Teran
Justice of the Peace, Precinct Number 5
9521 Socorro Rd. Suite B-2
El Paso, Texas 79927


Dear Judge Teran:

A copy of a memorandum from Mrs. Claudia Parra, internal auditor, dated December 7, 2011 is attached. This memorandum is a report on a review of your financial records for April 2011 through October 2011. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to your office, as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendations made by Mrs. Parra.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Very truly yours,


for Edward A. Dion
County Auditor

EAD:CP:ya

Attachment



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

12-12

MEMORANDUM

TO: *for* EDWARD A. DION, COUNTY AUDITOR *Teresa Molinar*

THRU: TERESA MOLINAR, OPERATIONS MANAGER *Teresa Molinar*

THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR *J. O'Neal*

FROM: CLAUDIA PARRA, INTERNAL AUDITOR *C. Parra*

DATE: DECEMBER 7, 2011

SUBJECT: A REVIEW OF THE JUSTICE OF THE PEACE, PRECINCT NUMBER 5,
FINANCIAL RECORDS FOR APRIL 2011 THROUGH OCTOBER 2011

Overview

A review of the financial records for Justice of the Peace, Precinct Number 5, for April 2011 through October 2011 has been completed. The objective of this review was to verify the information contained within the Justice of the Peace's financial reports. These financial reports, generated off the Odyssey and Justice Information Management System (JIMS), are a recapitulation of all transactions that occurred during each month.

Scope and Purpose

The scope and purpose of the review consisted of the following:

1. A surprise cash count was performed on November 7, 2011, in accordance with *Local Government Code §115.003*. No discrepancies were noted.
2. All deposit slips were compared to daily balance reports and treasury records to verify collections were deposited in a timely manner and in accordance with *Local Government Code §113.022*. Further, to ensure proper posting to the Odyssey and the Financial Accounting Management Information System (FAMIS). No discrepancies were noted.
3. A ten percent sample or 16 out of 163 daily deposits was reviewed for shortages or overages. No discrepancies were noted.
4. Manual receipts were reviewed to ensure completeness and were cross-referenced to JIMS and Odyssey to verify proper transaction posting.
5. The Judge's educational requirements were reviewed to verify the compliance of Government Code §27.005).

6. All sheriff collections were reviewed to verify disposition, posting of fees and the timeliness of posting in Odyssey and JIMS.
7. The mail payment log was reviewed to ensure completeness of the log and accurate posting of each payment in JIMS and Odyssey.
8. Previous memoranda recommendations were reviewed for implementation.

General

1. Observation: While reviewing the manual receipts for the criminal cases, it was noted that six out of the seventeen receipts were not yet posted on either JIMS or Odyssey. After reviewing the receipts for the civil cases, four out of eight receipts had discrepancies. Three receipts did not reference a case number, while one of these receipts could not be linked to a civil case with the names noted on the receipt. One receipt's case number was scratched off. It was then researched using the names referenced on the receipt, but the payment appears as being reversed.

Corrective Action/Recommendation: Upon inquiry and discussion with the Justice of the Peace, of the receipt with the case number scratched off, the corrected number was determined. The case was then reviewed and the payment was verified. It is recommended that the case number always be referenced on the manual receipt for traceability. It is also recommended that the supervisor verify that all receipts are entered into Odyssey in a timely matter.

2. Observation: The County Auditor's Office was unable to obtain proof that the Judge has met the educational requirements stated by law.
Corrective Action/Recommendation: It is recommended that if such requirements have not been met, that the appropriate action be taken to comply with these requirements as promptly as possible. It is further recommended that the appropriate documentation, as soon as the requirements are met, be submitted to the Auditor's Office to show compliance with Government Code §27.005).

3. Observation: Sheriff's collections were reviewed for proper posting into JIMS or Odyssey with three discrepancies noted. The collections for three cases were not reflected in JIMS or Odyssey.

Corrective Action/Recommendation: It is recommended that the Sheriff's collections be entered in Odyssey as soon as they are received. It is further recommended that the receipt information be requested from the Sheriff's Department, on a frequent basis, for any pending cases. It is also recommended that the entry of these collections be reviewed on a random basis by a supervisor.

4. Observation: While reviewing the mail payment log, it was noted that there was one item out of twenty nine reviewed with a discrepancy. The discrepancy consisted of a docket number that was not traceable in JIMS or Odyssey.

Corrective Action/Recommendation: It is recommended that complete and detailed information be used when entering information on the mail log.

Review of Past Memoranda

1. Observation: It was previously recommended that the signature stamp not be used on judgments, dismissal and refunds.
Corrective Action/Recommendation: It is once again recommended that the signature stamp not be used on these types of court orders.

Summary

This financial review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. The Justice of the Peace, Precinct 5 has implemented some of the previous recommendations and made improvements in the operations. However, based on this review, the internal control structure continues to appear weak, but should be strengthened with the implementation of the above mentioned recommendations.

CP:ya



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

12-31

December 20, 2011

The Honorable Veronica Escobar, County Judge
and County Commissioners
County of El Paso
County Courthouse Building, Room 301
500 East San Antonio
El Paso, Texas 79901

Dear County Judge and County Commissioners:

Pursuant to your request, a copy of a memorandum from Mr. James O'Neal, internal audit supervisor, dated December 20, 2011 is attached. This memorandum is a report on a review of the El Paso County Emergency Services District #2 expenditures, financial records and operating policies and procedures. Because of certain statutory duties required of the County Auditor, this office is not independent in regards to the Emergency Services District #2, as defined by the AICPA professional standards. However, this review was performed with objectivity and due professional care. I concur with the recommendations made by Mr. O'Neal.

If we can be of any further assistance, please let us know.

Very truly yours,

Edward A. Dion
County Auditor

EAD:JO:ya

Attachment

cc: Mr. Carlos Sandoval, President
Emergency Services District #2
Ms. Rebecca Terrazas, Administrative Assistant
El Paso County Emergency Services District #2




COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

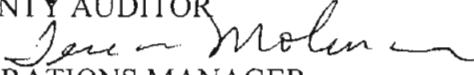
EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor


County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

12-28

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR 

THRU: TERESA MOLINAR, OPERATIONS MANAGER 

FROM: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR 

DATE: DECEMBER 20, 2011

SUBJECT: REVIEW OF EL PASO EMERGENCY SERVICES DISTRICT #2 GENERAL OPERATING EXPENDITURES AND PROCEDURES

Overview

A review of the Emergency Services District #2 (ESD #2) operating expenditures, financial statements and procedures was conducted. The objectives of this review were to ensure that expenditures were properly reported, documented, and presented to the County. Furthermore, the District's operating procedures and financial statements were reviewed to ensure compliance and proper documentation.

Scope and Purpose

The scope and purpose of the review was as follows:

1. A sample of bank statements and monthly expenditures were reviewed for each fire station under ESD #2 supervision.
2. A copy of the independent auditor's report was supplied and reviewed.
3. A sample of actual monthly receipts and transactions were traced back to bank statements and monthly expenditure reports to ensure proper documentation and proper distribution.
4. ESD #2 retirement policies and procedures were reviewed.
5. Personal and fire department emergency vehicle usage policies were reviewed.

General

1. **Observation:** While reviewing the San Elizario Fire and Rescue bank statements, it was noted that there were several transfers from the ESD operating account to the not-for-profit discretionary account and vice versa. Upon further inquiry, it was noted that these transfers were made in order to cover insufficient funds in both accounts. These insufficient funds in return caused several overdraft bank fees to be charged. There are

currently no written policies and procedures regarding the usage of the discretionary or business account funds.

Corrective Action/Recommendation: It is recommended that better account management be exercised in order to avoid additional and unnecessary bank charges. Due to instances of insufficient funds in both the discretionary and business accounts it is further recommended that the discretionary account be closed and only one account be used for all expenditures. All receipts from this one account would then be submitted for review and reimbursement. It is also recommended that a policy and procedure manual be created detailing bank account management and usage and that this manual be signed by all individuals with access to any accounts.

2. **Observation:** It was also noted that several San Elizario reimbursement forms were incomplete and/or lacking detailed expense information. It was further noted that some expenses were paid using a personal credit card; however, the personal credit card receipts or statements were not submitted in order to reconcile the transactions. It was further noted that even though this detailed information was missing, a reimbursement check was still issued to the fire department.

Corrective Action/Recommendation: It is recommended that all reimbursement forms be completed with detailed information for all expenses. This is to include, but not limited to, transaction date, payee, payment method, payment confirmation number or check number and amount paid. It is further recommended that if reimbursement forms are not submitted with detailed information, payment is to be withheld until all information is received and verified. Furthermore, it is recommended that the use of personal credit cards to pay for expenses be discontinued and that a credit card linked to the business account be obtained and used instead. This recommendation should be adhered by all fire departments, not just the San Elizario department.

3. **Observation:** While reviewing the Montana Vista Fire department, it was noted that a per diem check for travel was cashed by the department chief and then distributed to the traveling members the day of travel. However, there is no indication that these members received or even requested the per diem amount.

Corrective Action/Recommendation: It is recommended that a form be created and submitted when issuing per diem amounts. This form should list all traveling members and include a signed acknowledgement by each member of the amount received. This form should then be used in the reconciliation process at the end of the month.

4. **Observation:** While reviewing the expenses for the Montana Vista Fire Department it was noted that several payments were made to a Mr. JM Younger for vehicle maintenance. Upon further review it was noted that two members of the fire department shared the same last name. It was determined that Mr. Jim Younger and Ms. Wendy Younger are Mr. JM Younger's son and ex-wife, respectively.

Corrective Action/Recommendation: Even though all three live separately from one another; it is recommended that the fire department cease doing business with Mr. JM Younger in order to avoid the risk of the appearance of impropriety. It is further recommended that a written policy regarding vendor and business practices be established and distributed to all fire stations.

5. **Observation:** While reviewing the payroll expenses, it was noted that payroll checks for each payroll period are not in sequence. Upon inquiry, it was discovered that two separate checkbooks, from the same account, are used to pay expenses and payroll. One is kept at the fire station office and the other is kept with the station chief.
Corrective Action/Recommendation: It is recommended that checks be issued in sequence for all expenses and payroll. It is further recommended that all checks not in use be kept in a secured location.
6. **Observation:** Upon reviewing the utility expenses for Montana Vista, it was noted that several phone lines were billed from AT&T but reimbursed to an individual not to AT&T. After speaking with Mr. Robert Ostrenga, Montana Vista Fire Rescue Chief, it was determined that these phone lines are fax lines used by the dispatchers to fax dispatch logs to the fire station. These fax lines are located at each dispatcher's place of residence.
Corrective Action/Recommendation: It is recommended that the fire department discontinue the use of these fax lines and use a more efficient and less expensive means of submitting the dispatch logs. One of these means could be the use of email and the internet. This is currently being considered by Chief Ostrenga.
7. **Observation:** It was noted that the bank statements received by several of the fire departments are not reconciled on a monthly basis.
Corrective Action/Recommendation: It is recommended that each fire station perform detailed bank reconciliations for all station accounts on a monthly basis to ensure all funds are posted and accounted for. It is further recommended that these reconciliations be submitted to the Emergency Services District #2 accountant to simplify the expense reimbursement process.
8. **Observation:** When submitting single expenses over \$2,000 for reimbursement, it is required that each station Chief submit a signed affidavit listing each expense exceeding the limit. However, in some instances not all expenses over \$2,000 were listed on the affidavit.
Corrective Action/Recommendation: It is recommended that due care be utilized when preparing the over \$2,000 reimbursement affidavit. This should be simplified with the above recommendation of preparing detailed bank reconciliations for each account.
9. **Observation:** While reviewing ESD vehicle usage it was noted that there is a lack of written policies regarding vehicle usage and fuel consumption. Upon inquiry, it was stated that personnel are allowed to take ESD vehicles home and use them as personal vehicles when on call. It was also stated that each ESD vehicle has a fuel card that is kept in the vehicle; however, there are no controls in place to avoid misuse. The only fuel use monitoring performed is a review of the amount of fuel consumed to the number of calls performed.
Corrective Action/Recommendation: It is recommended that written policies and procedures be prepared for vehicle usage, maintenance and fuel consumption. It is

further recommended that tighter controls be placed on those vehicles that are taken home and used by ESD personnel. Also, it is also recommended that a more detailed procedure for monitoring fuel usage be put in place to increase accountability and avoid misuse.

10. **Observation:** Upon completing this review, it was noted that there is a severe lack of controls, checks and balances and uniformity when dealing with expenses, proper reimbursement and usage of funds.

Corrective Action/Reimbursement: It is recommended that the Emergency Services District #2 consider eliminating each department's discretionary and operating account and having only one centralized account maintained by the district. If this is not possible, then it is recommended that each fire station keep their operating accounts, however all financial control and monitoring would be maintained by the district not each individual station. This should reduce the risk of possible misuse and increase accountability.

11. **Observation:** During our limited review, the following deficiencies in the District's operations were observed.

- The Emergency Services District #2 has accumulated what appears to be high unappropriated fund balance reserves. As of September 30, 2010 this amount was \$2,255,828, which represents 52 percent of the 2011 budgeted expenditures of \$4,304,000. According to District staff, there are currently no policies or procedures for the assessment and maintenance of adequate fund balance reserves.
- There are no policies or procedures in place for selecting a depository bank in order to maximize the District's financial returns.
-

Corrective Action/Recommendation: It is recommended that the Emergency Services Districts Operating Guide, distributed by the Texas Department of Rural Affairs (www.tdra.state.tx.us), be reviewed and followed. Some of the guidelines listed in this guide include the following:

- The district may not deposit funds in an amount that exceeds the maximum amount secured by the Federal Deposit Insurance Corporation (FDIC) unless the excess funds are secured in the manner provided by law for the security of county funds, pursuant to *Health and Safety Code § 775.072 (2) (c)*.
- The operating guide further states that all district checks must be signed by the treasurer and countersigned by the president, *Health and Safety Code § 775.073 (a)*. Further, all expenditures of more than \$2,000 may not be paid unless a sworn itemized account covering the expenditure is presented to the board for approval. Currently, each fire station chief, not the president, signs all disbursement checks and an itemized and notarized accounting is submitted, but not to the board. Therefore, based on this Guide and the *Health and Safety Code*,

it is further recommended that financial policies regarding depository selection and adequate or reasonable fund balance be implemented. A sample of financial policies that can be used as a template for establishing and following sound financial policies is attached for your consideration.

12. **Observation:** The following fire stations had minor or immaterial discrepancies.

- Socorro Fire Department
- Fabens Fire Department
- West Valley Fire Department
- Clint Fire Department

Summary

This review was designed to provide reasonable assurance that the internal control structure is adequate to prevent loss, theft, or misuse. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. Based on this review, the internal control structure of the Emergency Services District #2, as it pertains to the financial and operational procedures, appears to be weak, however, it should be strengthened with the implementation of the above recommendations.

JO:ya

The following is some suggested language to the Districts for discussion purposes only and your consideration:

Financial Policies

Establishing and following sound financial policies will enhance the District's financial health as well as its image and credibility with its citizens, the public in general, bond rating agencies, and investors. The Board is charged with establishing financial policies and staff is responsible for carrying out those policies in the day to day management of District finances.

The District's budget is closely aligned with the financial policies established by the East Montana Fire District Governing Board. The Board will begin developing and adopting various financial policies as part of the development of the East Montana Fire District's "Principles of Sound Financial Management." These new policies will serve to strengthen the current and long-term financial health of the organization and will be revisited annually to ensure they represent the most current and realistic framework for decision-making. Policies have been established on the following financial topics:

Determining a Reasonable Fund Balance

A "reasonable amount" of unappropriated unreserved fund balance, may be retained for each fund, consistent with prudent budgeting practices, necessary to ensure the orderly operation of the government and the continued provision of services. Each unit needs to assess what's "reasonable" for their particular situation considering various factors including:

- Timing of receipts and disbursements - A cash flow projection for the following year should already be prepared, as a good management practice and as part of the budget process, to plan for receipts, disbursements, investments and borrowings. If disbursements are expected before receipts, then a larger unappropriated unreserved fund balance may be justifiable. If the unit receives reimbursements such as state and federal grants, disbursements may occur before receipts, resulting in the need for borrowings or a sufficient cash balance to avoid the need for borrowing.
- Volatility of revenues and expenditures - The uncertainty of some revenue estimates (like sales tax) and some expenditure estimates (like social services costs, pending labor contracts, etc.) may justify an increased need for unappropriated unreserved fund balance.
- Contingency appropriations - Contingency appropriations in the ensuing year's budget may offset the amount needed in unreserved unappropriated fund balance.
- Reserves that have been established for various purposes - Units that have created reserves (like capital reserves) through effective long-range planning may need less unreserved unappropriated fund balance.

The factors discussed above have an impact on the amount that is reasonable. A reasonable, stable fund balance is one element of effective long-range planning and can have several benefits including improving bond ratings, reducing reliance on short-term borrowings thereby reducing interest costs, stabilizing tax rates, and protecting programs from cutbacks.

Each local government should adopt a policy that indicates how these factors will be applied in determining the unappropriated unreserved fund balance. This policy can be used from year-to-year in preparing the budget to ensure that the unappropriated unreserved fund balance is consistently maintained at an adequate level.

Fund Balance - Per Governing Board policy, fund balance reserves for the General Fund shall be maintained at 15% of the total General Fund budget for the fiscal year (budgeted as Unappropriated Ending Fund Balance). This fund balance will serve as working capital for the first 2.5 months of the fiscal year, until first half taxes are received from the City Tax Office; and to provide a comfortable margin of safety to address emergencies and unexpected declines in revenue without borrowing or making significant cuts to core services. It is the philosophy of the Board to have sufficient resources on hand at the beginning of the fiscal year to fund the District's operating expenses until property taxes are received from the City Tax Office, thus eliminating or at least significantly reducing, the need for short-term borrowing.




COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR


EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor


County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX


02-37

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR 

THRU: TERESA MOLINAR, OPERATIONS MANAGER 

THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR 

FROM: CLAUDIA PARRA, INTERNAL AUDITOR 

DATE: MARCH 1, 2012

SUBJECT: LONG DISTANCE TELEPHONE BILLING REVIEW FOR APRIL 2010 THROUGH JANUARY 2012

Overview

A review of the long distance telephone and fax billings for the office of the County Auditor has been completed for April 2010 through January 2012. The objective of this review was to verify that employees have logged all calls and faxes.

Scope and Purpose

The scope and purpose of the review was as follows:

1. A sample of 13 employee records or 27 percent, was reconciled with the monthly billings and verified that employees were in compliance with the County Auditor's long distance call policy.
2. The monthly billings and employee records were analyzed to establish trends in record keeping and verify the legitimacy of the long distance calls made.
3. The long distance codes for the County Auditor's Office were verified with the Communications Department's long distance codes to confirm accuracy.
4. Previous memoranda were reviewed for implementation of prior recommendations.

General

1. *Observation:* It was noted that 16 percent of all the long distance calls sampled were not logged in. Furthermore, nine out of 13 employees, or 69 percent, did not have all the long distance calls logged in.
Corrective Action/Recommendation: It is recommended that all long distance calls placed by County Auditor's Office employees be logged to maintain accountability. It is also recommended that management advise their employees of the importance of adhering to the County Auditor's long distance call policy.

2. *Observation:* It was noted that some codes were not canceled immediately after the termination of an employee.
Corrective Action/Recommendation: It is recommended that the department supervisor submit the terminated employee's call log to the Internal Auditor's Division to ensure that the code is canceled.

Review of Past Memorandum

3. *Observation:* It was previously recommended that policies and procedures be updated to include cancelation procedures for long distance codes as part of the exit process.
Corrective Action/Recommendation: The recommendation has been followed and the Employee Exit Form now includes an item check which asks that long distance charges be cleared before separating from the County.

Summary

This review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. This review did not reveal any instances of misuse or abuse of the County Auditor's Office policy as it relates to the long distance calls.

CP:ya




COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR


EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor
03-02

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

MEMORANDUM

TO: COUNTY AUDITOR'S FILES

THRU: EDWARD A. DION, COUNTY AUDITOR 

THRU: TERESA MOLINAR, OPERATIONS MANAGER 

FROM: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR

DATE: MARCH 5, 2012

SUBJECT: COLLECTION OF SHERIFF'S ABANDONDED INMATE PROPERTY

On February 8, 2012, the Sheriff's abandoned inmate property was reviewed by the Purchasing Department and this office for remittance and disposal. The review resulted in a monetary collection of \$8.86 and a collection of Mexican currency in the amount of 90 pesos. This amount was then deposited on February 9, 2012 into the County's consolidated account. The following non-monetary items were kept by the Purchasing department to be auctioned off at a later time.

- 4 MP3 players
- 9 Pairs of glasses
- 1 Gold tone wrist watch
- 2 Silver watches with silver link bands
- 11 cell phones from various carriers
- 3 Black watches with plastic bands
- 6 gold tone necklaces with various pendants
- 1 Gold tone ring
- 3 Silver tone rings
- 1 Bluetooth headset
- 2 Pocket knives
- 1 Silver tone cross pendant

Items containing social security numbers, driver's license numbers, dates of birth, bank account information or any other personal information was receipted by the Purchasing department for proper disposal. Other personal items such as clothing, pierced jewelry and items of no value were disposed of on site.

JO:rao

Cash Count Sheet

Department: Abandoned Inmate - 50

| | Number of Units | @ | Amount | |
|----------------------|-----------------------|---|----------|-----------------------------------|
| Hundreds | | @ | \$100.00 | |
| Fifties | | @ | \$50.00 | |
| Twenties | | @ | \$20.00 | |
| Tens | | @ | \$10.00 | |
| Fives | | @ | \$5.00 | |
| Twos | | @ | \$2.00 | |
| Ones | <u>6</u> | @ | \$1.00 | <u>6.00</u> |
| Half-Dollars | | @ | \$0.50 | |
| Quarters | <u>5</u> | @ | \$0.25 | <u>1.25</u> |
| Dimes | <u>10</u> | @ | \$0.10 | <u>1.00</u> |
| Nickles | <u>9</u> | @ | \$0.05 | <u>.45</u> |
| Pennies | <u>136</u> | @ | \$0.01 | <u>1.36</u> |
| Total Cash Counted: | | | | <u>8.87</u> |
| Less Change Funds: | | | | (<u> </u>) |
| Total Cash: | | | | <u>8.87</u> - Canadian |
| Checks | | | | |
| Credit Card Receipts | | | | |
| Money Orders | | | | |
| Total Collections: | | | | <u>8.87</u> |
| Total Receipts: | | | | (<u>8.87</u>) |
| Overage/Shortage: | | | | <u>0</u> |

1 X 50 peso bill
2 X 20 peso bill

Penny included
by mistake

The above funds were counted in my presence and returned intact
at (time) 12:15 on (date) 2/8/12

Custodian: Bart Perry Date: 2/18/12

Prepared by: [Signature] Date: 2/18/12



County of El Paso, Texas

CASH

N^o 234405

DEPOSIT WARRANT \$

8.86

DOLLARS

Purchase of Gold Bars

HAS RECEIVED FROM

THE SUM OF

FOR

19x3000 pesos 3490 Mexican Currency

14 Canadian

2.9.12

DATE

CREDIT TO ACCOUNT OF FUNDS NAMED BELOW

101

COUNTY AUDITORS OFFICE - TREASURY DIVISION



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

03-21

March 9, 2012

Mr. Reynaldo Chavez, Director
Parks and Recreation
6900 Delta
El Paso Texas 79905

Dear Mr. Chavez:

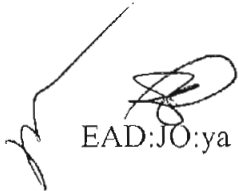
A copy of a memorandum from Mr. James O'Neal, internal auditor supervisor, dated March 9, 2012 is attached. This memorandum is a report on a review of the El Paso County Sportspark from September 2011 through February 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to the El Paso County Sportspark as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendations made by Mr. O'Neal.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Division

If we can be of any assistance in this regard, please let us know.

Sincerely,

Edward A. Dion
County Auditor



EAD:JO:ya

cc: Mr. Ernesto Carrizal, Director, Public Works Director/County Engineer
Road and Bridge Department



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

03-21

March 9, 2012

Mr. Reynaldo Chavez, Director
Parks and Recreation
6900 Delta
El Paso Texas 79905

Dear Mr. Chavez:

A copy of a memorandum from Mr. James O'Neal, internal auditor supervisor, dated March 9, 2012 is attached. This memorandum is a report on a review of the El Paso County Sportspark from September 2011 through February 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to the El Paso County Sportspark as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendations made by Mr. O'Neal.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Division

If we can be of any assistance in this regard, please let us know.

Sincerely,

Edward A. Dion
County Auditor

EAD:JO:ya

cc: Mr. Ernesto Carrizal, Director, Public Works Director/County Engineer
Road and Bridge Department




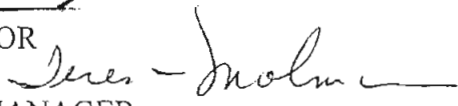

COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

03-22

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR 
THRU: TERESA MOLINAR, OPERATIONS MANAGER 
FROM: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR 
DATE: MARCH 9, 2012
SUBJECT: REVIEW OF THE EL PASO COUNTY SPORTSPARK FROM SEPTEMBER
2011 THROUGH FEBRUARY 2012

Overview

A review of the El Paso County Sportspark from September 2011 through February 2012 has been completed. This time period coincides with the winter and spring baseball seasons. The objective of this review was to evaluate the registration process, the revenue collection and deposit procedures implemented by the Sportspark staff.

Scope and Purpose

The scope and purpose of the review consisted of:

1. Deposits were reviewed and reconciled to the Financial Accounting Management System (FAMIS) to ensure timely submission and proper posting.
2. Recware system receipts were compared to the daily deposit slips and reports submitted to this office to ensure proper reconciliation. Minor discrepancies were noted.
3. The Recware system receipts were also compared to the team rosters to ensure proper player placement.
4. Processed refund vouchers were traced back to team rosters to ensure that refunded players were removed from the rosters.
5. A surprise cash count was performed on February 28, 2012 in accordance with *Local Government Code §115.0035*.
6. A sample of registration forms were reviewed for completeness and accuracy.
7. Previous memoranda were reviewed for proper implementation of prior recommendations.

General

1. Observation: While reviewing the daily deposits, it was noted that some deposits were not made in a timely manner. These deposits were not received by the bank until after seven business days.
Corrective Action/Recommendation: It is recommended that all monies collected be deposited in a timely manner. It is also recommended that management explore the possibility of accepting credit cards as an alternate form of payment.
2. Observation: While reviewing the team rosters, it was noted that several players were still listed on the roster even after a refund had been issued for that player.
Corrective Action/Recommendation: It is recommended that once a refund has been issued for a player or a player has been found ineligible; that player be removed from the roster to avoid any confusion. It is further recommended that a master refund list be created to easily monitor any refunded or ineligible players.
3. Observation: While reviewing the sampled registration forms, it was noted that several attached birth certificates were not legible. The copies were too blurry to correctly determine the player's date of birth. Furthermore, it was noted that some registration forms did not have a copy of the birth certificate attached.
Corrective Action/Recommendation: It is recommended that a legible copy of a birth certificate be submitted with all registration forms to ensure players are placed in the correct age group.
4. Observation: While reconciling the team rosters to the registration forms, it was noted that some registration forms were not in the correct age group. For example, some player's registration forms for the Braves ages 4 & 5 tee-ball team were filed in the Braves ages 10 & 12 team folder.
Corrective Action/Recommendation: It is recommended that due care be exercised when filing all registration forms to ensure all players are placed in the correct team and age division.
5. Observation: While conducting the on-site review, it was noted that several copies of registration documents are being made for the Sportspark registrants.
Corrective Action/Recommendation: It is recommended that Sportspark staff inform registrants that both a copy and an original birth certificate be presented when registering players. The copy should be kept on file and the original returned to the registrant. This would eliminate the use of Sportspark materials to make copies.
6. Observation: During the surprise cash count the following observations were noted:
 - Several days collections were comingled making it very difficult to reconcile on a daily basis.
 - Large bill denominations were not inspected for possible counterfeit activity.
 - Collections made by the league director's assistant are stored in a locked drawer in the director's absence. The assistant does not have access to safe; therefore collections made by the assistant are stored in a different location with limited access.

Corrective Actions/Recommendations: It is recommended that collections be separated per day and funds not be comingled to ensure proper accountability. It is also recommended, that large bill denominations be inspected and noted by a UV detector pen to prevent the acceptance of possible counterfeit bills. Finally, it is recommended that the assistant be granted access to the safe to maintain daily collections in one secure area. Also, dual control of the safe should be implemented when there is a shift change between the assistant and the league director.

Previous Memorandum

1. Observation: It was previously noted that only one staff member handles all collections, prepares daily deposits and is in charge of all change funds.
Corrective Action/Recommendation: It is again recommended that a more effective separation of duties policy be established to assure that proper internal controls are in place.

Summary

This financial review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. The internal control structure of the El Paso County Sportspark appears to be weak, but should be strengthened with implementation of the above mentioned recommendations.

JO:ya



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

03-03

March 28, 2012

Mr. Ernesto Carrizal
Public Works Director/County Engineer
Road and Bridge Department
County Administrative Offices, Room 407
800 East Overland
El Paso, Texas 79901

Dear Mr. Carrizal:

A copy of a memorandum from Ms. Claudia Parra, internal auditor, dated March 28, 2012, is attached. This memorandum is a report on your financial records for the Ascarate Toll Booth for January 2011 through January 2012. Because of certain statutory duties required of the County Auditor, this office is not independent as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendations made by Mrs. Parra.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Sincerely,

Edward A. Dion
County Auditor

EAD:CP:ya

Attachments



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

03-04

MEMORANDUM

Edward A. Dion
TO: EDWARD A. DION, COUNTY AUDITOR
Teresa Molinar
THRU: TERESA MOLINAR, OPERATIONS MANAGER
James O'Neal
THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR
Claudia Parra
FROM: CLAUDIA PARRA, INTERNAL AUDITOR
DATE: MARCH 28, 2012
SUBJECT: REVIEW OF THE ASCARATE TOLL BOOTH FINANCIAL RECORDS
FROM JANUARY 2011 THROUGH JANUARY 2012

Overview

A review of the financial records for the Ascarate Toll Booth from January 2011 through January 2012 has been completed. The objective of this review was to provide reasonable assurance that all transactions were properly recorded and reported.

Scope and Purpose

The scope and purpose of the review consisted of:

1. Daily cash count sheets were reviewed for accuracy and completeness. In addition, collections were traced to the bank statements and the Financial Accounting Management System (FAMIS) to ensure that they were posted properly.
2. The deposits were reviewed to ensure compliance with the rapid deposit law, *Texas Local Government Code §113.022*.
3. A surprise cash count was conducted on December 9, 2011, in accordance with *Texas Local Government Code §113.0035*.
4. An inventory count was conducted on the ticket rolls. No discrepancies were noted.
5. Previous memorandum was reviewed for proper implementation of prior recommendations.

General

1. Observation: While reviewing the daily cash count sheets, it was noted that on several occasions the cash count sheets were incomplete. On some occasions the cash count sheet was not approved by management. It was also noted that a few deposit slips were missing a Cash Distribution by Account report from RecWare as supporting documentation.
Corrective Action/Recommendation: It is recommended that due care be exercised when filling out the daily cash count sheets to ensure that accurate and complete records are maintained.
2. Observation: While reviewing the deposits, it was noted that three out of 184 deposits, or two percent, did not meet the seven day rapid deposit law.
Corrective Action/Recommendation: It is recommended that deposits be made within the seven day range to show compliance with *Texas Local Government Code §113.022*.
3. Observation: It was noted that the cashier did not count the change fund when it was picked up from the Accounting Clerk, prior to starting the shift. When the cash count was performed on December 9, 2011, the cashier did not ask for any identification, as stated in the policies and procedures, and allowed the cash count to be performed.
Corrective Action/Recommendation: It is recommended that the cashier count the change fund prior to starting a shift to ensure that correct funds are available. It is also recommended that the Gate Procedures be followed at all times.

Review of Past Memorandum

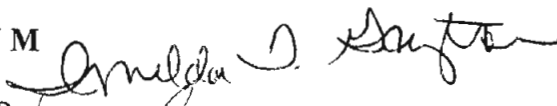
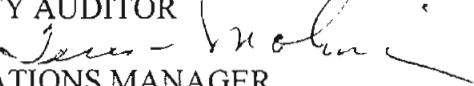

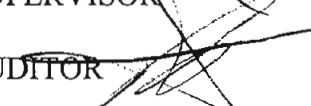
4. Observation: There are no pending items.

Summary

This review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. Based on this review, the internal control structure of the Ascarate Toll Booth, appears to be adequate and should be further strengthened with the implementation of the above mentioned recommendations.

CP:ya

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR 
THRU: TERESA MOLINAR, OPERATIONS MANAGER 
THRU: IMELDA GAYTAN, PAYROLL SUPERVISOR
THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR 
FROM: RICARDO GABALDON, INTERNAL AUDITOR 
DATE: MARCH 29, 2012
SUBJECT: REVIEW OF THE OATHS OF OFFICE FROM JULY 2010 THROUGH AUGUST 2011

Overview

The objective of this review was to ensure compliance with the Oaths of Office requirements pursuant to *Texas Local Government Code, §154.043(b)* and *Article XVI of the Texas Constitution*.

Scope and Purpose

The scope and purpose of the review was as follows:

1. A review of the Oaths of Office was conducted for all elected and employees that require an Oath of Office for the period under review, to ensure that the required Oaths of Office were on file with the County Auditor's Payroll Division and the County Clerk's Office.
2. Previous memorandum was reviewed for proper implementation of prior recommendations.

General

1. *Observation:* While reviewing the Oaths of Office for the Purchasing Department it was noted that the Oaths of Office for the County Purchasing Agent and the Assistant County Purchasing Agent were outdated.

Corrective Action/Recommendation: The County Auditor's Office contacted the County Purchasing Department to sign a new Oath of Office in accordance to *TEX. CONST. art.XVI, § (a) and (b)*. The Assistant County Purchasing Agent provided updated Oaths of Office for their department. Copies of these Oaths of Office were provided to the County Clerk's Office. Furthermore, the County Auditor's Office informed the Assistant County Purchasing Agent that new Oaths of Office should be signed every time the County Purchasing Agent is re-appointed.

2. Observation: While reviewing the Oaths of Office for the County Criminal Courts, it was noted that one out of 12, or 9 percent, of the Oaths of Office were not forwarded to the County Clerk's Office; therefore, according to Mr. Cesar Nava, Commissioners Court Recorder, the missing Oath of Office was not scanned into the WEBxtender, a Microsoft Internet Information Server based application that enables to view documents in the intranet.

Corrective Action/Recommendation: The County Auditor's Office contacted Ms. Martha Bañales, Council of Judges Administration Office Manager, and a copy of the oath was obtained; moreover, the County Auditor's Office has forwarded the Oath of Office to the County Clerk's Office and the County Auditor's Payroll Division.

3. Observation: While reviewing the Oaths of Office for the Council of Judges Administration, it was noted that five out of 20, or 25 percent, of the Oaths of Office on file were not updated. In addition, it was noted that four out of 20, or 20 percent, of the Oaths were not forwarded to the County Clerk's Office. Moreover, an opinion from Ms. Lee Shapleigh and Kevin McCary, Assistant County Attorney, was requested to determine the requirements of the Oaths of Office for the Visiting Judges.

Corrective Action/Recommendation: The County Auditor's Office contacted Ms. Bañales, to update the Oaths of Office in question. Moreover, the Oaths of Office that were not scanned have been forwarded to the County Clerk's Office for proper electronic filing. Furthermore, on April 3, 2012, a conclusion was upheld by the Assistant County Attorneys, and it states that active Visiting Judges do not generally require new Oaths of Office as long as their constitutional duties do not change. Moreover, if the former, retired, or senior judge took the oaths when the judge was added to the list of available Visiting Judges, the County Attorney Office believes that they do not need to take the oaths again as long as the judge remains in the same status, i.e. the judge continuously remains qualified and on the list of Visiting Judges. Moreover, as of April 4, 2012, the two Oaths of Office that have not been scanned into WEBxtender still remain omitted.

4. Observation: While reviewing the Oaths of Office for the District Courts, the following items were noted:
- 27 out of 54, or 50 percent, of the Oaths of Office were not scanned into the WEBxtender.
 - Eight out of 54, or 13 percent, of the Oaths of Office were outdated.

Corrective Action/Recommendation: The County Auditor's Office contacted Ms. Bañales to obtain the missing Oaths of Office and to renew the outdated Oaths of Office. The 27 Oaths of Office that were not sent to the County Clerk's Office have been located and forwarded to the County Clerk's Office for proper electronic filing. However, as of March 29, 2012, only one out of the seven Oaths of Office has been renewed.

5. Observation: While reviewing the Oaths of Office for the County Courts of Law, the following items were noted:
- Six out of 20, or 30 percent, of the Oaths of Office were not scanned into the WEBxtender.
 - Three out of 20, or 15 percent, of the Oaths of Office were expired.

Corrective Action/Recommendation: The County Auditor's Office contacted Ms. Bañales, to obtain the Oaths of Office that were not scanned and to renew the expired Oaths of Office. Moreover, the County Auditor's Office attempted to contact the individuals who had an expired Oath of Office as well, but as of March 28, 2012, two expired Oaths of Office are still pending to be renewed. Furthermore, the Oaths of Office that were not scanned into WEBxtender have been forwarded to the County Clerk's Office for proper electronic filing.

6. Observation: While reviewing the Oaths of Office for the Constable Precinct No. 3, it was noted that an Oath of Office was not forwarded to the County Clerk's Office for proper electronic filing.

Corrective Action/Recommendation: The County Auditor's Payroll Division provided a copy of the oath. The Oath of Office was then forwarded to the County Clerk's Office for it to be scanned into WEBxtender.

7. Observation: While reviewing the Oath of Office for the Sheriff's Department, it was noted that four out of 106, or 4 percent, of the Oaths of Office were not filed at the County Auditor's Payroll Division or the County Clerk's Office.

Corrective Action/Recommendation: The County Auditor's Payroll Division contacted the Human Resources Manager at the El Paso County Sheriff's Department and they provided the Oaths of Office in question. The County Auditor's Office then forwarded the Oaths of Office to the County Clerk's Office to be scanned into WEBxtender.

8. Observation: While evaluating the Oath of Office for the Public Works Department, it was noted that there was no oath taken by the newly appointed Public Work Director.

Corrective Action/Recommendation: The County Auditor's Office contacted Ms. Lee Shapleigh, Assistant County Attorney, for an opinion on the requirements of the Oath of Office for this specific job position. According to the County Attorney, it was concluded that the Public Work Director and Road and Bridge Administrator indeed require an Oath of Office. An Oath of Office was then signed to meet *TEX. CONST., art.XVI, §1(a); TEX. TRANS. CODE §252.305(a)* requirements. Moreover, the Oath of Office was then forwarded to the County Auditor's Payroll Division and to the County Clerk's Office for electronic filing.

9. Observation: While evaluating the Oaths of Office for the Tax Office, it was noted that 41 out of 48, or 86 percent, of the Oaths of Office were not filed at the County Clerk's Office.

Corrective Action/Recommendation: The County Auditor's Payroll Division obtained copies of the oaths and provided the copies to the County Clerk's Office to be scanned into WEBxtender.

10. Observation: While assessing the Oaths of Office for the Criminal District Court No.1, it was noted that an Oath of Office for the Court Reporter was not sent to the County Clerk's Office.

Corrective Action/Recommendation: The County Auditor's Office contacted Ms. Bañales, and a copy of the oath was obtained; moreover, this copy of was provided to the County Clerk's Office for it to be scanned into WEBxtender.

11. Observation: While reviewing the Oaths of Office for the Family Courts and Associate CPS Court, it was noted that seven out of 10, or 70 percent of the Oaths of Office appear to be expired. Moreover, it was noted that two out of ten, or 20 percent of the Oaths of Office were not sent to the County Clerk's Office.

Corrective Action/Recommendation: An opinion was requested from the County Attorney's Office in reference to the term of service for the Associate Family Courts since the Oaths of Office seemed to be expired. On April 3, 2012, a conclusion was upheld by Michael Izquierdo, Executive Director for the Council of Judges Department, and Kevin McCary, Assistant County Attorney, in which they state that an Oath of Office needs to be taken every four years pursuant to local rules and practice. Upon the resolution to the inquiry mentioned above, the outdated Oaths of Office were updated to meet the requirements. Furthermore, the two Oaths of Office that were not scanned into WEBxtender, were forwarded to the County Clerk's Office for proper electronic filing.

12. Observation: While reviewing the Oaths of Office for the Juvenile Probation Department, it was noted that 10 out of 60, or 17 percent, of the Oaths of Office did not have a date to indicate when the Oath of Office was taken. Furthermore, it was noted that four out of 60, or 7 percent, of the required Oaths of Office were not sent to the County Clerk's Office.

Corrective Action/Recommendation: It is recommended that the County Auditor's Payroll Division contact the Juvenile Probation Department to notify that when an Oath of Office is administered, a date should be included in the oath. Furthermore, it is recommended that if a blank Oath of Office is needed, departments should be directed to the County's website (<http://intranet/forms.htm>), which has a blank Oath of Office under the Auditor's Office section.

13. Observation: While reviewing the Oaths of Office for the Criminal Law Magistrate, it was noted that the Oath of Office for the Criminal Magistrate Judge was expired.

Corrective Action/Recommendation: An opinion was requested from the County Attorney's Office in reference to the term of service for this position. It was concluded that the Criminal Magistrate Judge must be re-appointed each year, subsequently a new Oath of Office must be taken annually. Furthermore, the Criminal Magistrate has been "sworn-in" but as of April 4, 2012, the Oath of Office has not been sent to the County Clerk's Office or the County Auditor's Payroll Division.

Summary

This review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the

valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, error or irregularities may occur and not be detected. Based on this review, the internal control structure of the County, as it relates to Oaths of Office requirements continues to be weak, but should be strengthened with the implementation of the above-mentioned recommendations.



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

04-13

April 4, 2012

The Honorable Sheriff Richard Wiles
3850 Justice
El Paso TX 79938

Dear Sheriff Wiles:

A copy of a memorandum from Mrs. Claudia Parra and Mr. Rene Balderrama, internal auditors, dated April 4, 2012 is attached. This memorandum is a report on the County Sheriff auto auction held Saturday, March 3, 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to your office, as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care

If we can be of any assistance in this regard, please let us know.

Very truly yours,

Edward A. Dion
County Auditor

EAD:CP:RB:ya

Attachment



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

04-14

MEMORANDUM

Edward A. Dion
TO: EDWARD A. DION, COUNTY AUDITOR
THRU: *Teresa Molinar*
TERESA MOLINAR, OPERATIONS MANAGER
THRU: *for* JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR
FROM: *Claudia Parra*
CLAUDIA PARRA, INTERNAL ADITOR
Rene Balderrama
RENE BALDERRAMA, INTERNAL AUDITOR
DATE: APRIL 3, 2012
SUBJECT: ABANDONED MOTOR VECHILE AUCTION

Overview

On March 3, 2012, Mrs. Claudia Parra and Mr. Rene Balderrama, internal auditors, attended and reviewed of the procedures of the Abandoned Motor Vehicle Auction. The Auditor's Office was able to note the following:

1. There was a total of 14 vehicles that sold in the amount \$19,150.00 with no discrepancies noted. The Internal Auditors and the BITS Supervisor both verified amount of the cash collected.
2. There was a sheriff's deputy selling his personal property which consisted of a Honda motorcycle and may have been selling the attached trailer for the motorcycle at the auction. The auctioneer was utilized to advertise and auction the motorcycle. It was not determined if the motorcycle was sold.
3. There was confusion between the auctioning departments on where the payments were to be made and where the proper paperwork was to be filed by the winning bidders.

Recommendation

Based on findings at the Abandoned Motor Vehicle Auction it is recommended that prior preparation be made to ensure that winning bidders are aware of where to pay and file the proper paper work. It is further recommended that any personal items not be sold during County auctions.

CP:RB:ya

Rene Balderrama

EL PASO COUNTY SHERIFF'S OFFICE
 ABANDONED MOTOR VEHICLE SECTION
 12501-F MONTANA, EL PASO COUNTY, TEXAS

PAGE 1 OF 1

ABANDONED MOTOR VEHICLES AUCTION
 AUCTION DATE: MARCH 3, 2012

| # | CASE# | YR | MAKE/MODEL | STYLE | VIN: | BUYER | PRICE |
|----|---------------|------|--------------------------------------|-------|-------------------|------------|-----------------------|
| 1 | AD/2011-06014 | 1998 | FORD F-150 | P/U | 1FTDX1760WKA02275 | <u>38</u> | <u>1525-</u> |
| 2 | AD/2011-07894 | 2002 | DODGE NEON | 4DRHT | 1B3ES26CX2D559324 | <u>52</u> | <u>1500-</u> |
| 3 | AD/2012-01081 | 1993 | TOYOTA COROLLA | 4DRHT | JT2AE09E1P0007594 | <u>38</u> | <u>750</u> |
| 4 | AD/2011-03995 | 1998 | LINCOLN MARK VIII | 2DRHT | 1LNFM91V8WY611946 | <u>86</u> | <u>725-</u> |
| 5 | AD/2011-04683 | 1995 | FORD MUSTANG | 2DRHT | 1FALP4046SF266342 | <u>56</u> | <u>925-</u> |
| 6 | AD/2011-04373 | 2001 | GMC DENALI 4x4 1/2 TON | SUV | 1GKEK63U01J294551 | <u>57</u> | <u>5100</u> |
| 7 | AD/2012-00584 | 2002 | PONTIAC BONNEVILLE SE | 4DRHT | 1G2HX54K224141577 | <u>38</u> | <u>725</u> |
| 8 | AD/2011-09012 | 2001 | CHEVROLET METRO LS1 | 4DRHT | 2C1MR522516706115 | <u>52</u> | <u>1325-</u> |
| 9 | SO/2011-08527 | 1999 | OLDSMOBILE INTRIGUE | 4DRHT | 1G3WS52H9XF359343 | <u>5</u> | <u>1275</u> |
| 10 | AD/2011-04943 | 2000 | CHEVROLET MALIBU LX | 4DRHT | 1GIND52J9Y6164944 | <u>79</u> | <u>1550</u> |
| 11 | AD/2011-10912 | 1998 | BUICK REGAL CUSTOM - REBUILT SALVAGE | 4DRHT | 2G4WB52KXW1414721 | <u>86</u> | <u>575-</u> |
| 12 | AD/2011-09461 | 1976 | SUZUKI 125M | DRTBK | RM125108776 | <u>111</u> | <u>285</u> <i>250</i> |
| 13 | AD/2011-10913 | 1993 | FORD ECONOLINE 150 | VAN | 1FDEE14YXPHB80754 | <u>107</u> | <u>925-</u> |
| 14 | AD/2011-10914 | 2001 | GMC JIMMY 4x4 1/2 TON | SUV | 1GKDT13W312146434 | <u>7</u> | <u>200</u> |

TOTAL SALE: \$ 19150

GATES OPEN AT 07:30 AM. THE AUCTION STARTS AT 09:00 AM SHARP.
 NOTE: NO PERSONS UNDER THE AGE OF 16 WILL BE ALLOWED INSIDE THE SALE LOT AT ANY TIME.

THE TERMS OF THE SALE ARE CASH ONLY--ALL VEHICLES ARE SOLD "AS IS/WHERE IS"
 PAYMENT IS REQUIRED IMMEDIATELY AFTER THE SALE ENDS.

EL LOTE SE ABRIRA A LAS 07:30 AM. LA SUBASTA COMENSARA A LAS 09:00 AM EN PUNTO.
 NOTA: PERSONAS DE MENOR DE 16 AÑOS NO SE LES PERMITIRA ENTRAR.

LOS TERMINOS DE LA VENTA SON - DINERO EN EFECTIVE--TODOS LOS VEHICULOS SON VENDIDOS
 "EN LAS CONDICIONES QUE ESTEN". PAGO SE REQUIERE INMEDIATAMENTE AL TERMINAR LA SUBASTA.



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

04-11

April 4, 2012

El Paso County Staffing Committee
ATTN: Mrs. Betsy Keller
800 E. Overland Room 223
El Paso, Texas 79901-2496

Dear Members of the Staffing Committee:

A copy of a memorandum from Mr. Rene Balderrama, internal auditor, dated April 4, 2012 is attached. This memorandum is a report on a review of the operations at the County Clerk's Office. This review was conducted for the purpose of assessing any additional staffing needs of the County Clerk's Office. Base on our review, we recommend with concurrence of the Human Resources department, that additional positions or frozen positions be approved for the County Clerk's Office

If we can be of any assistance in this regard, please let us know.

Very truly yours,

A handwritten signature in black ink, appearing to read "Edward A. Dion".

Edward A. Dion
County Auditor

EAD:RB:ya

Attachment




COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

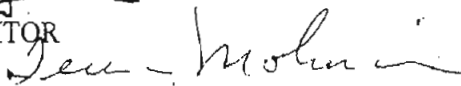
EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor


County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040


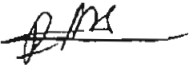
04-12

MEMORANDUM

TO:  EDWARD A. DION, COUNTY AUDITOR

THRU:  TERESA MOLINAR, OPERATIONS MANAGER

THRU:  JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR

FROM:  RENE BALDERRAMA, INTERNAL AUDITOR 

DATE: APRIL 4, 2012

SUBJECT: ASSESSMENT COUNTY CLERK'S DOWNTOWN OFFICE

Overview

On March 1, 2012, Mr. Rene Balderrama, internal auditor, reviewed the operations and procedures for the County Clerk's downtown office. Mrs. Delia Briones expressed her concerns regarding the downtown's office overflow of work. The Auditor's Office was able to note the following:

1. The County Clerk is now required to report mental cases as per H.B. 3352 to the Texas Department of Public Safety (DPS). There are 29,644 outstanding cases that must be scanned and reported to DPS. This will entail the County Clerk Probate division to research cases from archives to be able to prepare the cases and scan them for reporting purposes. Mrs. Briones has stated that her office has asked for an extension of the reporting deadline. The Human Resources department has conducted a time in motion study to review the guardianship and mental health cases that need to be reported to DPS.
2. The County Clerk now has each division cashiering to reduce the amount of redundancy and wait times for walk-in customers. However, with each division conducting its own cashiering, this has created the need for more clerks to cashier and more cash on hand for the office. The office has now staggered employees' schedules to ensure sufficient personnel coverage. In addition, the office has ensured that these cashiers have sufficient change funds to handle the daily collections.
3. The County Clerk's Collection division is able to accept payments for their division now that there is a cashier designated to the department. Issues have arisen during the lunch hour in which the customers are asked to go to the lower level to process their payments.

Also, the cashier stations for the Collections division on the first floor and lower level are not properly secured nor setup for proper cashing.

4. The County Clerk's Collection division has stated that the turnover ratio in the department is high due to the volume of work and demands because of the nature of the collection process. A collections specialist's duties consist of the following procedures:
 - Interviews defendants to determine terms of payment; monitors payment activity on assigned cases; performs follow-up with delinquent cases.
 - Responds to inquiries relating to collection operations; refers specific legal matters to an attorney.
 - Enters and retrieves information and data to and from automated data bases; activates or dismisses warrants based on the status of individuals.
 - Provides staff support to attorney(s) in all aspects of case preparation.
 - Participates in the preparation and/or filing of warrants, affidavits, judgments and other legal documents.
 - Prepares and maintains office files; prepares daily activity reports.

The collections department has currently hired a new employee which will take approximately 2 to 3 weeks of training to be able to handle customer collections plans. Mrs. Briones expects the work load for the department to increase and expressed willingness to ensure that Scoff-Law payments will be accepted.

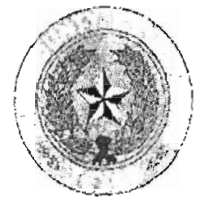
5. The Cashier and Deeds division have been consolidated to maximize employee production. Mrs. Briones is cross training employees to assist in preparing the documents for scanning and the actual scanning of the documents. Also, two cashiers are being trained to assist the Accounting division for balancing the bank deposits and assisting with the daily deposit due to larger number of cash bags that are now being turned in from each division.
6. The County Sheriff's department has done an assessment of the security of the office and has stated that cameras need to be installed and the safes need to be bolted for security. The Internal Audit division recommends that these measures be implemented to ensure that the risk of loss of funds is minimized.

Recommendation

Based on our assessment of the County Clerk's Office, and the fact that several vacancies exist in the County Clerk's Office, it is the County Auditor's Internal Audit Division's recommendation that Mrs. Briones hire an additional three temporary employees to support the Probate division and one additional full time employee for the Collections division. Attached are two budget impact forms for the positions recommended. It is also recommended that a training program be developed to ensure that all employees are properly trained to complete the task at hand. Since there are more divisions able to cashier, it is recommended that the Division Supervisors review the quantity of cash bags being used to ensure that they are being utilized properly on a regular basis. It is additionally recommended that the Division Supervisors review the employee schedule to ensure that the division is well staffed at all times to handle customer needs.

RB:ya

Time in Motion Study: Job Analysis



NAME: Monique Ortega

POSITION: Office Specialist **GRADE:** G7 **RATE OF PAY:** \$21,598.77

SUPERVISOR'S NAME: Delia Briones

SUPERVISOR'S TITLE: County Clerk

PURPOSE: To best understand what type of position and how many employees are needed to assist with the backlog on DPS reporting within the Guardianship and Mental Health Sections of the County Clerk's Office as a result of HB3352 which passed in 2009.

DESCRIBE RESPONSIBILITIES/PROCESS TO ACHIEVE PURPOSE:

Reporting, filing, scanning, processing requests for information via verbal or email communication, manually researching missing information, logging finalized information in an Excel Spreadsheet, creating abstracts as a result, printing abstract forms and notarizing those forms, and inputting final information into the online DPS reporting database.

BACKLOG CASE INFORMATION:

Guardianship:

- June 2011 to current: **264 cases**
- 1989-2005: 10 boxes with 1,000 cases per box for a total of **10,000 cases**

Mental Health:

- 1989-2005: **19,380 cases**

ESTIMATED ACTIVITY DURATION:

- Per Current Guardianship Case:¹
 - Excel Log: 9 minutes
 - Abstract: 15 minutes
 - DPS Report: 15 minutes
 - TOTAL: 39 minutes/case
- Per Backlogged Guardianship Case:
 - Archived Case Research: 11 minutes
 - Excel Log: 9 minutes
 - Abstract: 15 minutes
 - DPS Report: 15 minutes
 - TOTAL: 60 minutes/case

¹ Current cases have information readily available; therefore, a decrease in case research time is noted.

Time in Motion Study: Job Analysis

- Per Backlogged Mental Health Case:
 - Archived Case Research: 11 minutes
 - Excel Log: 9 minutes
 - Abstract: 15 minutes
 - DPS Report: 15 minutes
 - TOTAL: 60 minutes/case

ANALYSIS:

| Case Type: | Total Duration (hours): | Extended Time (weeks): |
|-------------------------|-------------------------|------------------------|
| Guardianship - Current | 171.6 | 4.29 |
| Guardianship - Backlog | 10,000 | 250 |
| Mental Health - Backlog | 19,380 | 484.5 |
| TOTAL: | 29,551.6 | 738.79 |

RECOMMENDATION:

Based on the analysis, it would take one full-time employee approximately **14.20** years to complete the work needed if conducted at the researched rate of time. It is my strong recommendation that the County Clerk's office be supported with at least 3 temporary full-time employees, classified in the position of Office Specialist (G7-E) \$30,708, for a total impact of \$92,124/year and an extended true impact of \$138,186 based on the 18-month period being requested. These employees would need to identify creative techniques for minimizing the time it takes to process each case within an average of 30 minutes to ensure the work is caught up within an 18-month period.

*Note: If an extension period is requested, it will cost approximately \$2,559/employee per month for a total of \$7,677/month for all 3 employees.

Budget Impact Form
Fiscal Year 2012 Personnel Requests
Proposed to Commissioners Court

Date: 3/5/2012
Analyst: M. Carrillo

Department: County Clerk's
Index: CNTYCLERK

| Type of Expenditure | Detail | 2012 Impact from Effective Date 26 pp | 2012 Full Year Impact |
|--------------------------|---|--|--------------------------|
| Personnel: | | | |
| Salaries - full time | New position - Impact for an Office Specialist (G7) | \$21,599 | \$21,599 |
| Social security/Medicare | Multiply by 7.65% | 1,652 | 1,652 |
| Retirement | Multiply by 13.65% for FY2012 | 2,948 | 2,948 |
| Insurance-life | \$.96 per person ppp (Full-Time Perm only)- \$25 average per year | 25 | 25 |
| Insurance-health | \$365.03 avg per person ppp (Full-Time Perm only)- \$4,300 average per year | 4,300 | 4,300 |
| Insurance-workers comp | Multiply by appropriate % (Varies by position) .0047 | 102 | 102 |
| Insurance-unemployment | Multiply by 0.38% for FY2012 | 82 | 82 |
| <i>Total Personnel</i> | | <u>\$30,708</u> | <u>\$30,708</u> |

Per employee:

| | |
|--------------------------|-----------------|
| Fiscal Year Cost: | \$30,708 |
| 6-Month Additional Cost: | \$15,354 |
| Total 18-month Cost: | <u>\$46,062</u> |

3 Requested Employees:

\$138,185.54

| | |
|------------------------------|---------|
| ** Per Employee Per Month | \$2,559 |
| ** Per 3 Employees Per Month | \$7,677 |

**Budget Impact Form
Fiscal Year 2012 Personnel Requests
Proposed to Commissioners Court**

Date: 3/21/2012
Analyst: yo

Department: County Clerk -
Collections Division
Index: cccrimfeecol

| Type of Expenditure | Detail | Cost Per Pay Period/Month | No. of Pay Periods/ Months to be Affected in CFY | 2012 Impact from Effective Date 12 pp | 2012 Full Year Impact |
|--------------------------|--|---------------------------|--|---------------------------------------|-----------------------|
| Personnel: | | | | | |
| Salaries - full time | New position or Unfreeze Current frozen position - Impact for a Collections Specialist (grade G11, Entry \$25,056), effective April 1st. | 963.69 | 12.0 | \$11,564 | \$25,056 |
| Social security/Medicare | Multiply by 7.65% | 73.72 | 12.0 | 885 | 1,917 |
| Retirement | Multiply by 13.85% for FY2012 | 133.47 | 12.0 | 1,602 | 3,470 |
| Insurance-life | \$.96 per person ppp (Full-Time Perm only)- \$25 average per year | 0.96 | 12.0 | 12 | 25 |
| Insurance-health | \$173.08 avg per person ppp (Full-Time Perm only)- \$4,500 average per year | 173.08 | 12.0 | 2,077 | 4,500 |
| Insurance-workers comp | Multiply by appropriate % (Varies by position) .0047 | 4.53 | 12.0 | 54 | 118 |
| Insurance-unemployment | Multiply by 0.38% for FY2012 | 3.66 | 12.0 | 44 | 95 |
| <i>Total Personnel</i> | | <u>1,353.12</u> | | <u>\$16,238</u> | <u>\$35,181</u> |

\$ 1,353

\$16,238 \$35,181



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

04-37

April 27, 2012

The Honorable Richard D. Wiles
El Paso County Sheriff
3850 Justice Drive
El Paso, TX 79938

Dear Sheriff Wiles:

A copy of a memorandum from Ms. Linda Hemme, internal auditor, dated April 27, 2012 is attached. This memorandum is a report on a review of your board bill reports for November 2010 through February 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to the Sheriff's Department, as defined by the AICPA professional standards. However, this review was performed with objectivity and due professional care. I concur with the recommendations made by Ms. Hemme.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendation noted on the report provided by the County Auditor's Internal Division.

If we can be of any assistance in this regard, please let us know.

Very truly yours,

Edward A. Dion
County Auditor

EAD:LH:ya

Attachment



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

04-35

MEMORANDUM

Edward A. Dion
TO: EDWARD A. DION, COUNTY AUDITOR
Teresa Molinar
THRU: TERESA MOLINAR, OPERATIONS MANAGER
James O'Neal
THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR
Linda Hemme
FROM: LINDA HEMME, INTERNAL AUDITOR
DATE: APRIL 27, 2012
SUBJECT: REVIEW OF THE SHERIFF'S DEPARTMENT BOARD BILLS

Overview

A review of the Sheriff's Department board bills for November 2010 through February 2012 has been completed. The objective of this review was to verify the accuracy and timeliness of these billings.

Scope and Purpose

The scope and purpose of the review was as follows:

1. The federal board bill reports were reviewed and verified against inmate reports for accuracy. No discrepancies were noted.
2. A sample of prisoner remands was traced to the monthly federal board bill reports for November 2010 through February 2012.
3. Report detail was vouched to the prisoner remands on file and the Judicial Information Management System (JIMS).
4. The documentation for federal hospitalized inmates was reviewed to verify the accuracy and legitimacy of the adjustments made to the monthly federal inmate reports used to invoice the U.S. Marshals. No discrepancies were noted.
5. Federal and municipal board bill invoices billed to the U.S. Marshals and El Paso City Police Department were reviewed and all payments were traced to the Treasury Division and the Financial Accounting Management Information System (FAMIS) to ensure that all transactions were accounted for properly. No discrepancies were noted.

6. The invoices billed to extradition transport service companies were reviewed to insure that all payments had been received.

General

1. *Observation:* While verifying the accuracy of the federal board bill reports, it was noted that five of the sampled remands for five federal inmates were not located.
Corrective Action/Recommendation: The Bond and Inmate Trust Section (BITS) was able to locate these remands from the jail staff. It is recommended that the jail staff ensure that all federal remand forms be submitted to BITS (Bond & Inmate Trust Section) and be kept as supporting documentation in case of any discrepancies.
2. *Observation:* While reviewing the extradition transport service company invoices, it was noted that U.S. Extradition Company has not paid the \$1,260.00 owed for housing their inmates at the County jails for March and June 2011. The BITS section repeatedly tried to contact the company to request payment. A second and third invoice for demand of payment was sent on May 11, 2011 and February 17, 2012, respectively. This transport company has not responded to the invoices sent to them requesting payment. The unpaid balances from transport companies have been increasing over the past couple of years.
Corrective Action/Recommendation: Subsequently, the BITS Director forwarded a copy of the last demand letter to the County Attorney's Office so that they can look into collecting the outstanding balance. It is further recommended that the Sheriff's Department implement policies and procedures to minimize the occurrence of these unpaid balances.

Summary

This review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. Based on this review, the internal control structure of the Sheriff's Department as it pertains to the bookkeeping, billing, and receipting of board bills appears to be adequate, and should be further strengthened with implementation of the above-mentioned recommendation.

LH:ya



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2010
(915) 546-8172 FAX

04-38

April 30, 2012

The Honorable Guadalupe Aponte
Justice of the Peace, Precinct Number 3
500 E. San Antonio
3rd Floor, Suite 308
El Paso, Texas 79901

Dear Judge Aponte:

A copy of a memorandum from Mr. Rene Balderrama, internal auditor, dated April 30, 2012 is attached. This memorandum is a report on a review of your financial records for June 2011 through March 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to your office, as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendations made by Mr. Balderrama.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Very truly yours,

A handwritten signature in black ink that reads "Edward A. Dion".

Edward A. Dion
County Auditor

EAD:RB:ya

Attachment



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

04-39

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR

THRU: TERESA MOLINAR, OPERATIONS MANAGER

THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR

FROM: RENE BALDERRAMA, INTERNAL AUDITOR

DATE: APRIL 30, 2012

SUBJECT: REVIEW OF JUSTICE OF THE PEACE, PRECINCT NUMBER 3,
FINANCIAL RECORDS FOR JUNE 2011 THROUGH MARCH 2012.

Overview

A review of the financial records for Justice of the Peace, Precinct Number 3, for June 2011 through March 2012 has been completed. The objective of this review was to verify the information contained within the Justice of the Peace's financial reports. These financial reports, generated off the Justice Information Management System (JIMS), are a recapitulation of all transactions that occurred during each month.

Scope and Purpose

The scope and purpose of the review consisted of the following:

1. A surprise cash count was performed on March 28, 2012 in accordance with *Local Government Code §115.0035*.
2. A report listing deleted cases was reviewed to determine the reasonableness of those transactions.
3. The Justice of the Peace mail log was reviewed to ensure that payments are logged properly and then posted into Odyssey.
4. All deposit slips were compared to daily balance reports and treasury records in order to verify that collections were deposited timely in accordance with *Local Government Code §113.022* and properly posted on the Financial Accounting Management Information System (FAMIS).
5. All necessary schedules were prepared for the appropriate allocation of court costs. No discrepancies were noted.

6. A sample of 43 cases, or five percent, of 862 of dismissed cases was reviewed for proper documentation of the dismissal.
7. All payments collected by the Sheriff's Office from June 2011 to March 2012 were reviewed to ensure prompt and accurate posting in Odyssey.
8. A review of the manual receipts was conducted to ensure that all payments received are properly posted into Odyssey. No discrepancies were noted.
9. Previous memoranda recommendations were reviewed for implementation.

General

1. Observation: While performing a cash count on March 28, 2012, it was noted that a clerk's cash drawer was not properly linked in Odyssey which made balancing the daily collections difficult. It was also noted that the Sheriff's cash drawer was used for case adjustments, bond refunds and bond forfeitures.
Corrective Action/Recommendation: It is recommended that the Justice of the Peace personnel ensure that all clerk's cash drawer are properly linked in Odyssey to avoid issues when balancing and depositing the daily collections. It is also recommended that the Sheriff's cash drawer not be used for any transactions not related to Sheriff's collections.
2. Observation: While reviewing deleted cases for the Justice of the Peace, it was noted that case number 311-1190-CV was deleted from Odyssey without having proper documentation as to why this case was deleted.
Corrective Action/Recommendation: It is recommended that the Justice of the Peace personnel review cases to ensure that they are properly entered into Odyssey and proper documentation is provided as to why cases are being deleted. It is further recommended that the Justice of the Peace personnel contact the Information Technology department when any issues arise with Odyssey to ensure that issues are resolved in a timely manner.
3. Observation: While reviewing the mail log for the Justice of the Peace, it was noted the log is incomplete with case information, dual control signatures and amounts not being entered into the log.
Corrective Action/Recommendation: It is recommended that the Justice of the Peace office ensure that all mail is logged properly and that the log be reviewed on a regular basis by the Court Coordinator for completeness and accuracy.
4. Observation: While reviewing a sample of 43 dismissed cases from Odyssey, it was noted that 19 or 44 percent, of cases did not have the proper documentation scanned into Odyssey needed to validate the reason for the dismissal of the case.
Corrective Action/Recommendation: It is recommended that the dismissed cases have the proper documentation scanned into Odyssey to validate the court orders. It is further recommended that as soon as the judgment is granted, the Justice of the Peace personnel review the court orders for completeness and accuracy.

5. Observation: While reviewing the Sheriff's collections to be entered into Odyssey, it was noted that as of the date of this memo, there are 14 outstanding payments, totaling \$2,152.06, to be posted.
Corrective Action/Recommendation: It is recommended that the Justice of the Peace personnel enter payments as they are received from the Sheriff's office. It is further recommended that any outstanding payments be researched and posted immediately into Odyssey.

Review of Past Memoranda

6. Observation: As noted in prior memorandum, the outstanding bond schedule is not being reviewed periodically and cases have not been resolved in a timely manner.
Corrective Action/Recommendation: It is recommended that the Justice of the Peace personnel assign a staff member to periodically review and resolve the cases listed on the bond schedule.

Summary

This financial review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. The Justice of the Peace, Precinct 3 has implemented some of the previous recommendations and made improvements in the operations. However, based on this review, the internal control structure appears to be weak, but should be strengthened with the implementation of the above mentioned recommendations.

RB:ya



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546 2040
(915) 546-8172 FAX

05-06

May 7, 2012

Ms. Monique Aguilar
Office Administrator/ Support Manager
El Paso County Facilities Management
Room M-1, County Courthouse Building
500 E. San Antonio Street
El Paso, Texas 79901

Dear Ms. Aguilar:

A copy of a memorandum from Mrs. Claudia Parra, internal auditor, dated May 7, 2012 is attached. This memorandum is a report on a review of the Primo's Café & Catering for August 2010 through March 2012. Our review was performed with objectivity and due professional care. I concur with the recommendations made by Mrs. Parra.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Very truly yours,

for Edward A. Dion
County Auditor

EAD:CP:ya

Attachments

cc: Mr. & Mrs. Dominguez, Owners
Primo's Café & Catering
Mr. Ernesto Carrizal, Public Works Director



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

05-07

MEMORANDUM

TO: *for* EDWARD A. DION, COUNTY AUDITOR, *Teresa - Molinar*
THRU: TERESA MOLINAR, OPERATIONS MANAGER, *Teresa - Molinar*
THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR, *James O'Neal*
FROM: CLAUDIA PARRA, INTERNAL AUDITOR, *Claudia Parra*
DATE: MAY 7, 2012
SUBJECT: REVIEW OF PRIMO'S CAFÉ & CATERING LOCATED AT THE COUNTY
COURTHOUSE FOR AUGUST 2010 THROUGH MARCH 2012.

Overview

A review of the Courthouse Cafeteria contract with Primo's Café & Catering for August 2010 through March 2012 has been completed. The objective of this review was to ensure compliance with contract stipulations.

Scope and Purpose

The scope and purpose of the review was as follows:

1. The contract was reviewed to identify the requirements of the agreements.
2. A surprise cash count was conducted on April 20, 2012.
3. All monthly commission reports were compared to FAMIS and Treasury records to ensure that deposits were coded correctly and in compliance with the contract stipulations.
4. All monthly commission reports were compared to RecWare Cashiering reports to verify that the information presented was accurate.
5. An analysis was prepared reflecting revenues to the County from January 2010 through December 2011, copy attached.
6. Financial records and Sales Tax reports were reviewed and compared for completeness and accuracy.

General

1. Observation: It was noted that the contract was due to expire on November 30, 2011.
Corrective Action/Recommendation: On October 31, 2011, Commissioners Court approved a one year option to extend the management agreement with Lumar Enterprise Incorporated until November 30, 2012. The County will have the option to extend the existing contract for one additional year after November 30, 2012.

2. Observation: It was noted that the surprise cash count performed on April 20, 2012 resulted in a \$34.04 shortage. It was also noted that two credit cards, two gift cards, one driver's license, and one identification card left behind by customers were inside the register. Upon inquiry, it was noted that some of these items are left inside the register during hours of operation and have been inside the register for more than a year.
Corrective Action/Recommendation: It is recommended that all cashiers exercise due care to ensure that all sale transactions are recorded properly. It is further recommended that any credit cards, identification cards or gift cards left behind by a customer, be kept and secured by management until claimed and not left inside the register.

3. Observation: It was noted that seven out of the eighteen commission payments reviewed were not deposited in accordance with the contract which states that commission payments should be deposited within 30 days of the close of an accounting period. It was also noted that the reports and commissions for March 2012 have not yet been submitted to the County. Therefore, the vendor is not in compliance with the contract.
Corrective Action/Recommendation: A penalty of 1% or \$116.81, reflective of commission deposits from August 2010 through February 2012, have been assessed and are now due to the County as stipulated in the contract. It is recommended that commission payments and penalty charges, as applicable, be made immediately. It is further recommended that all commission deposits be made within 30 days after the closing of an accounting period, as stated in the contract, to avoid further penalties.

4. Observation: After comparing the commission reports and RecWare, three discrepancies related to the sale totals were noted. The reports for September 2010, October 2010, and January 2011 do not reconcile to RecWare.
Corrective Action/Recommendation: It is recommended that due care be exercised when preparing the commission reports and that the reports are verified with RecWare. It is further recommended that any discrepancies be documented on the commission report to identify and justify a variance between the reports.

5. Observation: Some of the Sales and Use Tax reports were not available for review. This office requested copies of the reports for August 2010 through May 2011, September 2011 through December 2011, and February 2012 through March 2012. Mrs. Dominguez indicated that, due to unforeseen circumstances, the information requested could not be provided before the completion of the audit. Consequently the reports are pending review.

EDWARD A. DION
MAY 7, 2012
PAGE 3

Corrective Action/Recommendation: The requested information was received on April 27, 2012. Consequently, the sales tax reports submitted to the State Comptroller's Office will be compared to the commission reports on the next review.

Summary

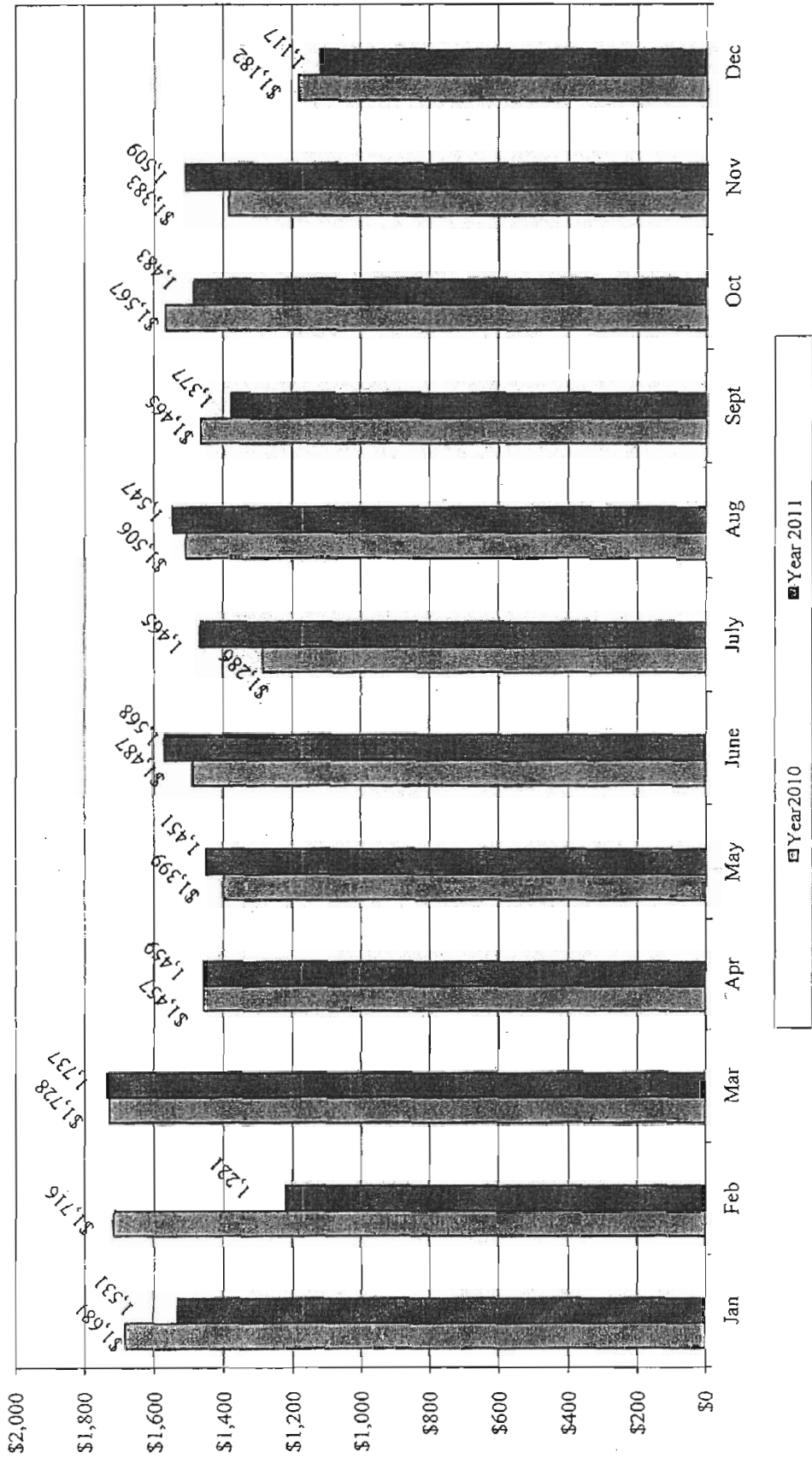
Based on this financial review, it appears that Primo's Café & Catering is not in full compliance with the contract.

CP:ya

**Comparison of Commissions for Primo's Café
Year 2010 Through 2011
(Figure 1)**

| | Year 2010 | Year 2011 | Variance From PY | % Change |
|--------------|-----------------|-----------------|---------------------|---------------|
| Jan | \$1,681 | \$1,531 | (\$150) | -8.92% |
| Feb | 1,716 | 1,221 | (\$495) | -28.85% |
| Mar | 1,728 | 1,737 | \$9 | 0.52% |
| Apr | 1,457 | 1,459 | \$2 | 0.14% |
| May | 1,399 | 1,451 | \$52 | 3.72% |
| June | 1,487 | 1,568 | \$81 | 5.45% |
| July | 1,286 | 1,465 | \$179 | 13.92% |
| Aug | 1,506 | 1,547 | \$41 | 2.72% |
| Sept | 1,465 | 1,377 | (\$88) | -6.01% |
| Oct | 1,567 | 1,483 | (\$84) | -5.36% |
| Nov | 1,383 | 1,509 | \$126 | 9.11% |
| Dec | 1,182 | 1,117 | (\$65) | -5.50% |
| Total | \$17,857 | \$17,465 | (\$392) | -2.20% |

Comparison of Commissions
 For Primo's Café
 Years 2010 Through 2011
 (Figure 1 Continued)





COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

05-26

May 17, 2012

Ms. Maggie Morales Aina
West Texas Community Supervision
And Correction Department
800 East Overland, Suite 100
El Paso, Texas 79901

Dear Ms. Morales Aina:

A copy of a memorandum from Ms. Bertha Tafoya, internal auditor, dated May 17, 2012 is attached. This memorandum is a report on a review of the financial records for February 2010 to March 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to the West Texas Community Supervision and Correction Department, as defined by AICPA professional standards. However, this review was performed with objectivity and due professional care. I concur with the recommendations made by Ms. Tafoya.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division

If we can be of any assistance in this regard, please let us know.

Very truly yours,

for Edward A. Dion
County Auditor

EAD:BT:ya

Attachment




COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

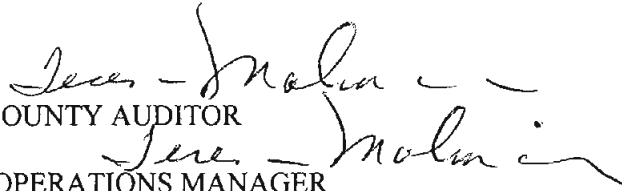
EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

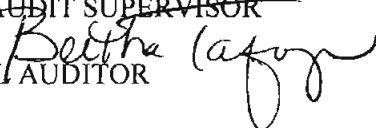
05-27

MEMORANDUM

TO:  EDWARD A. DION, COUNTY AUDITOR

THRU:  TERESA MOLINAR, OPERATIONS MANAGER

THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR

FROM:  BERTHA TAFOYA, INTERNAL AUDITOR

DATE: MAY 17, 2012

SUBJECT: REVIEW OF THE WEST TEXAS COMMUNITY SUPERVISION AND CORRECTION DEPARTMENT'S FINANCIAL RECORDS FOR FEBRUARY 2010 THROUGH MARCH 2012

Overview

A review of the financial records for the West Texas Community Supervision and Corrections Department (WTCSC) has been completed. The objective of this review was to verify the information contained within the financial records of the WTCSC.

Scope and Purpose

The scope and purpose of the review consisted of the following:

1. Policies and procedures were reviewed to ensure that effective internal controls are in place.
2. A surprise cash count was performed on May 1, 2012 in accordance with *Local Government Code §115.0035*.
3. The bank reconciliations for the West Texas Community Supervision, Restitution to the Victim, Community Intervention Center, and the Graffiti Wipeout Program accounts were reviewed for accuracy and completeness.
4. Deposits were reviewed to ensure that they were deposited in accordance *Local Government Code §113.022*. No discrepancies were noted.

General

1. Observation: Upon inquiry, Ms. Annalisa Davila, deputy director, indicated she is in the process of completing written policies and procedures for the WTCSC.
Corrective Action/Recommendation: It is recommended that a copy of the policies and procedures manual as it relates to the fiscal operations of the department be submitted to the County Auditor's Office.
2. Observation: It was noted that cash totaling \$2,736.76 was sent to the bank; however, the cash was not listed on the March 11, 2011 deposit slip. Also, cash listed on the July 19, 2012 deposit slip was \$2.00 short. Corrections by International Bank personnel resulted in unnecessary bank charges to the County.
Corrective Action/Recommendation: It is recommended that due care be exercised.
3. Observation: While reviewing bank reconciliations, it was noted that reconciliations are not verified and/or approved. It was also noted that the Graffiti Wipeout Program account had not been reconciled since September 2010.
Corrective Action/Recommendation: On May 8, 2012, WTCSC submitted the bank reconciliations for the Graffiti Wipeout Program account for October 2010 through April 2012. It is recommended that bank reconciliation be prepared on a monthly basis. It is also recommended that the bank reconciliations for the four accounts be reviewed and approved by a supervisor/manager.
4. Observation: While conducting a cash count the following was noted.

Administrative Office:

- Unused and used manual receipt books are kept unsecured under the open counter at the cashier's office.
- Inventory of used and unused manual receipts is maintained by Ms. Gardea, fiscal clerk.
- Ms. Gardea is responsible for reviewing used manual receipts issued by all the satellite offices, including the ones issued by her and her back-up.
- Discrepancies from the satellite offices regarding daily collections and completion of manual receipts are directed to and resolved by Ms. Gardea.
- Both Ms. Gardea and her back-up issue manual receipts and receipt payments in the Judicial Information Managerial System (JIMS)
- On December 14, 2011 a check in the amount of \$1,500 was received from a probationer's attorney and held by Ms. Gardea. Ms. Gardea indicated she informed check maker that the payment must be taken to the collections division of the County Clerk's Office. Check maker has been advised to pick up his check. Ms. Gardea informed the County Auditor's Office that the check maker picked up his check May 10, 2012.
- Unused checks for the Restitution to the Victim account are kept unsecured under an open counter at the cashier's office.
- Access to the cashier's office where collections from all satellite offices are counted, is not restricted.
- During hours of operation, daily collections are kept inside an unlocked drawer located under the open counter at the cashier's office.
- The cashier's office is kept open at all times during working hours. Entrance to this office is through the probationer's waiting area.
- The door to the cashier's office is maintained open, even at times when Ms. Gardea is out of the office. Her back up comes to the cashier's office only when probationer's ring the bell.

Special Programs Office:

- Daily collections at the satellite office located at 7145 Industrial are counted in clear view of anyone making a payment, reporting to probation officer, and/or seeking general information.
- The safe where payments are dropped is located by the window in plain view of anyone who approaches the window or is sitting in waiting area.
- One of the entrance doors to the offices where probationers conference with probation officers is next to cashier's window. Hence, probationers are constantly passing by the cashier's window.

Corrective Action/Recommendation: It is recommended that used and unused manual receipt books be secured. Further, it is recommended that the used manual receipt books be reviewed by a supervisor that is not involved in the cashiering functions. In addition, manual receipt book logs and inventory of receipt books should be maintained by a supervisor that is not involved in the cashiering functions. Furthermore, it is recommended that management evaluate the procedures for ordering, receiving, safeguarding, distributing, and accounting for the manual receipt books to ensure that effective segregation of duties are in place. It is also recommended that unused Restitution to the Victim checks be secured. In order to ensure that immediate access to the cashier's office is limited to authorized personnel only, it is recommended that management consider the installation of a Dutch door for the cashier's office. It is further recommended that management consider the installation of a device to block the view of anyone approaching or sitting by the cashier's window located in the waiting area at 7145 Industrial. In order to monitor the whereabouts of probationers or anyone entering the Special Programs Office, it is recommended that a security device be installed by the main entrance door.

Review of Past Memoranda

5. Observation: Issues addressed with previous management for the West Texas Community Supervision and Corrections Department are not addressed in this report.

Summary

This financial review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. The internal control structure of the West Texas Community Supervision and Correction department appears to be weak, but should be strengthened with the implementation of the above mentioned recommendations.

BT:ya



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

05-38

May 25, 2012

Mr. Piti Vasquez
Purchasing Agent
800 E. Overland, Suite 300
El Paso Texas 79901

Dear Mr. Vasquez:

A copy of a memorandum from Mr. James O'Neal, internal audit supervisor dated May 25, 2012 is attached. This memorandum is a report on the collection and disposal of Sheriff's abandoned evidence property performed on May 15, 2012.

If we can be of any assistance in this regard, please let us know.

Sincerely,

Edward A. Dion
County Auditor

EAD:JO:ya

Attachment



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

05-37

MEMORANDUM

Edward A. Dion
TO: EDWARD A DION, COUNTY AUDITOR
Teresa Molinar
THRU: TERESA MOLINAR, OPERATIONS MANAGER
James O'Neal
FROM: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR
DATE: MAY 25, 2012
SUBJECT: COLLECTION OF SHERIFF'S ABANDONDED EVIDENCE

On May 15, 2012 the Sheriff's abandoned evidence was turned over to the Purchasing department and this office for proper disposal. The property resulted in a monetary collection of \$354.58. Of this amount, 750.00 in pesos was converted, at an exchange rate of 13.90 pesos per dollar, to \$53.96. The total amount was then deposited, the next day, into the County's consolidated account. Several non-monetary items were kept by the Purchasing department to be auctioned off at a later date (see attachment).

Other personal items such as clothing, pierced jewelry and items of no value were disposed of.

JO:ya

EI PASO COUNTY SHERIFF'S OFFICE



Abandoned/Unclaimed Property for release to County Purchasing
04/18/2012

| CASE # | OFFENSE | PROPERTY | DISPOSITION |
|------------|----------------------|---|---------------------------|
| 06-1000070 | Recovered Property | 1- Toshiba TV/VCR combo sn 92455721A w/remote | Unable to Locate owner |
| 08-0500744 | Information Received | 1- Kiddie Dry Chemical fire extinguisher, 1 Concert Class in-dash car radio/stereo sn: 89CXDZM102640029 | Unable to Locate owner |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

El Paso County Sheriff's

Evidence Inventory On Hand for Incident

Case Number: 2011-03100

| Tag Number | Description | Category | Status Date | Make/Model | Qty | Value |
|------------|-------------------------------|----------|-------------|-------------------------|-----|---------|
| 4506172 | Cigar Cutter | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506174 | Wire Cutters | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506175 | Large Phillips Screwdriver | ABD | 05/11/2011 | ROSCO | 1.0 | \$0.00 |
| 4506177 | Pocket Knife | ABD | 05/11/2011 | | 1.0 | \$1.00 |
| 4506180 | Pocket Knife Small | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506182 | Pocket Knife Double Bladed | ABD | 05/11/2011 | SMIT & WESSON BULLSEYE | 1.0 | \$0.00 |
| 4506183 | Pocket Knife Small | ABD | 05/11/2011 | SWISS ARMY VICTOR INOX | 1.0 | \$0.00 |
| 4506184 | Small Pocket Knife | ABD | 05/11/2011 | SOLINGEN FRAUST CUTLERY | 1.0 | \$0.00 |
| 4506191 | Small Scissors | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506194 | Glass Cutter | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506196 | Sunglasses | ABD | 05/11/2011 | ELLEN TRACY | 1.0 | \$0.00 |
| 4506198 | Sunglasses | ABD | 05/11/2011 | CHOPPERS | 1.0 | \$0.00 |
| 4506199 | Sunglasses | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506201 | Sunglasses | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506203 | Sunglasses | ABD | 05/11/2011 | RAY BAN P | 1.0 | \$0.00 |
| 4506204 | Sunglasses | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506205 | Sunglasses | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506206 | Sunglasses | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506207 | Reading Glasses | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506208 | Reading Glasses | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506210 | Reading Glasses | ABD | 05/11/2011 | INTEGRATED | 1.0 | \$0.00 |
| 4506211 | Reading Glasses With Case | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506214 | Sunglass Case | ABD | 05/11/2011 | RAY BAN | 1.0 | \$0.00 |
| 4506232 | White Metal Ring W/ 16 Stones | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506234 | Bracelet With 3 Stones | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506235 | Ear Ring Heartshaped | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506257 | Scarf | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506258 | Black Bag Containing 6 Bags | ABD | 05/11/2011 | | 1.0 | \$0.00 |
| 4506291 | Paper Currency | ABD | 05/11/2011 | US TREASURY | 3.0 | \$7.00 |
| 4506295 | Assorted Coins | ABD | 05/11/2011 | US TREASURY | 294 | \$17.46 |
| 4738183 | Souvenir U.k. 5 Pence Coin | ABD | 05/11/2011 | | 1.0 | \$0.00 |

El Paso County Sheriff's

Evidence Inventory On Hand for Incident

Case Number: 2011-07442

| Tag Number | Description | Category | Status Date | Make/Model | Qty | Value |
|------------|----------------------------------|----------|-------------|--------------------------|-----|--------|
| 4991344 | Multi Tool | ABD | 08/31/2011 | GERBER MULTITOO | 1.0 | \$0.00 |
| 4991346 | Scissors/ Blue Handle | ABD | 08/31/2011 | FISKARS SCISSORS | 1.0 | \$0.00 |
| 4991358 | Cuticle Scissors | ABD | 08/31/2011 | CHINA 64517 | 1.0 | \$0.00 |
| 4991362 | Folding Scissors/ Miniature | ABD | 08/31/2011 | UNKNOWN FOLDING SCISSOS | 1.0 | \$0.00 |
| 4991365 | Multi Tool | ABD | 08/31/2011 | SEBERTOOL M4 | 1.0 | \$0.00 |
| 4991366 | Silver Boxcutter | ABD | 08/31/2011 | UNKNOWN BOXCUTTER | 1.0 | \$0.00 |
| 4991369 | Pocket Knife | ABD | 08/31/2011 | UNKNOWN FOLDING KNIFE | 1.0 | \$0.00 |
| 4991371 | Corkscrew Bottle Opener | ABD | 08/31/2011 | UNKUNKNOWN CORKSCREW | 1.0 | \$0.00 |
| 4991374 | Black Matte Pocket Knife | ABD | 08/31/2011 | GERBER KNIFE | 1.0 | \$0.00 |
| 4991376 | Pocket Knife | ABD | 08/31/2011 | OLD TIMER POCKET KNIFE | 1.0 | \$0.00 |
| 4991377 | Lock And Key | ABD | 08/31/2011 | CAL-HAWK LOCK | 1.0 | \$0.00 |
| 4991380 | Black And Silver Folding Knife | ABD | 08/31/2011 | UNKNOWN POCKET KNIFE | 1.0 | \$0.00 |
| 4991383 | Pocket Knife | ABD | 08/31/2011 | SHEFFIELD KNIFE | 1.0 | \$0.00 |
| 4991385 | Multi Tool | ABD | 08/31/2011 | LEATHERMAN MULTITOO | 1.0 | \$0.00 |
| 4991386 | Scissors | ABD | 08/31/2011 | KLEENCUT SCISSORS | 1.0 | \$0.00 |
| 4991388 | Drill Bit | ABD | 08/31/2011 | UNKNOWN DRILL BIT | 1.0 | \$0.00 |
| 4991389 | Cuticle Scissors | ABD | 08/31/2011 | UNKNOWN CUTICLE SCISSOS | 1.0 | \$0.00 |
| 4991392 | Scissors | ABD | 08/31/2011 | UNKNOWN SCISSORS | 1.0 | \$0.00 |
| 4991393 | Scissors | ABD | 08/31/2011 | ANNIE SCISSORS | 1.0 | \$0.00 |
| 4991394 | Miniature Multitool | ABD | 08/31/2011 | UNKNOWN MULTI TOOL | 1.0 | \$0.00 |
| 4991396 | Scissors | ABD | 08/31/2011 | S.S. PAKISTAN SCISSORS | 1.0 | \$0.00 |
| 4991397 | Bandage Scissors | ABD | 08/31/2011 | PAKISTAN BANDAGE SCISSOS | 1.0 | \$0.00 |
| 4991398 | Sunglasses/leopard Print | ABD | 08/31/2011 | UNKNOWN SUNGLASSES | 1.0 | \$0.00 |
| 4991399 | Sunglasses | ABD | 08/31/2011 | UNKNOWN SUNGLASSES | 1.0 | \$0.00 |
| 4991400 | Blue In Color Sunglasses | ABD | 08/31/2011 | OLD NAVY SUNGLASSES | 1.0 | \$0.00 |
| 4991401 | Sunglasses/ Black | ABD | 08/31/2011 | UNKNOWN SUNGLASSES | 1.0 | \$0.00 |
| 4991403 | Black And Pink Sunglasses | ABD | 08/31/2011 | AVINI SUNGLASSES | 1.0 | \$0.00 |
| 4991405 | Black In Color Sunglasses Nod | ABD | 08/31/2011 | NONE SUNGLASSES | 1.0 | \$0.00 |
| 4991408 | Eyeglasses/ Leopard Print | ABD | 08/31/2011 | UNKNOWN EYEGLASSES | 1.0 | \$0.00 |
| 4991409 | Sunglasses | ABD | 08/31/2011 | UNKNOWN SUNGLASSES | 1.0 | \$0.00 |
| 4991410 | Sunglasses | ABD | 08/31/2011 | UNKNOWN SUNGLASSES | 1.0 | \$0.00 |
| 4991413 | Sunglasses | ABD | 08/31/2011 | UNKNOWN SUNGLASSES | 1.0 | \$0.00 |
| 4991414 | Black And Pink W/ White Stones | ABD | 08/31/2011 | UNKNOWN EYEGLASSES | 1.0 | \$0.00 |
| 4991416 | Sunglasses | ABD | 08/31/2011 | UNKNOWN SUNGLASSES | 1.0 | \$0.00 |
| 4991417 | Eyeglasses | ABD | 08/31/2011 | UNKNOWN EYEGLASSES | 1.0 | \$0.00 |
| 4991419 | Eyeglasses | ABD | 08/31/2011 | FOSTER GRANT EYEGLASSES | 1.0 | \$0.00 |
| 4991433 | Earbuds For Music Storage Device | ABD | 08/31/2011 | UNKNOWN EAR BUDS | 1.0 | \$0.00 |

| Tag Number | Description | Category | Status Date | Make/Model | Qty | Value |
|------------|-----------------------------------|----------|-------------|---------------------------|-----|---------|
| 4991437 | White And Yellow Metal Bracelet | ABD | 08/31/2011 | UNKNOWN BRACELET | 1.0 | \$0.00 |
| 4991438 | Earring With White Stones | ABD | 08/31/2011 | UNKNOWN EARRING | 1.0 | \$0.00 |
| 4991442 | Pink/ Breast Cancer Logo | ABD | 08/31/2011 | UNKNOWN BRACELET | 1.0 | \$0.00 |
| 4991443 | Earring/ Silver And Black Threads | ABD | 08/31/2011 | UNKNOWN EARRING | 1.0 | \$0.00 |
| 4991444 | Bracelet W/ 5 Green Stones | ABD | 08/31/2011 | UNKNOWN BRACELET | 1.0 | \$0.00 |
| 4991446 | Green Faceted Stone | ABD | 08/31/2011 | UNKNOWN GEM | 1.0 | \$0.00 |
| 4991534 | 10.00 X 1, 5.00 X 1, 1.00 X 5 | ABD | 08/31/2011 | U.S. CURRENCY PAPER BILLS | 7.0 | \$20.00 |
| 4991540 | Coins Totaling 19.59 | ABD | 08/31/2011 | UNITED STATES T COINS | 1.0 | \$19.59 |

El Paso County Sheriff's

Evidence Inventory On Hand for Incident

Case Number: 2011-08555 ✓

| Tag Number | Description | Category | Status Date | Make/Model | Qty | Value |
|------------|-------------------------------------|----------|-------------|---------------------------|-----|--------|
| 5003446 | Pink Knife, Multi Blade | ABD | 09/30/2011 | HARTLEIGH CREAS MULTI | 1.0 | \$0.00 |
| 5003449 | Standard Screwdriver/ Rubber Handle | ABD | 09/30/2011 | SCREWDRIVER SCREWDRIVER | 1.0 | \$0.00 |
| 5003455 | Sewing Scissors/ Blue Handle | ABD | 09/30/2011 | SCISSORS SEWING SCISSORS | 1.0 | \$0.00 |
| 5003457 | Scissors | ABD | 09/30/2011 | WESTCOTT SCISSORS | 1.0 | \$0.00 |
| 5003475 | Knife Brown Wooden Handle | ABD | 09/30/2011 | NONE KNIFE | 1.0 | \$0.00 |
| 5003477 | Knife/ Silver/ Multi Blade | ABD | 09/30/2011 | UNKNOWN KNIFE | 1.0 | \$0.00 |
| 5003479 | Pliers | ABD | 09/30/2011 | HUSKY PLIERS | 1.0 | \$0.00 |
| 5003482 | Scissors/ Green Handle | ABD | 09/30/2011 | UNKNOWN SCISSORS | 1.0 | \$0.00 |
| 5003485 | Box Cutter/ Neon Yellow | ABD | 09/30/2011 | NONE BOX CUTTER | 1.0 | \$0.00 |
| 5003486 | Silver Folding Box Cutter | ABD | 09/30/2011 | UNKNOWN BOX CUTTER | 1.0 | \$0.00 |
| 5003488 | Silver Box Cutter | ABD | 09/30/2011 | UNKNOWN BOX CUTTER | 1.0 | \$0.00 |
| 5003490 | Brown And Silver Cell Phone | ABD | 09/30/2011 | MOTOROLA I776 | 1.0 | \$0.00 |
| 5003494 | Cell Phone | ABD | 09/30/2011 | MOTOROLA I876 | 1.0 | \$0.00 |
| 5003497 | Calculator W/ Case | ABD | 09/30/2011 | HEWLETT PACKARD 12C | 1.0 | \$0.00 |
| 5003498 | Real Estate Qual Calculator | ABD | 09/30/2011 | CALCULATED INDS QUALIFIER | 1.0 | \$0.00 |
| 5003510 | Reading Glasses | ABD | 09/30/2011 | UNKNOWN EYEGLASSES | 1.0 | \$0.00 |
| 5003511 | Sunglasses Black | ABD | 09/30/2011 | UNKNOWN SUNGLASSES | 1.0 | \$0.00 |
| 5003512 | Black Sunglasses | ABD | 09/30/2011 | XIGEN SUNGLASSES | 1.0 | \$0.00 |
| 5003513 | Sunglasses | ABD | 09/30/2011 | UNKNOWN SUNGLASSES | 1.0 | \$0.00 |
| 5003514 | Sunglasses/ Clip On | ABD | 09/30/2011 | UNKNOWN CLIP ON SUNGALS | 1.0 | \$0.00 |
| 5003516 | Clip On Sunglasses | ABD | 09/30/2011 | UNKNOWN CLIP ON SUNGLAS | 1.0 | \$0.00 |
| 5003517 | Oval Reading Glasses | ABD | 09/30/2011 | UNKNOWN READING GLASSES | 1.0 | \$0.00 |
| 5003520 | Black Sunglasses | ABD | 09/30/2011 | UNKNOWN SUNGLASSES | 1.0 | \$0.00 |
| 5003523 | Brown Tortoise Pattern Reading | ABD | 09/30/2011 | UNKNOWN READING GLASSES | 1.0 | \$0.00 |
| 5003526 | Wire Framed Prescription Glasses | ABD | 09/30/2011 | CAPRI GLASSES | 1.0 | \$0.00 |
| 5003528 | Sunglasses | ABD | 09/30/2011 | UNKNOWN SUNGLASSES | 1.0 | \$0.00 |
| 5003529 | Sunglasses W/ Green Temples | ABD | 09/30/2011 | ZOEY SUNGLASSES | 1.0 | \$0.00 |
| 5003530 | Reading Glasses | ABD | 09/30/2011 | FOSTER GRANT READING | 1.0 | \$0.00 |
| 5003538 | Metal Band/ Ring | ABD | 09/30/2011 | UNKNOWN RING/BAND | 1.0 | \$0.00 |
| 5003539 | 1 Pr. Of Ladies Hoop Earrings | ABD | 09/30/2011 | UNKNOWN I PAIR HOOP EAS | 1.0 | \$0.00 |
| 5003540 | Single Earring Heart Shaped | ABD | 09/30/2011 | UNKNOWN EARRING | 1.0 | \$0.00 |
| 5003541 | Single Earring/ Rectangular | ABD | 09/30/2011 | UNKNOWN EARRING | 1.0 | \$0.00 |
| 5003544 | Chain Pendantwith Rose, Key Heart | ABD | 09/30/2011 | UNKNOWN CHAIN PENDANTS | 1.0 | \$0.00 |
| 5003547 | Reading Glasses With Case | ABD | 09/30/2011 | NONE READING GLASSES | 1.0 | \$0.00 |
| 5003549 | Check # 9817 Chase Bank Check | ABD | 09/30/2011 | CHASE SIGNED CHECK | 1.0 | \$0.00 |
| 5003559 | Retractable Umbrella | ABD | 09/30/2011 | UNKNOWN UMBRELLA | 1.0 | \$0.00 |
| 5003562 | Chain Found In Parking Lot | ABD | 09/30/2011 | UNKNOWN CHAIN | 1.0 | \$0.00 |

| Tag Number | Description | Category | Status Date | Make/Model | Qty | Value |
|------------|--------------------------------|----------|-------------|------------------------|-----|---------|
| 5003577 | \$22.00 In Paper U.s. Currency | ABD | 09/30/2011 | U.S. TREASURY CURRENCY | 1.0 | \$22.00 |
| 5003589 | Currency/ Coins | ABD | 09/30/2011 | U.S. TREASURY COINS | 1.0 | \$10.24 |
| 5003599 | Bottle Opener Ring Comb. | ABD | 09/30/2011 | NONE RING/BAND | 1.0 | \$0.00 |

El Paso County Sheriff's**Evidence Inventory On Hand for Incident**

Case Number: 2011-08993 ✓

| Tag Number | Description | Category | Status Date | Make/Model | Qty | Value |
|------------|--|----------|-------------|----------------------|-----|--------|
| 5008680 | Multi Blade Pocket Knife | ABD | 10/12/2011 | UNKOWN POCKET KNIFE | 1.0 | \$0.00 |
| 5008681 | Cork Screw | ABD | 10/12/2011 | UNJKNOWN CORK SCREW | 1.0 | \$0.00 |
| 5008683 | Box Cutter | ABD | 10/12/2011 | UNKNOWN BOX CUTTER | 1.0 | \$0.00 |
| 5008684 | Box Cutter | ABD | 10/12/2011 | UNJKNOWN BOXCUTTER | 1.0 | \$0.00 |
| 5008686 | Multi Tool | ABD | 10/12/2011 | HUSKY MULTI TOOL | 1.0 | \$0.00 |
| 5008689 | Scissors | ABD | 10/12/2011 | UNKNOWN SCISSORS | 1.0 | \$0.00 |
| 5008699 | Sunglasses | ABD | 10/12/2011 | UNKNOWN SUNGLASSES | 1.0 | \$0.00 |
| 5008701 | Brown Sunglasses With Stones On | ABD | 10/12/2011 | UNKNOWN SUNGLASSES | 1.0 | \$0.00 |
| 5008702 | Sunglasses | ABD | 10/12/2011 | VIRTUA V4 SUNGLASSES | 1.0 | \$0.00 |
| 5008703 | Reading Glasses W/ Maroon Case | ABD | 10/12/2011 | STOW READING GLASSES | 1.0 | \$0.00 |
| 5008704 | Flash Drive With Case | | 10/12/2011 | DELL FLASH DRIVE | 1.0 | \$0.00 |
| 5008705 | White Handsfree Device | ABD | 10/12/2011 | UNKNOWN HANDSFREE | 1.0 | \$0.00 |
| 5008710 | Plastic Bag W/ Hygeine Items/ Toiletries | ABD | 10/12/2011 | UNKNOWN HYGEINE KIT | 1.0 | \$0.00 |
| 5008712 | Black Sweater | ABD | 10/12/2011 | WORTHINGTON SWEATER | 1.0 | \$0.00 |
| 5008718 | Change-american Currency | ABD | 10/12/2011 | U.S. MINT COINS | 1.0 | \$3.73 |

El Paso County Sheriff's

Evidence Inventory On Hand for Incident

Case Number: 2011-09532 ✓

| Tag Number | Description | Category | Status Date | Make/Model | Qty | Value |
|------------|--------------------------------------|----------|-------------|-------------------------|-----|--------|
| 5014246 | 2 X Scissors Same Owner | ABD | 10/26/2011 | UNKNOWN SCISSORS | 2.0 | \$0.00 |
| 5014253 | Scissors/ Small Pocket Knife Same | ABD | 10/26/2011 | UNKNOWN SCISSORS/POCKEE | 2.0 | \$0.00 |
| 5014283 | Cellular Telephone/sprint | ABD | 10/26/2011 | BLACKBERRY CELLULAR | 1.0 | \$0.00 |
| 5014286 | Blue Tooth | ABD | 10/26/2011 | ICON JAWBONE | 1.0 | \$0.00 |
| 5014292 | Wooden Pocket Knife | ABD | 10/26/2011 | TRAVIS POCKET KNIFE | 1.0 | \$0.00 |
| 5014297 | Small Combination Scissors And Knife | ABD | 10/26/2011 | UNKNOWN KNIFE | 1.0 | \$0.00 |
| 5014317 | Sunglasses/ Graduuated Tint | ABD | 10/26/2011 | UNKNOWN SUNGLASSES | 1.0 | \$0.00 |
| 5014322 | Reading Glasses | ABD | 10/26/2011 | UNKNOWN READING GLASSES | 1.0 | \$0.00 |
| 5014324 | Sunglasses Recktangular | ABD | 10/26/2011 | UNKNOWN SUNGLASSES | 1.0 | \$0.00 |
| 5014325 | Reading Glasses | ABD | 10/26/2011 | UNKNOWN READING GLASSES | 1.0 | \$0.00 |
| 5014326 | Reading Glasses | ABD | 10/26/2011 | UNKNOWN READING GLASSES | 1.0 | \$0.00 |
| 5014328 | Sunglasses | ABD | 10/26/2011 | DG SUNGLASSES | 1.0 | \$0.00 |
| 5014329 | Brown Sunglasses Large | ABD | 10/26/2011 | OO SUNGLASSES | 1.0 | \$0.00 |
| 5014338 | Reading Glasses | ABD | 10/26/2011 | UNKNOWN READING GLASSES | 1.0 | \$0.00 |
| 5014368 | Paper Currency U.s. | ABD | 10/26/2011 | U.S. TREASURY PAPER | 2.0 | \$6.00 |
| 5014370 | U.s. Currency/ Coins | ABD | 10/26/2011 | U.S. TREASURY COINS | 1.0 | \$7.08 |

El Paso County Sheriff's

Evidence Inventory On Hand for Incident

Case Number: 2011-10257 ✓

| Tag Number | Description | Category | Status Date | Make/Model | Qty | Value |
|------------|------------------------------|----------|-------------|----------------------|-----|---------|
| 5113788 | Small Scissors | ABD | 11/17/2011 | | 1.0 | \$0.00 |
| 5113798 | Small Multi Tool | ABD | 11/17/2011 | SHEFFIELD | 1.0 | \$0.00 |
| 5113804 | 3 Inch Folding Knife | ABD | 11/17/2011 | KIMBALL MIDWEST | 1.0 | \$0.00 |
| 5113809 | 2 Inch Folding Knife | ABD | 11/17/2011 | RIDGE RUNNER | 1.0 | \$0.00 |
| 5113812 | Six Inch Folding Knife | ABD | 11/17/2011 | BENCHMADE | 1.0 | \$0.00 |
| 5113815 | 2 Inch Folding Knife | ABD | 11/17/2011 | XEROX | 1.0 | \$0.00 |
| 5113843 | Multi Use Knife | ABD | 11/17/2011 | SHEFFIELD | 1.0 | \$0.00 |
| 5113845 | Multi Use Folding Knife | ABD | 11/17/2011 | JACOBS CREEK | 1.0 | \$0.00 |
| 5113847 | Large Scissors | ABD | 11/17/2011 | PRINCETON | 1.0 | \$0.00 |
| 5113851 | Small Screwdriver | ABD | 11/17/2011 | | 1.0 | \$0.00 |
| 5113853 | Scissors | ABD | 11/17/2011 | ITS ACADEMIC | 1.0 | \$0.00 |
| 5113858 | Lighter | ABD | 11/17/2011 | ZIPPO | 1.0 | \$0.00 |
| 5113864 | Flash Drive | ABD | 11/17/2011 | SAN DISK | 1.0 | \$0.00 |
| 5113881 | Keychain Cylinder With Pills | ABD | 11/17/2011 | | 1.0 | \$0.00 |
| 5113899 | Wire Ring With Beads | ABD | 11/17/2011 | | 1.0 | \$0.00 |
| 5113903 | Loop Earring | ABD | 11/17/2011 | | 1.0 | \$0.00 |
| 5113906 | Cell Phone | ABD | 11/17/2011 | CRICKET A200 | 1.0 | \$0.00 |
| 5113931 | Prescription Eye Glasses | ABD | 11/17/2011 | MASON | 1.0 | \$0.00 |
| 5113932 | Prescription Eye Glasses | ABD | 11/17/2011 | ENZO CASSANI | 1.0 | \$0.00 |
| 5113935 | Prescription Eye Glasses | ABD | 11/17/2011 | | 1.0 | \$0.00 |
| 5113936 | Prescription Eye Glasses | ABD | 11/17/2011 | | 1.0 | \$0.00 |
| 5113937 | Sun Glasses | ABD | 11/17/2011 | FOSSIL | 1.0 | \$0.00 |
| 5113939 | Sun Glasses | ABD | 11/17/2011 | RAY BAN | 1.0 | \$0.00 |
| 5113940 | Sun Glasses | ABD | 11/17/2011 | SC | 1.0 | \$0.00 |
| 5113944 | Sunglasses | ABD | 11/17/2011 | SUNGLASSES | 1.0 | \$0.00 |
| 5113945 | Sunglasses | ABD | 11/17/2011 | RAY BAN SUNGLASSES | 1.0 | \$0.00 |
| 5113946 | Sunglasses | ABD | 11/17/2011 | SUNGLASSES | 1.0 | \$0.00 |
| 5113947 | Sunglasses | ABD | 11/17/2011 | SUNGLASSES | 1.0 | \$0.00 |
| 5113952 | Blue Tooth | ABD | 11/17/2011 | SAMSUNG BLUE TOOTH | 1.0 | \$0.00 |
| 5113954 | Sunglasses | ABD | 11/17/2011 | STRUCTURE SUNGLASSES | 1.0 | \$0.00 |
| 5113988 | Mexican Coins X 9 | ABD | 11/17/2011 | | 9.0 | \$0.00 |
| 5113992 | Gold Earring Green Stones | ABD | 11/17/2011 | | 1.0 | \$0.00 |
| 5114008 | Bills X 2 | ABD | 11/17/2011 | U.S. TREASURY BILLS | 2.0 | \$6.00 |
| 5114010 | Coins | ABD | 11/17/2011 | U.S. MINT COINS | 1.0 | \$11.79 |
| 5114844 | Walking Cane | ABD | 11/17/2011 | | 1.0 | \$0.00 |

El Paso County Sheriff's

Evidence Inventory On Hand for Incident

Case Number: 2012-00379

| Tag Number | Description | Category | Status Date | Make/Model | Qty | Value |
|------------|----------------------------------|----------|-------------|-----------------|-----|---------|
| 5142960 | Pocket Knife | ABD | 01/11/2012 | TOMAHAWK | 1.0 | \$0.00 |
| 5142965 | Cell Phone | ABD | 01/11/2012 | SAMSUNG SGHA107 | 1.0 | \$0.00 |
| 5142978 | Gloves | ABD | 01/11/2012 | | 1.0 | \$0.00 |
| 5142979 | Sunglasses | ABD | 01/11/2012 | | 1.0 | \$0.00 |
| 5143013 | Scissors | ABD | 01/11/2012 | | 1.0 | \$0.00 |
| 5143023 | Scissors | ABD | 01/11/2012 | | 1.0 | \$0.00 |
| 5143025 | Scissors | ABD | 01/11/2012 | | 2.0 | \$0.00 |
| 5143026 | Reading Glasses | ABD | 01/11/2012 | | 1.0 | \$0.00 |
| 5143027 | Umbrella | ABD | 01/11/2012 | | 1.0 | \$0.00 |
| 5143029 | Lens Case | ABD | 01/11/2012 | | 1.0 | \$0.00 |
| 5143031 | Sunglasses | ABD | 01/11/2012 | IRONMAN | 1.0 | \$0.00 |
| 5143032 | Sunglasses | ABD | 01/11/2012 | FOSSIL | 1.0 | \$0.00 |
| 5143033 | Screws | ABD | 01/11/2012 | | 7.0 | \$0.00 |
| 5143036 | Jacket | ABD | 01/11/2012 | DICKIE | 1.0 | \$0.00 |
| 5143040 | Wallet W/ \$750 Pesos(bills) | ABD | 01/11/2012 | | 1.0 | \$0.00 |
| 5143045 | Currency Paper Bills | ABD | 01/11/2012 | US DOLLARS | 8.0 | \$24.00 |
| 5143052 | Coins | ABD | 01/11/2012 | US | 223 | \$16.62 |
| 5143077 | Foreign Currency | ABD | 01/11/2012 | | 8.0 | \$0.00 |
| 5165433 | Mexican Currency 1-\$100 Peso | ABD | 01/11/2012 | | 1.0 | \$0.00 |
| 5165434 | Mexican Currency 3-\$200 Pesos | ABD | 01/11/2012 | | 3.0 | \$0.00 |
| 5165435 | Mexican Currency1-\$50 Peso Bill | ABD | 01/11/2012 | | 1.0 | \$0.00 |

El Paso County Sheriff's

Evidence Inventory On Hand for Incident

Case Number: 2012-01148 ✓

| Tag Number | Description | Category | Status | Date | Make/Model | Qty | Value |
|------------|------------------------------------|----------|------------|------|-------------------------|-----|---------|
| 5154538 | Gerber Multi Tool | ABD | 02/01/2012 | | GERBER MULTI TOOL | 1.0 | \$0.00 |
| 5154539 | Benchmade Knife | ABD | 02/01/2012 | | BENCHMADE | 1.0 | \$0.00 |
| 5154541 | Folding Knife, Woodgrain Handle | ABD | 02/01/2012 | | WOODSMAN KNIFE | 1.0 | \$0.00 |
| 5154543 | Folding Knife, Multi Blade | ABD | 02/01/2012 | | ELK RIDGE | 1.0 | \$0.00 |
| 5154546 | Folding Knife | ABD | 02/01/2012 | | UNKNOWN FOLDING KNIFE | 1.0 | \$0.00 |
| 5154549 | Folding Knife, Semi Serrated Blade | ABD | 02/01/2012 | | UNKNOWN FOLDING KNIFE | 1.0 | \$0.00 |
| 5154557 | Cuticle Scissors | ABD | 02/01/2012 | | NONE SCISSORS | 1.0 | \$0.00 |
| 5154564 | Small Scissors | ABD | 02/01/2012 | | SCISSORS SCISSORS | 1.0 | \$0.00 |
| 5154613 | Red In Color Sunglasses W/ Lanyard | ABD | 02/01/2012 | | NONE SUNGLASSES | 1.0 | \$0.00 |
| 5154614 | Black In Color Uvex Sunglasses | ABD | 02/01/2012 | | UVEX SUNGLASSES | 1.0 | \$0.00 |
| 5154685 | Samsung T-mobile Cell Phone | ABD | 02/01/2012 | | SAMSUNG CELL PHONE | 1.0 | \$0.00 |
| 5154699 | Samsung Cell Phone | ABD | 02/01/2012 | | SAMSUNG CELL PHONE | 1.0 | \$0.00 |
| 5154700 | Samsung Cell Phone | ABD | 02/01/2012 | | SAMSUNG CELL PHONE | 1.0 | \$0.00 |
| 5154904 | Clear Eyeglasses | ABD | 02/01/2012 | | GLASSES | 1.0 | \$0.00 |
| 5154905 | Sunglasses | ABD | 02/01/2012 | | SUN-V SUNGLASSES | 1.0 | \$0.00 |
| 5154907 | Reading Glasses/dark Frame | ABD | 02/01/2012 | | READING GLASSES | 1.0 | \$0.00 |
| 5154908 | Wrist Watch | ABD | 02/01/2012 | | TIMEX WATCH | 1.0 | \$0.00 |
| 5154912 | Large Wooden Bracelet | ABD | 02/01/2012 | | BRACELET | 1.0 | \$0.00 |
| 5154913 | Plastic Ring W/ Elastic | ABD | 02/01/2012 | | RING | 1.0 | \$0.00 |
| 5154914 | Heart Shaped Stone | ABD | 02/01/2012 | | STONE | 1.0 | \$0.00 |
| 5154917 | Heart Shape W/ Music Note | ABD | 02/01/2012 | | WHITE PENDANT | 1.0 | \$0.00 |
| 5154918 | Ring Plastic | ABD | 02/01/2012 | | RING | 1.0 | \$0.00 |
| 5154920 | Sombrero Pendant/ Keychain | ABD | 02/01/2012 | | PENDANT/KEYCHAN | 1.0 | \$0.00 |
| 5154921 | Hello Kitty Pendant | ABD | 02/01/2012 | | PENDANT | 1.0 | \$0.00 |
| 5154923 | Sacred Heart Of Jesus Pendant | ABD | 02/01/2012 | | PENDANT | 1.0 | \$0.00 |
| 5154924 | White Circular Stone | ABD | 02/01/2012 | | SINGLE EARRING | 1.0 | \$0.00 |
| 5154937 | Nine X One Dollar Bills | ABD | 02/01/2012 | | US TREASURY PAPER BILLS | 9.0 | \$9.00 |
| 5154938 | \$41.26 In Assorted Coins | ABD | 02/01/2012 | | US TREASURY CURRNECY | 496 | \$41.26 |

El Paso County Sheriff's

Evidence Inventory On Hand for Incident

Case Number: 2011-11181

| Tag Number | Description | Category | Status Date | Make/Model | Qty | Value |
|------------|--|----------|-------------|------------------|-----|---------|
| 5128163 | Cellular Phone | ABD | 12/16/2011 | LG LG-VX5600 | 1.0 | \$0.00 |
| 5128301 | Endorsed Check | ABD | 12/16/2011 | COMPASS BANK | 1.0 | \$11.88 |
| 5129302 | Scissors | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129307 | Scissors | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129309 | Scissors | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129310 | Scissors | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129313 | Flashlight Pointer Key Chain | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129315 | Pocket Knife | ABD | 12/16/2011 | SHEFFIELD | 1.0 | \$0.00 |
| 5129316 | Pocket Knife | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129317 | Pocket Knife | ABD | 12/16/2011 | BUCK | 1.0 | \$0.00 |
| 5129319 | Box Cutter | ABD | 12/16/2011 | STANLEY | 1.0 | \$0.00 |
| 5129320 | Pocket Knife | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129321 | Box Cutter | ABD | 12/16/2011 | GARVEY | 1.0 | \$0.00 |
| 5129322 | Box Cutter | ABD | 12/16/2011 | GARVEY | 1.0 | \$0.00 |
| 5129333 | Female Leopard Pattern Sunglasses | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129334 | Female Leopard Pattern Sunglasses | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129335 | Sunglasses | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129336 | Female Sunglasses Labeled Gg | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129338 | Sunglasses Metal Frame Labeled | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129339 | Sunglasses Leopard Pattern | ABD | 12/16/2011 | G SPORT | 1.0 | \$0.00 |
| 5129340 | Sunglasses | ABD | 12/16/2011 | OAKLEY | 1.0 | \$0.00 |
| 5129341 | Prescription Glasses In Giorgio Armani | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129342 | Prescription Glasses In Cloth Case | ABD | 12/16/2011 | RAYBAND | 1.0 | \$0.00 |
| 5129343 | Metal Frame Prescription Glasses | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129344 | Metal Framed Prescription Glasses | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129345 | Female Jacket | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129372 | Bluetooth | ABD | 12/16/2011 | MOTOROLA | 1.0 | \$0.00 |
| 5129374 | Leatherman Case | ABD | 12/16/2011 | LEATHERMAN | 1.0 | \$0.00 |
| 5129376 | Scissors | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129379 | Compact Flash Drive 4.0gb | ABD | 12/16/2011 | SANDISK ULTRA II | 1.0 | \$0.00 |
| 5129387 | Hoop Earring | ABD | 12/16/2011 | | 1.0 | \$0.00 |
| 5129394 | Foreign Coins | ABD | 12/16/2011 | | 2.0 | \$0.00 |
| 5129399 | One Dollar Bill With Two Dimes | ABD | 12/16/2011 | | 3.0 | \$1.20 |
| 5129402 | Paper Bills | ABD | 12/16/2011 | | 8.0 | \$27.00 |
| 5129430 | Cell Phone | ABD | 12/16/2011 | SAMSUNG 7CHR | 1.0 | \$0.00 |
| 5129433 | Coins In Known Denominations | ABD | 12/16/2011 | | 271 | \$18.13 |

El Paso County Sheriff's

Evidence Inventory On Hand for Incident

Case Number: 2011-10466

| Tag Number | Description | Category | Status Date | Make/Model | Qty | Value |
|------------|-------------------|----------|-------------|-----------------|-----|--------|
| 5117054 | Sunglasses | ABD | 11/23/2011 | DOLCI GABANA | 1.0 | \$0.00 |
| 5117056 | Sunglasses | ABD | 11/23/2011 | STEVE MADDEN | 1.0 | \$0.00 |
| 5117066 | Wire Cutter | ABD | 11/23/2011 | STANLEY | 1.0 | \$0.00 |
| 5117079 | Scissors | ABD | 11/23/2011 | | 1.0 | \$0.00 |
| 5117080 | Scissors | ABD | 11/23/2011 | WAHL | 1.0 | \$0.00 |
| 5117082 | Pliers | ABD | 11/23/2011 | | 1.0 | \$0.00 |
| 5117091 | Cell Phone | ABD | 11/23/2011 | CRICKET KYOCERA | 1.0 | \$0.00 |
| 5117096 | Box Cutter | ABD | 11/23/2011 | GERBER | 1.0 | \$0.00 |
| 5117102 | Sunglasses | ABD | 11/23/2011 | ITALY DESIGN | 1.0 | \$0.00 |
| 5117107 | Lighter With Case | ABD | 11/23/2011 | CLIPPER | 1.0 | \$0.00 |
| 5117111 | Sunglasses | ABD | 11/23/2011 | JLO | 1.0 | \$0.00 |
| 5117119 | Tape Splitter | ABD | 11/23/2011 | | 1.0 | \$0.00 |
| 5117125 | Paper Bill | ABD | 11/23/2011 | U.S. MINT | 1.0 | \$1.00 |
| 5117163 | Coins | ABD | 11/23/2011 | U.S. MINT | 105 | \$6.08 |
| 5117173 | Mexican Currency | ABD | 11/23/2011 | | 3.0 | \$0.00 |

El Paso County Sheriff's**Evidence Inventory On Hand for Incident**

Case Number: 2011-11610

| <u>Tag Number</u> | <u>Description</u> | <u>Category</u> | <u>Status Date</u> | <u>Make/Model</u> | <u>Qty</u> | <u>Value</u> |
|-------------------|-------------------------------------|-----------------|--------------------|-------------------------|------------|--------------|
| 5134768 | Small Scissors | ABD | 12/27/2011 | SCISSORS SCISSORS | 1.0 | \$0.00 |
| 5134780 | Cell Phone W/ Prot Case Rubber Cove | ABD | 12/27/2011 | BLACKBERRY CELL PHONE | 1.0 | \$0.00 |
| 5134801 | Pendant-sun | ABD | 12/27/2011 | UNKNOWN PENDANT | 1.0 | \$0.00 |
| 5134807 | Foreign Coins X 5 | ABD | 12/27/2011 | MEXICO FOREIGN CURRENCY | 1.0 | \$0.00 |
| 5134808 | Paper Bills | ABD | 12/27/2011 | U.S. TREASURY U.S. | 6.0 | \$15.00 |
| 5134812 | Assorted U.s. Coins | ABD | 12/27/2011 | U.S.TREASURY COIN | 1.0 | \$11.24 |
| 5134815 | Baick In Color Earring | ABD | 12/27/2011 | UNKNOWN EARRING | 1.0 | \$0.00 |



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

05-36

May 25, 2012

Mr. Piti Vasquez
Purchasing Agent
800 E. Overland, Suite 300
El Paso Texas 79901

Dear Mr. Vasquez:

A copy of a memorandum from Mr. James O'Neal, internal audit supervisor and Mr. Phillip Trevizo, internal auditor, dated May 25, 2012 is attached. This memorandum is a report on the collection and disposal of Sheriff's abandoned inmate property performed on May 22, 2012.

If we can be of any assistance in this regard, please let us know.

Sincerely,

Edward A. Dion
County Auditor

EAD:JO:ya

Attachment




COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

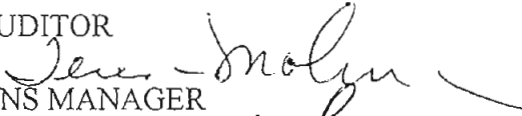
EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

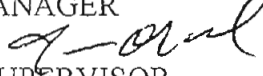

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

05-35

MEMORANDUM

TO:  EDWARD A. DION, COUNTY AUDITOR

THRU:  TERESA MOLINAR, OPERATIONS MANAGER

FROM:  JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR
 PHILLIP TREVIZO, INTERNAL AUDITOR

DATE: MAY 25, 2012

SUBJECT: COLLECTION OF SHERIFF'S ABANDONDED INMATE PROPERTY

On May 22, 2012, the Sheriff's abandoned inmate property was turned over to the Purchasing Department and this office for proper disposal. The property resulted in a monetary collection of \$14.31 and a collection of Mexican currency in the amount of 100 pesos. This amount was then remitted, on the same day, to the County Treasury division and then deposited into the County's General Fund. The following non-monetary items were kept by the Purchasing department to be auctioned off at a later date.

- 2 Cell phone chargers
- 1 Silver watch with silver link bands
- 6 cell phones from various carriers
- 2 Black watches with plastic bands
- 1 gold tone bracelet
- 2 Gold tone rings
- 1 Silver tone ring with stones
- 1 Silver tone ring with turquoise stones

Items containing social security numbers, driver's license numbers, dates of birth, bank account information or any other personal information was receipted by the Purchasing department for proper disposal. Other personal items such as clothing, pierced jewelry and items of no value were disposed of on site.

JO:PT:ya

Cash Count Sheet

Department:

50-Abandoned Inmate Property

| | Number of Units | | Amount |
|--------------|-----------------------|---|---------------------|
| Hundreds | _____ | @ | \$100.00 _____ |
| Fifties | _____ | @ | \$50.00 _____ |
| Twenties | _____ | @ | \$20.00 _____ |
| Tens | _____ | @ | \$10.00 _____ |
| Fives | _____ | @ | \$5.00 _____ |
| Twos | _____ | @ | \$2.00 _____ |
| Ones | <u>60</u> | @ | \$1.00 <u>60.00</u> |
| Half-Dollars | _____ | @ | \$0.50 _____ |
| Quarters | <u>23</u> | @ | \$0.25 <u>5.75</u> |
| Dimes | <u>15</u> | @ | \$0.10 <u>1.50</u> |
| Nickles | <u>12</u> | @ | \$0.05 <u>.60</u> |
| Pennies | <u>46</u> | @ | \$0.01 <u>.46</u> |

Total Cash Counted:

14.31

Less Change Funds:

(—)

Total Cash:

14.31

Checks

Credit Card Receipts

Money Orders

Total Collections:

14.31

Total Receipts:

(14.31)

Overage/Shortage:

0

*100 pesos

The above funds were counted in my presence and returned intact
at (time) 3:45 on (date) 5/22/12

Custodian:

Paul Ryan Puz

Date:

5/22/12

Prepared by:

[Signature]

Date:

5/22/12

[Signature]

5/22/12



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

05-46

June 13, 2012

Ms. Irene Santiago
Office Administrator- Support Manager
Medical Examiner's Office
4505 Alberta
El Paso, Texas 79905

Dear Ms. Santiago:

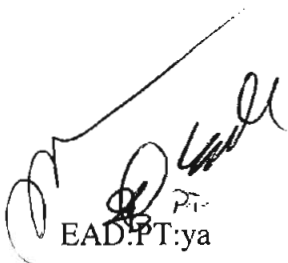
A copy of a memorandum from Mr. Phillip Trevizo, internal auditor, dated June 13, 2012 is attached. This memorandum is a report on a review of the Medical Examiner's Office financial records for September 2010 through April 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to your office as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendations made by Mr. Trevizo.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Very truly, yours,

Edward A. Dion
County Auditor



EAD:PT:ya

Attachment



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

05-46

June 13, 2012

Ms. Irene Santiago
Office Administrator- Support Manager
Medical Examiner's Office
4505 Alberta
El Paso, Texas 79905

Dear Ms. Santiago:

A copy of a memorandum from Mr. Phillip Trevizo, internal auditor, dated June 13, 2012 is attached. This memorandum is a report on a review of the Medical Examiner's Office financial records for September 2010 through April 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to your office as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendations made by Mr. Trevizo.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Very truly, yours,

Edward A. Dion
County Auditor

EAD:PT:ya

Attachment




COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

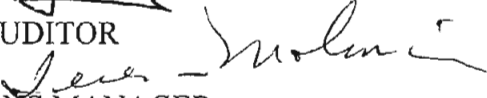
EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor


County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

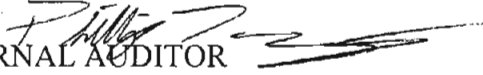
05-47

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR 

THRU: TERESA MOLINAR, OPERATIONS MANAGER 

THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR 

FROM: PHILLIP TREVIZO, INTERNAL AUDITOR 

DATE: JUNE 13, 2012

SUBJECT: REVIEW OF THE FINANCIAL RECORDS FOR THE MEDICAL EXAMINER'S OFFICE FROM SEPTEMBER 2010 THROUGH APRIL 2012

Overview

A review of the financial records for the Medical Examiner's Office for September 2010 through April 2012 has been completed. The objective of this review was to verify the information contained within the Medical Examiner's financial records.

Scope and Purpose

The scope and purpose consisted of:

1. All deposit warrants were reconciled and compared to manual and RecWare receipts. All receipts were reviewed to ensure accountability. In addition, deposit warrants were reviewed to ensure that funds were deposited in accordance with the rapid deposit law, *Texas Local Government Code*, §113.022.
2. All unused manual receipt books were reviewed. No discrepancies were noted.
3. A cash count was performed on May 15, 2012, for the inspection of funds in accordance with the *Texas Local Government Code* §115.0035. No discrepancies were noted.
4. The amounts invoiced to the city for the lease agreement pertaining to the 2nd floor of the Medical Examiner's Office were compared to the deposit warrants to ensure that payments were received in full and in a timely manner. No discrepancies were noted.

General

1. *Observation:* While comparing the Financial Accounting Management Information System (FAMIS) to RecWare, the following observations were noted:

- In December 2011, \$0.80 from manual receipt number 2451 was not entered into RecWare; however, it was deposited into FAMIS with Deposit Warrant number 12232315.
- In January 2012, a Money Order in the amount of \$26.50 was not included in RecWare; however, it was deposited into FAMIS with Deposit Warrant number 2233570.

Corrective Action/ Recommendation: It is recommended that all receipts by the Medical Examiner's Office be entered into the RecWare system. According to Ms. Irene Santiago, Office Administrator- Support Manager, the Money Order referenced in Deposit Warrant number 2233570 was entered into RecWare on December 15, 2011 with receipt number 1000110; however, it was returned by Treasury because it was made payable to the County Attorney's Office. The RecWare receipt was then voided on December 21, 2012 and the Money Order was sent to the County Attorney's Office for them to deposit. When the County Attorney's Office tried to deposit the Money Order it was rejected by Treasury because the Money Order was for Medical Examiner's Office fees. The Money Order was then returned to the Medical Examiner's Office and it was successfully deposited on January 18, 2012.

Summary

This financial review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. Based on this review, the internal control structure of the Medical Examiner's Office appears to be adequate, and should be further strengthened with implementation of the above mentioned recommendation.

PT:ya



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

07-03

July 3, 2012

The Honorable Barbara Perez
Justice of the Peace, Precinct Number 4
1840 Lee Trevino, Suite 109
El Paso, Texas 79936

Dear Judge Perez:

A copy of a memorandum from Ms. Linda Hemme, internal auditor, dated July 3, 2012, is attached. This memorandum is a report on a review of your financial records for November 2010 through April 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to your office as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendations made by Ms. Linda Hemme.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Very truly yours,

Edward A. Dion
County Auditor

EAD:LH:ya

Attachment



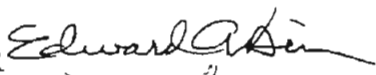



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

07-04

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR 
THRU: TERESA MOLINAR, OPERATIONS MANAGER 
THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR 
FROM: LINDA HEMME, INTERNAL AUDITOR 
DATE: JULY 3, 2012
SUBJECT: REVIEW OF JUSTICE OF THE PEACE, PRECINCT NUMBER 4,
FINANICAL RECORDS FROM NOVEMBER 2010 THROUGH APRIL 2012

Overview

A review of the financial records for the Justice of the Peace, Precinct Number 4, from November 2010 through April 2012 has been completed. The objective of this review was to verify the accuracy of information contained in the financial reports of the Justice of the Peace. The financial reports, generated off the Justice Information Management System (JIMS) and Odyssey, are a recapitulation of all transactions that occurred during each month.

Scope and Purpose

The scope and purpose consisted of:

1. A surprise cash count was performed on June 21, 2012, in accordance with the *Texas Local Government Code §115.0035*. No material discrepancies were noted.
2. An onsite review of the office safe was conducted on June 21, 2012 to identify the contents of the safe.
3. All daily deposit slips were compared to daily balance reports and treasury records in order to verify that collections were deposited timely in accordance with the rapid deposit law, *Local Government Code §113.022*. Further, all collections were reviewed for proper posting on the Financial Accounting Management Information System (FAMIS).

4. All necessary schedules were prepared for the appropriate allocation of court costs. No discrepancies were noted.
5. A sample of 153 cases or 5 percent, out of 3,052 cases with a dismissed disposition, was reviewed for justification and to ensure supporting documentation was present.
6. The bond for the Justice of the Peace Judge was verified to ensure that the Judge is properly bonded in accordance to *Government Code Sect. 27.001*. No discrepancies were noted.
7. The Judge's continuing education requirements were verified in accordance with *Government Code Sect. 27.005*. No discrepancies were noted.

General

1. Observation: While reviewing the daily deposits, it was noted that there were two deposits from November 2011 that were not deposited in accordance to the rapid deposit law. The deposits for November 28, 2011 and November 29, 2011 were not deposited until December 14, 2011.
Recommendation/Corrective Action: According to Ms. Becky Gonzalez, Court Coordinator, the court was in the process of moving to a new location. Furthermore, once the Justice of the Peace (JP) staff moved into the building, the City Inspector closed the building due to the building not being in compliance with building specifications for several days. JP staff were not allowed into their office until the building was in compliance. This caused the deposits to be deposited into the bank late.
2. Observation: While reviewing daily balance reports for September 26, 2011, it was noted that there was a double debit card transaction for \$683.80 for a case. Credit card transaction reports show that a defendant's debit card was charged twice for the same case.
Recommendation/Corrective Action: Mr. Rene Camarillo, Senior IT Project Manager, was contacted for guidance on how to refund the defendant. According to Mr. Camarillo, since the transaction was made using a debit card, in order to accomplish a refund, the defendant must come back to the JP office so that he can enter his PIN at the credit card terminal. JP4 personnel have repeatedly tried to contact the defendant with no success. It is recommended that the JP office request a refund from the County Auditor's Office that will be made directly to the defendant.
3. Observation: While reviewing a sample of dismissed cases, it was noted that 13 of the 153 cases sampled, or 8.5 percent, did not have either a Dismissal Order or Motion to Dismiss form on file signed by the judge. Upon further research 8 of the 13 cases were worked on by an employee who did not follow office procedures and is no longer working at JP4.
Recommendation/Corrective Action: It is recommended that JP4 staff ensure that all supporting documentation for the dismissal be scanned into the case file.

4. Observation: While performing an onsite inspection of JP4's safe on June 21, 2012, it was noted that there was an abandoned wallet that contained \$10.00, a \$50.00 peso bill, a New Mexico driver's license, and a Lone Star Card.
Recommendation/Corrective Action: It was recommended that JP4 deposit the \$10.00 into the bank as abandoned funds. Also, at the County Treasury's recommendation, JP4 was instructed to deposit the \$50 peso bill into the bank in a separate deposit labeled as Mexican currency. It was also recommended that the driver's license and the Lone Star card be mailed to the address on the driver's license. The monies were deposited on June 22, 2012; and, the bank converted the Mexican currency to \$3.56. JP4 also contacted the individual to notify her about her lost wallet. The individual came into the JP office on June 25, 2012 to request a refund for her money. The County Auditor's Office refunded \$13.56 on June 29, 2012.

Summary

This financial review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, and misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. Currently, the internal control structure of the Justice of the Peace, Precinct Number 4, appears to be adequate and should be further strengthened by implementing the above-mentioned recommendations.

LH:ya



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

06-21

July 10, 2012

The Honorable Victor Flores
County Tax Assessor- Collector
500 East Overland
El Paso, Texas 79901

Dear Mr. Flores:

A copy of a memorandum from Ms. Ruth Bernal, senior internal auditor, dated July 10, 2012 is attached. This memorandum is a report on a review of your financial records of the Tax Office as it relates to Automobile Registration and purchasing procedures through May 2012. Because of certain statutory duties required of the County Auditor, this office is not independent with regard to the Tax Office, as defined by AICPA professional standards. However, this review was performed with objectivity and due professional care. I concur with the recommendations made by Ms. Bernal.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Very truly yours,

Edward A. Dion
County Auditor

EAD:RB:ya

Attachment



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR


EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor


County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

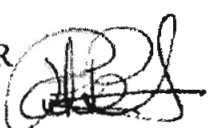
06-22

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR

THRU: TERESA MOLINAR, OPERATIONS MANAGER 

THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR 

FROM: RUTH BERNAL, SENIOR INTERNAL AUDITOR 

DATE: JULY 10, 2012

SUBJECT: REVIEW OF THE COUNTY TAX OFFICE AS IT RELATES TO AUTO REGISTRATION AND PURCHASING PROCEDURES THROUGH MAY 2012

A review of the financial records for the County Tax Assessor-Collector's Office Auto Registration and purchasing procedures has been completed. The objective of this review was to verify the information contained within the Tax Office's financial reports. These financial reports, generated off the Registration and Titling System (RTS), and the monthly reports prepared by the Tax Office accounting division are a recapitulation of all transactions that occurred during each month.

Scope and Purpose

The scope and purpose of the review consisted of the following:

1. Surprise cash counts were performed on August 10, 2011 at the main Tax Office, and the three branches in accordance with *Texas Local Government Code § 115.0035*.
2. Bank reconciliations for the Automobile and Sales Tax accounts were reviewed and compared against the cash receipts and disbursements journals for accuracy and completeness, with no discrepancies noted.
3. Monthly reports were reviewed to verify that the treasury division of the County Auditor's Office received the corresponding fees and were properly posted on FAMIS. No discrepancies noted.

4. Procedures for payments received by mail were reviewed for proper documentation and implementation.
5. Tax Office expenditures were reviewed to verify that they were properly authorized.
6. Authorized users for the RTS system were reviewed to determine if access is blocked once employees are terminated.
7. Previous memoranda were reviewed for proper implementation of prior recommendations.

General

1. **Observation:** During the cash count, immaterial differences were noted. A worksheet detailing the differences is attached.
Corrective Action/Recommendation: It is recommended that due care be exercised when collecting funds.
2. **Observation:** While reviewing the Tax Office expenditures, it was noted that a couple of purchase order receiving copies were authorized for payment using Mr. Victor Flores signature stamp. It was also noted that the person who initiates the requisitions, handles the purchase orders, receives the merchandise, and has access to the signature stamp.
Corrective Action/Recommendation: It is recommended that the signature stamp not be used. It is also recommended that a third person be assigned to authorize the requisitions, if Mr. Flores and Ms. Siria Rocha are not available.
3. **Observation:** While reviewing the authorized users of the RTS system the following was noted:
 - Tax Office: 71 users listed, 7 were terminated employees, one duplicate user.
 - El Paso Auto Registration & Titling: 23 users listed, 6 were terminated employees.
 - Express Car Titling: 21 users listed, 13 were terminated employees.
 - E-Z Auto Title Registration: 7 users listed, 4 were terminated employees.
 - Flash Auto: 9 users listed, 7 were terminated employees.
 - TRI-STAR Auto Title Co.: 6 users listed, no discrepancies noted.

Also, it was noted that the contracted offices do not immediately notify the Tax Office when an employee is terminated.

Corrective Action/Recommendation: It is recommended that as soon an employee is terminated, access be removed from the RTS system. It is also recommended that the RTS users be reviewed often to verify that terminated employees had been successfully removed from the system. In addition, it is recommended that the Tax Office communicate with the contracted offices to notify the Tax Office when an employee has been terminated; and create policies and procedures that establish measures when contracted offices do not comply.

4. **Observation:** While reviewing the manual receipts books, it was noted that some of the receipts did not indicate the tender type. It was also noted that even though all three parts of the cancelled receipt is kept in the receipt book, the receipt is not marked as "void."
Corrective Action/Recommendation: It is recommended that all receipts issued, be filled out completely; and include the tender type and the vehicle plate number. It is also recommended that all canceled receipts be marked as "void."
5. **Observation:** While reviewing the payments received by mail, it was noted that registration payments are scanned for tracking purposes; however, any other payment received by mail is not scanned. The payments are forwarded to the corresponding division and the division logs the payments and posts them.
Corrective Action/Recommendation: It is recommended that the main office scan all payments received by mail in order to establish a clear audit trail. Afterwards, forward the payments to the corresponding division for posting on their system.

Review of Past Memoranda

6. **Observation:** It was previously recommended that payments for the non sufficient fund (NSF) be accepted at the Motor Vehicle Registration Division instead of the accounting department. This measure has not been implemented.
Corrective Action/Recommendation: Once again, it is recommended that the Motor Vehicle Registrations Division receipt the collections on the NSF instead of the accounting department. This will help strengthen internal controls by segregating duties.
7. **Observation:** It was previously recommended that the generic manual receipt books be stamped with the Tax Office information before a book is assigned. This measure has not been implemented. It was noted that manual receipts are stamped as they are issued for payment.
Corrective Action/Recommendation: Once again, it is recommended that the Tax Office information be stamped on the three part receipt book before a book is assigned to any division.

Summary

This review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. Based on this review, the internal control structure of the County Tax Office, as it relates to Automobile Registration, appears to be weak, but should be strengthened with the implementation of the above mentioned recommendations.

Objective: To performed a cash count in accordance with Texas Local Government Code § 115.0035.

Date:

FAMIS: Subsidiary: 102 000001

| | | | | |
|--------------|-----------|--------------|-----------------|---------------|
| 1 | Northeast | 003 | 100.00 | 0.00 |
| 2 | Northeast | 103 | 100.00 | 0.00 |
| 3 | Northeast | 203 | 100.00 | (1.00) |
| 4 | Northeast | 253 | 100.00 | 0.00 |
| 5 | Northeast | 348 | 100.00 | 0.00 |
| 6 | Northeast | 347 | 100.00 | 0.10 |
| 7 | Northeast | 348 | 100.00 | 0.00 |
| 8 | Northeast | 349 | 100.00 | 0.00 |
| 9 | Northeast | 350 | 100.00 | 0.00 |
| 10 | Northeast | 361 | 100.00 | 0.00 |
| 11 | Northeast | Change fund1 | 800.00 | 0.00 |
| 12 | Northeast | Change fund2 | 800.00 | 0.00 |
| Total | | | 2,600.00 | (0.90) |

| | | | | |
|--------------|------------|-------------|---------------|-------------|
| 1 | Fort Bliss | 004 | 100.00 | 0.00 |
| 2 | Fort Bliss | 104 | 100.00 | (0.25) |
| 3 | Fort Bliss | 204 | 100.00 | 7.01 |
| 4 | Fort Bliss | Change fund | 300.00 | 0.00 |
| 5 | Fort Bliss | Change fund | 300.00 | 0.00 |
| Total | | | 900.00 | 6.76 |

| | | | | |
|--------------|--------|---------------|-----------------|-------------|
| 1 | Ysleta | 002 | 100.00 | 0.00 |
| 2 | Ysleta | 202 | 100.00 | 0.00 |
| 3 | Ysleta | 252 | 100.00 | 0.00 |
| 4 | Ysleta | 328 | 0.00 | 0.00 |
| 5 | Ysleta | 327 | 100.00 | 0.00 |
| 6 | Ysleta | 328 | 0.00 | 0.00 |
| 7 | Ysleta | 329 | 100.00 | 0.00 |
| 8 | Ysleta | 331 | 0.00 | 0.00 |
| 9 | Ysleta | 332 | 100.00 | 0.00 |
| 10 | Ysleta | 333 | 100.00 | 0.05 |
| 11 | Ysleta | 334 | 100.00 | 0.00 |
| 12 | Ysleta | 335 | 100.00 | 0.00 |
| 13 | Ysleta | 336 | 100.00 | 0.00 |
| 14 | Ysleta | 337 | 100.00 | 0.00 |
| 15 | Ysleta | 338 | 100.00 | 0.00 |
| 16 | Ysleta | 339 | 0.00 | 0.00 |
| 17 | Ysleta | Change fund 1 | 700.00 | 0.00 |
| 18 | Ysleta | Change fund 2 | 600.00 | 0.00 |
| 19 | Ysleta | Change fund 3 | 700.00 | 0.00 |
| Total | | | 3,200.00 | 0.05 |

| Branch | Workstation | Approved Change Fund | Discrepancies Overage (shortage) | |
|--------------|-------------|----------------------|----------------------------------|-------------|
| 1 | Main | 200 | 50.00 | 0.00 |
| 2 | Main | 250 | 100.00 | 0.25 |
| 3 | Main | 300 | 100.00 | 0.00 |
| 4 | Main | 302 | 100.00 | 0.00 |
| 5 | Main | 303 | 50.00 | (5.00) |
| 6 | Main | 304 | 100.00 | 0.00 |
| 7 | Main | 305 | 100.00 | 0.00 |
| 8 | Main | 306 | 100.00 | 0.00 |
| 9 | Main | 307 | 100.00 | 0.00 |
| 10 | Main | 310 | 100.00 | 0.00 |
| 11 | Main | 311 | 100.00 | 0.90 |
| 12 | Main | 313 | 100.00 | 0.00 |
| 13 | Main | 314 | 100.00 | 0.00 |
| 14 | Main | 315 | 100.00 | 0.00 |
| 15 | Main | Accounting Division | 250.00 | 0.00 |
| 16 | Main | *Change fund 1 | 1,100.00 | 0.00 |
| 17 | Main | *Change fund 2 | 1,000.00 | 5.00 |
| Total | | | 3,850.00 | 1.16 |

| | | | |
|--------------|-----------------------------|---------------|--|
| Main | Beer & Wine | 150.00 | |
| Northeast | Vehicle Inventory Tax (VIT) | 200.00 | |
| Ysleta | Vehicle Inventory Tax (VIT) | 200.00 | |
| Total | | 550.00 | |

Total Change funds 10,900.00

FAMIS 102 000001 10,900.00

4/5/2011 Additional Change fund approved and issued 0.00



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

07-19

July 11, 2012

Ms. Rosemary Niell
Director of Family and Community Services
800 E. Overland, Suite 208
El Paso, TX 79901

Dear Ms. Neill:

A copy of a memorandum from Ms. Bertha Tafoya, internal auditor, dated July 11, 2012 is attached. This memorandum is a report on a review of the General Assistance financial records for September 2010 through May 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to your office, as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendation made by Ms. Tafoya.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

Sincerely,

Edward A. Dion
County Auditor

EAD:BT:ya

cc: Mr. Michael Flores, General Assistance Manager



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

07-20

MEMORANDUM

Edward A. Dion
TO: EDWARD A. DION, COUNTY AUDITOR
Teresa Molinar
THRU: TERESA MOLINAR, OPERATIONS MANAGER
James O'Neal
FROM: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR
Bertha Tafoya
FROM: BERTHA TAFOYA, INTERNAL AUDITOR
DATE: JULY 11, 2012
SUBJECT: REVIEW OF THE GENERAL ASSISTANCE AGENCY FOR
SEPTEMBER 2010 THROUGH MAY 2012

Overview

A review of the financial records for General Assistance (GA), for September 2010 through May 2012 has been completed. The objective of this review was to ensure compliance with program guidelines.

Scope and Purpose

The scope and purpose of this review consisted of:

1. A sample of 63 out of 1,115 general assistance disbursements or approximately six percent was reviewed to verify that assistance was provided within general assistance guidelines. The client files were reviewed to ensure sufficient documentation was obtained to justify assistance.
2. Previous memorandum was reviewed for implementation of prior recommendations.

General

1. Observation: While reviewing the client's files the following was noted:
 - Client's supplemental documents did not include a name and/or a date.
 - Client's identification information is not filed with current request for assistance.
 - General Assistance provided mortgage assistance to a client who had been denied financial assistance by other agencies because his household resources exceeded the eligibility limit.

- A client was assisted with a utility bill even though he owned two properties.
- Pending unemployment benefits were not considered in the Basic Life Support chart.

Corrective Action/Recommendation: In regard to supplemental documentation that is required to be provided by the client, Mr. Michael Flores, GA/VA program manager indicated that he will ensure that this information is filed with the pertaining request for assistance and that all documents are properly completed. Regarding the client whose income level exceeded eligibility level, Mr. Flores stated that the client's bank statement indicated they had exhausted all funds. Furthermore, if a qualifying client is at risk of losing his/her home, assistance will be provided even if the client is pending unemployment benefits

Corrective Action/Recommendation: In regard to clients receiving utilities assistance; it is recommended that the General Assistance Department explore the feasibility of verifying Central Appraisal District records.

Review of Past Memorandum

1. Observation: It was noted that sensitive information such as social security cards, driver's licenses, birth certificates, and passports belonging to the client and their families are no longer scanned and attached as supportive documentation.
2. Observation: It was also noted that recommendations previously made by this office have been implemented

Summary

This financial review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, and misuse. The County's internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. Currently the internal control structure of the General Assistance Department appears adequate, and should be further strengthened with the implementation of the above- mentioned recommendation.

BT:ya



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

07-39

July 26, 2012

Mr. Piti Vasquez
Purchasing Agent
County Purchasing Department
800 East Overland, Suite 300
El Paso, Texas 79901

Dear Mr. Vasquez:

A copy of a memorandum from Mr. Rene Balderrama internal auditor, dated July 26, 2012 is attached. This memorandum is a report on a review of your purchasing and financial records for May 2011 through April 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to your office, as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendations made by Mr. Balderrama.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Very truly yours,

Edward A. Dion
County Auditor

EAD:RB:ya

Attachment

cc: The Honorable Patrick Garcia
Local Administrative Judge, 384th Judicial District



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

07-40

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR

THRU: TERESA MOLINAR, OPERATIONS MANAGER *Teresa Molinar*

THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR *J. O'Neal*

FROM: RENE BALDERRAMA, INTERNAL AUDITOR *René Balderrama*

DATE: JULY 26, 2012

SUBJECT: REVIEW OF THE PURCHASING DEPARTMENT FOR MAY 2011 THROUGH APRIL 2012

Overview

A review of the Purchasing Department for May 2011 through April 2012 has been completed. The objective of this review was to obtain a clear understanding of the quotation process, sample and review formal and informal bids, and review a sample of surplus inventory items.

Scope and Purpose

The scope and purpose of this review consisted of:

1. A random sample of formal bids was reviewed to ensure that documentation was complete and in compliance with the *Texas Local Government Code (TGLC) §262* and *Government Code (GC) §2253*.
2. A random sample of informal bids was reviewed to ensure proper protocol on the quotation process.
3. A random sample of surplus inventory was reviewed to ensure that items are being properly accounted for.
4. A review of prior memoranda for implementation of previous recommendations.

General

1. *Observation:* While reviewing a sample of 25 informal bids, it was noted that six bids did not have supportive documentation either on electronic file or in paper form to verify that the lowest bidder was selected.
Corrective Action/Recommendation: It is recommended that all supporting documentation be included within the bid file to ensure that the selected bidder was justified. It is further recommended that buyers review bid files for completeness and accuracy.
2. *Observation:* A sample of 15 surplus and auction inventory items was selected for review. It was noted that all 15 items were accounted for and that the required back up for disposed items was provided. No discrepancies were noted.

Review of prior memorandum

3. *Observation:* It was previously noted that the policies and procedures manual does not detail the duties and responsibilities by job position.
Corrective Action/Recommendation: It is again recommended that the policies and procedures manual be expanded in order to establish accountability. It is further recommended that a job description by job position be included in the policies and procedures manual. This will ensure a level of competency and expectation of each staff member and will further provide proper guidelines for each staff member to follow at all times.

Summary

This review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. The internal control structure of the Purchasing Department appears to be adequate and should continue to be strengthened with the implementation of the above-mentioned recommendations.

RB:ya



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

07-50

July 31, 2012

Ms. Lynn Sanchez
Law Library Manager
Law Library
Room 1202, County Courthouse Building
El Paso, TX 79901

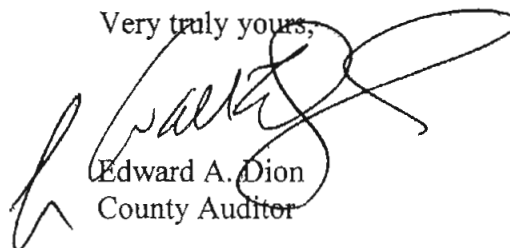
Dear Ms. Sanchez,

A copy of a memorandum from Mr. Phillip Trevizo, internal auditor, dated July 31, 2012 is attached. This memorandum is a report on a review of your financial records for May 2010 through June 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to your office, as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendations made by Mr. Trevizo.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Very truly yours,



Edward A. Dion
County Auditor

EAD:PT:ya

Attachment



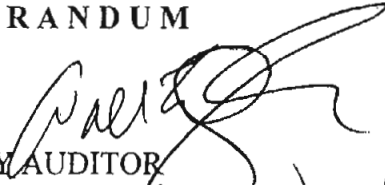
COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

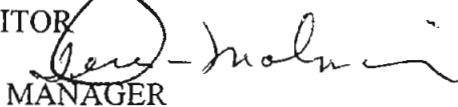
EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

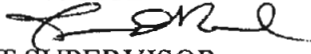
County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX


07-51

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR 

THRU: TERESA MOLINAR, OPERATIONS MANAGER 

THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR 

FROM: PHILLIP TREVIZO, INTERNAL AUDITOR 

DATE: JULY 31, 2012

SUBJECT: REVIEW OF THE COUNTY LAW LIBRARY FINANCIAL RECORDS FOR
MAY 2010 THROUGH JUNE 2012

Overview

A review of the County Law Library's financial records for May 2010 through June 2012 has been completed. The objective of this review was to provide reasonable assurance that all funds were accounted for properly and deposited in a timely manner.

Scope and Purpose

The scope and purpose of this review consisted of:

1. A surprise cash count was performed on June 26, 2012, in accordance with the *Texas Local Government Code §115.0035*.
2. The daily cash box reports and deposit detail logs were reviewed and compared to the deposit warrants for accuracy. The deposits were verified for proper posting in the Financial Accounting Management System (FAMIS). No discrepancies were noted.
3. The deposits were reviewed to ensure that they were deposited in accordance with the rapid deposit law, *Local Government Code §113.022*.
4. Previous memorandum was reviewed for implementation of prior recommendations.

General

1. Observation: During the June 26, 2012 surprise cash count, it was noted that preloaded copy cards are being kept in the cash box for future copy card sales.
Recommendation: It is recommended to Ms. Lynn Sanchez, Law Library Manager, that the cards not be preloaded to prevent loss or misuse.
2. Observation: While reviewing the daily deposits, it was noted that on six different occasions, the daily collections were deposited after the fifth business day.
Recommendation: It is recommended that all collections be deposited in accordance with the *Texas Local Government Code §113.022*, copy attached.

Review of Past Memoranda

3. Observation: While reviewing previous memoranda, it was noted that the cash counters in the copy machines are not accounting for payments made by customers to add funds to their copy cards. The customers use the cash counters to add funds to the copy cards, then they proceed to make copies and charge them to their copy cards. Since the copies are charged to the copy cards, the counters do not account for the copies and it results in an overage in the cash counters in the copy machines.
Recommendation: It is recommended that the cash counters be adjusted to account for cash deposits made to copy cards.

Summary

This financial review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. The internal control structure of the County Law Library appears to be adequate, and should be further strengthened with implementation of the above-mentioned recommendations.

PT:ya

Sec. 113.022. TIME FOR MAKING DEPOSITS. (a) A county officer or other person who receives money shall deposit the money with the county treasurer on or before the next regular business day after the date on which the money is received. If this deadline cannot be met, the officer or person must deposit the money, without exception, on or before the fifth business day after the day on which the money is received. However, in a county with fewer than 50,000 inhabitants, the commissioners court may extend the period during which funds must be deposited with the county treasurer, but the period may not exceed 15 days after the date the funds are received.

(b) A county treasurer shall deposit the money received under Subsection (a) in the county depository in accordance with Section 116.113(a). In all cases, the treasurer shall deposit the money on or before the seventh business day after the date the treasurer receives the money.



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

08-02

August 6, 2012

Constable Robert White
Justice of the Peace Precinct Number 1
424 Executive Center Suite 100
El Paso, TX 79902

Dear Constable Robert White:

A copy of a memorandum from Mr. Ricardo Gabaldon, internal auditor, dated August 6, 2012 is attached. This memorandum is a report on the allegation of falsification of time recording for Deputy Constable Francisco Almada. Because of certain statutory duties required of the County Auditor, this office is not independent in regards to the Constable's Office, as defined by the AICPA professional standards. However, this review was performed with objectivity and due professional care. I concur with the recommendations made by Mr. Gabaldon.

If we can be of any further assistance, please let us know.

Very truly yours,

Edward A. Dion
County Auditor

EAD:RG:ya

Attachment

cc: Ms. Betsy Keller, Human Resource Manager



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

08-03

MEMORANDUM

Edward A. Dion
TO: EDWARD A. DION, COUNTY AUDITOR

Teresa Molinar
THRU: TERESA MOLINAR, OPERATIONS MANAGER

Wallace Hardgrove
THRU: WALLACE HARDGROVE, BUDGET / FINANCE MANAGER

James O'Neal
THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR

Ricardo Gabaldon
FROM: RICARDO GABALDON, INTERNAL AUDITOR

DATE: AUGUST 6, 2012

SUBJECT: REVIEW OF THE DEPUTY CONSTABLE'S KRONOS REPORTS, DAILY WORK LOGS AND DISPATCH LOGS REPORTS FOR AUGUST 17, 2011 THROUGH DECEMBER 31, 2011.

Overview

The objective of this review was to verify time and attendance documentation by cross-referencing KRONOS and Daily Work Logs maintained by the Deputy Constable to the unit Dispatch Logs. Moreover, a second time study was conducted on a random Deputy Constable to validate time and attendance to provide a basis for comparison for the Constable's Office.

Scope and Purpose

The scope and purpose of the review was as follows:

1. The purpose of this review was to investigate claims of time sheet falsification. The scope of the audit included time sheet reconciliation on KRONOS from August 17, 2011 to December 31, 2011.

General

1. *Observation:* While comparing KRONOS Reports, Daily Work Logs and Dispatch Logs for the period of August 17, 2011 through December 31, 2011, it appears that Deputy Constable Francisco Almada understated KRONOS by a net amount of 3,788 minutes or 63 hours and 8 minutes, see attached spreadsheet. The following major observations were noted:

- There were 19 instances where the Deputy Constable understated his actual time worked in KRONOS by 3,537 minutes or 58 hours 57 minutes compared to his Dispatch Logs and Daily Work Logs.
- There were three instances where the Deputy Constable overstated his actual time worked in KRONOS by 483 minutes or 8 hours and 3 minutes compared to his Dispatch Logs and Daily Work Logs.
- On December 22, 2011, it was noted in the Daily Log that a collection was made with money orders # 9318006537, 9318006538, 9318006539, 9318006540, and 931800641. Furthermore, the same collection with the same money orders is referenced in the Daily Log of December 15, 2011. Copies of the money orders were acquired to review the print date of the money orders to reflect the actual day collected. It was noted that the print date for the money orders was on December 22, 2011. On June 13, 2012, a meeting was held with Deputy Constable Francisco Almada and it was explained that the Daily Log on December 22, 2011 reflected the correct date in which the payment was received. In addition, it was discussed that on December 15, 2011 Deputy Francisco Almada purposely overstated KRONOS for the reason that he worked on his paid day off, which was on December 22, 2011. Additionally, the money orders referenced above were turned in to the Justice of the Peace No. 6 on January 9, 2012, thus the time it took for the Deputy Constable to deposit the money orders were not in compliance with *Texas Local Government Code, §113.022*, copy attached.

Moreover, there are additional variances between KRONOS, Daily Work Logs and Dispatch reports but they prove to be minor and were not noted in this report. For more information on these variances please see the attached spreadsheet.

Recommendation: It is recommended that the Constable monitor the Deputy Constables' actual time worked, as well as any COMP time accrued. Furthermore, it is recommended for all Constables to update their policies and procedure manual to include the proper course of action to post their time in all relevant tracking systems. Moreover, it is the duty of the Deputy Constable to correctly reflect his actual time worked and be accurate in the recording of all time in the appropriate systems and on the actual days of service. Furthermore, it is also recommended that all collections be turned in to the proper department as stated in *Texas Local Government Code, §113.022*.

Recommendation: It is recommended that a retraining should be conducted on how to properly utilize KRONOS to ensure that the time recording is accurate.

Corrective Action: A memorandum issued by Constable Robert White dated February 21, 2012, sets a fixed schedule, Monday through Thursday 8:30 a.m. to 5:30 P.M. and on Friday 8:30 A.M. to 12:30 P.M., this is an attempt to avoid any excess COMP time accrued as well as any excess time that the Deputies might work but not reflect it in KRONOS.

2. Observation: While comparing KRONOS Reports, Daily Work Logs and Dispatch Logs for the period of August 17, 2011 through December 31, 2011, the most inconsistencies with “Call In” (10/8 or LN) and “Call Out” (10/7 or LO) were attributed to outside contract work. Deputy Constables occasionally work as security for events or nightclubs during their personal time off. Although Constables are not suppose to “Call In” or “Call Out” during these events to avoid radio clutter, there are occurrences that if a Constable feels threatened or the peace is in jeopardy, the Constable has the ability and right to act as a Peace Officer, meaning that he or she could use Dispatch or any County system such as JIMS, Judicial Information Management System, to check an ID or search a suspicious person to make an arrest if deemed necessary.

3. Observation: While making a basis for comparison, it was noted that Deputy Constable Romauldo Martinez stored all his Daily Work Logs into a USB flash drive, a data storage device. Furthermore, Deputy Constable Romauldo Martinez clarified that the USB drive broke last year thus preventing an accurate cross-reference to his Daily Work Logs for the sampled time.

Corrective Action/Recommendation: It is recommended that all Constables and Deputy Constables back up their Daily Work Logs into a network hard drive, thus preventing any hardware malfunction and having documentation stored into the network for quick referencing. The Constables should verify that the Daily Work Logs are indeed being stored on the County network, so a backup can be stored for recording management purposes.

Summary

This review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County’s assets from loss, theft, or misuse. The County’s internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, error or irregularities may occur and not be detected. Based on this review, the internal control structure of the County, as it relates to Constable time tracking system, appears to be weak, but should be strengthened with the implementation of the above-mentioned recommendations.

RG:ya



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

08-11

August 14, 2012

The Honorable Victor Flores
County Tax Assessor- Collector
500 East Overland
El Paso, Texas 79901

Dear Mr. Flores:

A copy of a memorandum from Mr. Phillip Trevizo, internal auditor and Mr. Ricardo Gabaldon, internal auditor dated August 14, 2012 is attached. This memorandum is a report on a review of your financial records pertaining to the Licensing Division for May 2011 through July 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to the Tax Office, as defined by AICPA professional standards. However, this review was performed with objectivity and due professional care. I concur with the recommendations made by Mr. Trevizo and Mr. Gabaldon.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Very truly yours,

Edward A. Dion
County Auditor

EAD:PT:RG:ya

Attachment




COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

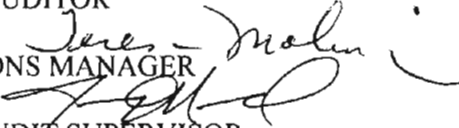
EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor


County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

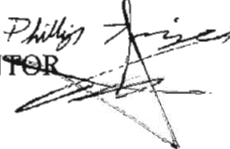
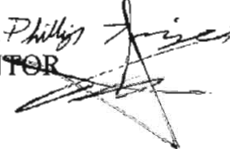
08-12

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR 

THRU: TERESA MOLINAR, OPERATIONS MANAGER 

THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR 

FROM: PHILLIP TREVIZO, INTERNAL AUDITOR 
RICARDO GABALDON, INTERNAL AUDITOR 

DATE: AUGUST 14, 2012

SUBJECT: REVIEW OF THE EL PASO COUNTY TAX OFFICE – LICENSING DIVISION FOR
MAY 2011 THROUGH JULY 2012

Overview

A review of the financial records for the El Paso County Tax Assessor-Collector's Office pertaining to the Licensing Division from May 2011 through July 2012 has been completed. The objective of this review was to verify the information contained within the Tax Office's financial reports. These financial reports are a recapitulation of all transactions that occurred during each month.

Scope and Purpose

The scope and purpose of the review consisted of the following:

1. A surprise cash count was performed on July 31, 2012, in accordance with *Local Government Code §115.0035*. No discrepancies were noted.
2. The monthly bank reconciliations for the Ad Valorem account were reviewed for accuracy and completeness and verified that supervisor review was performed. Furthermore, the weekly balance sheets were compared to the RecWare cashing reports to verify that both reports agree.
3. Voided transactions were reviewed in order to verify proper documentation for justification and that supervisor approval was obtained and documented.
4. Internal controls were reviewed to verify the proper handling of the occupation permit stickers issued. No discrepancies were noted.
5. A random sample of daily collections were selected from the RecWare Cash Receipt Report and were traced to the bank statements to ensure collections were deposited in accordance with *Local Government Code § 113.022*. No discrepancies were noted.

6. The manual receipt logs were reviewed to ensure that the issuance and completion of the books were properly documented. Further, an inventory of all unused manual receipt books was conducted. No discrepancies were noted.
7. A review of the mail log was conducted to verify all mailed payments were properly documented.
8. A sample was selected from the Texas Comptroller of Public Accounts website to verify that local hotels/motels are paying the Hotel/Motel County Occupancy Tax in a timely manner. Further, penalty and interest assessments were verified for proper calculations in accordance with *Tax Code §352.004*.
9. Past memoranda were reviewed for implementation of prior recommendations.

General

1. Observation: While comparing the weekly balance sheets to the RecWare cashiering reports it was noted that receipt number 1004477.025, payment for County Liquor, was incorrectly posted to County Occupation in the weekly balance sheet. Furthermore, receipt number 1004819.025, payment received for County Liquor, was incorrectly posted to County Occupation in the RecWare system.
Corrective Action/Recommendation: It is recommended that due care be exercised when comparing weekly collections to the RecWare cashiering reports. Also, due care should be exercised when entering transactions into the RecWare system.
2. Observation: While reviewing the voided transactions for the audit period, it was noted that one transaction was not approved by a supervisor.
Corrective Action/Recommendation: It is recommended that supervisor approval be obtained for all voided transactions.
3. Observation: Upon review of the mail log, it was noted that mail payments received by regular mail are not being logged in the mail log. Only payments received by carriers requiring signatures for deliveries are logged in the mail log.
Corrective Action/Recommendation: It is recommended that all mail payments received should be logged into the mail log.
4. Observation: While reviewing a sample of hotel/motels from the Texas Comptroller of Public Accounts to verify that taxes were paid timely, it was noted that penalty and interest charges are not being assessed in accordance with *Tax Code §352.004*, copy attached.
Corrective Action/Recommendation: It is recommended that the Tax Office assess penalty and interest (when applicable) to hotels/motels that do not pay the County Hotel/Motel Occupancy Tax timely in accordance with *Tax Code §352.004*. A sample worksheet has been attached to facilitate the calculation of penalty and interest for late payments in accordance with *Tax Code §352.004*.

Review of Past Memoranda

5. Observation: It was noted that daily collections are not being verified against the RecWare Cash Receipt Report on a daily basis; collections are still being verified on a weekly basis.

Corrective Action/Recommendation: Once again, it is recommended that collections submitted to the accounting division be verified against the collections posted on RecWare on a daily basis. It is also recommended that the review be documented.

Summary

This review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. Based on this review, the internal control structure of the County Tax Office as it relates to the Licensing Division appears to be weak, but should be strengthened with the implementation of the above mentioned recommendations.

PT:RG:ya

Sec. 352.004. TAX COLLECTION; PENALTY. (a) The owner or operator of a hotel shall report and send the taxes collected under this chapter to the county as provided by the resolution or order imposing the tax.

(b) If the owner fails to report when required or pay the tax when due, the owner shall pay a penalty of five percent of the amount of the tax due. If the owner fails to file the report or pay the tax before the 31st day after the date that the report or tax payment was due, he shall pay an additional penalty of five percent of the amount of the tax due.

(c) Delinquent taxes and accrued penalties draw interest at the rate of 10 percent a year beginning 60 days after the date on which the tax was due.

(d) The county attorney may bring suit against a person who is required to collect the tax imposed by this chapter and pay the collections over to the county and who has failed to file a tax report or pay the tax when due to collect the tax not paid or to enjoin the person from operating a hotel in the county until the tax is paid or the report filed, as applicable, as provided by the court's order. The remedy provided by this subsection is in addition to other available remedies.

(e) If a person required to file a tax report under this chapter does not file the report as required by the county, the county may determine the amount of tax due under this chapter by conducting an audit of each hotel in relation to which the person did not file the report as required by the county. A county may directly perform an audit authorized under this subsection or contract with another person to perform the audit on an hourly rate or fixed-fee basis. A county shall provide at least 30 days' written notice to a person who is required to collect the tax imposed by this chapter with respect to a hotel before conducting an audit of the hotel under this subsection.

**Penalty for Failure to Report
Statement Analysis**

Hotel:

Americas Best Value Inn DBA: Howard Johnson Inn
500 Executive Center
El Paso, TX 79902

| | |
|--|------------------------|
| TOTAL GROSS | 172,697.00 |
| Exemptions | <u>-49,786.00</u> |
| TOTAL TAXABLE RECEIPTS | <u>122,911.00</u> |
| Amount of Tax Due (Receipts x 2.5%) | <u>3,072.78</u> |

PENALTY FOR FAILURE TO REPORT OR PAY:

| | | |
|---------------------------------------|---|---------------|
| Sec. 352.004 (B) | 5% PENALTY FOR REPORTING OR PAYING LATE | 153.64 |
| Sec. 352.004 (B) | 5% ADDITIONAL PENALTY FOR REPORTING/PAYING LATE 31 DAYS AFTER REPORT IS DUE | 153.64 |
| Sec. 352.004 (C) | 10% INTEREST PER YEAR AFTER 60 DAYS | 0.00 |
| | NUMBER OF MONTHS PAST DUE AFTER 60 DAYS | 0.00 |
| TOTAL PENALTY AND INTEREST DUE | | 307.28 |

TOTAL AMOUNT DUE 3,380.05



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

08-18

August 15, 2012

Mr. Javier Chacon, Administrator
Elections Department
Room L115, County Courthouse Building
500 East San Antonio Street
El Paso, Texas 79901

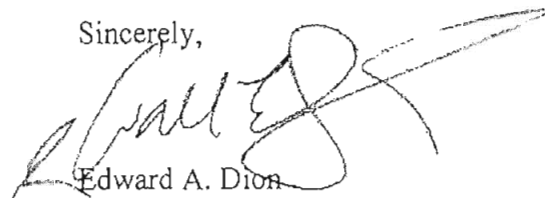
Dear Mr. Chacon:

A copy of a memorandum from Mr. James O'Neal, internal audit supervisor, dated August 15, 2012, is attached. This memorandum is a review of the department's general operations from October 2010 through July 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to the Elections Department, as defined by the AICPA professional standards. However, this review was performed with objectivity and due professional care. I concur with the recommendations made by Mr. O'Neal.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Division.

If we can be of any assistance in this regard, please let us know.

Sincerely,



Edward A. Dion
County Auditor

EAD:JO:ya

Attachment



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

08-19

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR
THRU: TERESA MOLINAR, OPERATIONS MANAGER
FROM: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR
DATE: AUGUST 15, 2012
SUBJECT: REVIEW OF THE ELECTIONS DEPARTMENT FROM OCTOBER 2010 THROUGH JULY 2012

Overview

A general review of the Elections Department from October 2010 through July 2012 has been completed.

Scope and Purpose

The scope and purpose of this review consisted of:

1. An evaluation and review of the policies and procedures and internal controls was performed.
2. Voter attendance and precinct staffing were reviewed to ensure proper staffing and appropriate expenditures.
3. A surprise cash count was performed on July 6, 2012, in accordance with *Local Government Code §115.0035*, with no discrepancies noted.
4. Chapter 19 receipts were reviewed to ensure compliance and proper usage in accordance with *Texas Elections Code §19.004*, no discrepancies were noted.
5. A sample of contracts for election services was reviewed to ensure proper compliance, billing and receipt in accordance with *Texas Elections Code Section 31*.
6. All daily deposits were compared to daily collections and treasury records in order to verify that collections were deposited timely in accordance with the rapid deposit law, *Local Government Code §113.022*.
7. All collections were reviewed for proper posting on the Financial Accounting Management Information System (FAMIS).

General

1. Observation: It was noted that there are no policies and procedures currently in place to specify how certain elections are to be staffed or expensed.

Recommendation/Corrective Action: It is recommended that policies and procedures for the Elections Department be developed in order to guide the administrator and staff on holding the various types of elections.

2. Observation: It was noted that all staff attendance timesheets are manual and are only approved by the precinct judge at the end of the day. It is only until the timesheets are prepared for billing that the Elections Department administrator approves the timesheet. Further, it was noted that several precincts had a large number of staff but low voter turnout.
Recommendation/Corrective Action: It is recommended that both the employee and the precinct judge approve and sign off on the employee's time sheet. The time sheet would then be finalized by the Elections Department administrator. It is further recommended that the Elections Department administrator review previous voter trends to determine an adequate amount of staffing per precinct.
3. Observation: While reviewing the contracts for election services, it was noted that several entities did not pay the 75 percent of estimated costs prior to the entity's election date. Furthermore, some entities did not pay final balances within 30 days of billing. These collection timelines and amounts are pursuant to County Commissioner's Court orders.
Recommendation/Corrective Action: It is recommended that the Elections Department collect 75 percent of the estimated costs of the election service contracts prior to the election date and that final balances be collected within 30 days of billing as ordered by Commissioners Court.
4. Observation: It was noted that several daily collections were not deposited timely in accordance with the rapid deposit law, *Local Government Code §113.022*.
Recommendation/Corrective Action: It is recommended that all collections be deposited in a more timely manner to ensure compliance.
5. Observation: While reviewing the daily manual receipts, it was noted that some receipts were incomplete, had the wrong amount listed and/or changed after the fact. Further, in some instances, voided receipts did not have all three copies attached.
Recommendation/Corrective Action: It is recommended that due care be exercised when filling out and voiding all manual receipts.

Summary

This financial review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft or misuse. The County's internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. The internal control structure of the El Paso County Elections Department appears to be weak, but should be strengthened with the implementation of the above-mentioned recommendations.

JO:ya



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

08-35

September 5, 2012

Ms. Delia Briones
El Paso County Clerk
500 E. San Antonio, Room 105
El Paso, Texas 79901-2496

Dear Ms. Briones:

A copy of a memorandum from Mr. Rene Balderrama, internal auditor, dated September 5, 2012 is attached. This memorandum is a report on a review of your financial records from June 2010 through July 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to your office as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendations made by Mr. Balderrama

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Very truly yours,

Edward A. Dion
County Auditor

EAD:RB:ya

Attachment




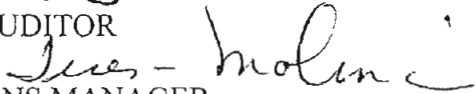

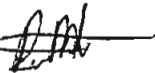
COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

08-43

MEMORANDUM


TO: EDWARD A. DION, COUNTY AUDITOR
THRU: TERESA MOLINAR, OPERATIONS MANAGER 
THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR 
FROM: RENE BALDERRAMA, INTERNAL AUDITOR 
DATE: SEPTEMBER 5, 2012
SUBJECT: REVIEW OF THE FINANCIAL RECORDS OF THE COUNTY CLERK'S OFFICE FROM JUNE 2010 TO JULY 2012

Overview

A review of the financial records for the County Clerk's Office from June 2010 through July 2012 has been completed. The objective of this review was to verify the information contained in the financial reports of the County Clerk's Office.

Scope and Purpose

The scope and purpose consisted of:

1. Monthly bank reconciliations for the general, civil, probate, cash bond, and escrow accounts were reviewed for accuracy, completeness, and timeliness.
2. Deposits and wire transfers to the County Auditor's Treasury Division were verified and compared to the TrackNet Plus Sales Summary report, the Link2Gov credit card report, the JIMS reports, and Odyssey reports to ensure that the funds collected were remitted to the County Auditor's Office, as appropriate.
3. A surprise cash count was performed on August 7, 2012, at the Downtown, Clint, Northeast, and Socorro Annex satellite offices for the inspection of funds in accordance with the *Texas Local Government Code §115.0035*.
4. A review of the County Clerk's educational requirements in accordance with *Texas Local Government Code §51.060*, was performed.
5. The manual receipt logs were reviewed to ensure that the issuance and completion of receipt books are properly documented and inventoried. No discrepancies were noted.

6. A review of the Collections department was preformed. No discrepancies were noted.

General

1. Observation: While reviewing the monthly bank reconciliations for the Probate account, it was noted that the Odyssey program cannot generate a report indicating which cases are court ordered investments from the Probate registry.
Corrective Action/Recommendation: It is recommended that the office of the County Clerk work with the Information Technology department to create an accurate report for the Probate section. It is also recommended that an alternate report be created to track the court ordered investments and Probate registry.
2. Observation: While performing a cash count on August 7, 2012, at the Socorro annex office, it was noted that a cashier was short \$54.00.
Corrective Action/Recommendation: It is recommended that County funds be handled with due care. It is further recommended that additional training be provided for employees on the cashing process. It is also recommended that the accounting department conduct regular audits of the cashier's cash drawers. It was noted that on August 8, 2012, the \$54.00 were recovered.
3. Observation: While reviewing the total cash amounts to on Financial Accounting Management Information System (FAMIS) compared to cash on hand for the County Clerk, it was noted that cash on hand was \$10,948.00 as compared to \$10,794.73 on FAMIS. The difference of \$153.27 was attributed to \$140.00 in a lost cash bag at the Northeast Annex which was later found when another cashier cleaned out the cashier's station. The \$140.00 was immediately turned into the accounting department and the \$13.27 difference is unknown.
Corrective Action/Recommendation: It is recommended that the accounting department ensure that any change funds that are short or over be reported immediately to the County Auditor's Office and if monies are later recovered the funds should be deposited and noted on the monthly reports.
4. Observation: While reviewing the operations of the Vitals section of the County Clerk's Office it was noted that security paper used for vital documents was not stored in a secured location with limited access.
Corrective Action/Recommendation: It is recommended that all security paper be held in a secure area and accessed only by a supervisor or manager.
5. Observation: While conducting a review of the Deeds/Cashier's section of the County Clerk's Office it was noted that a cashier was handling mailed in payments and face to face transactions simultaneously. This process created a potential risk that funds could be misplaced or the risk of loss since the customers have easy access to the mail.
Corrective Action/Recommendation: It is recommended that employees complete mail transactions and ensure that the work area is clear before handling other transactions.

6. Observation: In reviewing the County Clerk's educational requirements in accordance with *Texas Local Government Code §51.005*, it was noted that the County Clerk provided documentation to confirm the educational hours required were completed.

Summary

This financial review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft or misuse. The County's internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. Based on this review, the internal control structure of the Office of the County Clerk appears to be extremely weak, but should be strengthened with the implementation of the above mentioned recommendations.

RB:ya



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

09-06

September 7, 2012

The Honorable Richard D. Wiles
El Paso County Sheriff
3850 Justice Drive
El Paso, TX 79938

Dear Sheriff Wiles:

A copy of a memorandum from Ms. Linda Hemme, internal auditor, dated September 7, 2012 is attached. This memorandum is a report on a review of your financial records from September 2011 through July 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to the Sheriff's Department, as defined by the AICPA professional standards. However, this review was performed with objectivity and due professional care. I concur with the recommendations made by Ms. Hemme.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Division.

If we can be of further assistance, please let us know.

Very truly yours,

Edward A. Dion
County Auditor

EAD:LH:ya

Attachment






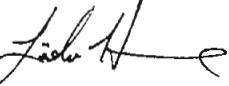
COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

09-07

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR 
THRU: TERESA MOLINAR, OPERATIONS MANAGER 
THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR 
FROM: LINDA HEMME, INTERNAL AUDITOR 
DATE: SEPTEMBER 7, 2012
SUBJECT: REVIEW OF SHERIFF'S DEPARTMENT FINANCIAL RECORDS

Overview

A review of the Sheriff's Department financial records for September 2011 through July 2012 has been completed. The objective of this review was to provide reasonable assurance that the records are accurate in all material respects.

Scope and Purpose

The scope and purpose of the review was as follows:

1. The bank reconciliations for the state forfeiture fund, justice forfeiture fund, asset sharing fund, general, legal, abandoned vehicle, abandoned vehicle escrow, and special bond accounts from September 2011 through July 2012 were reviewed for accuracy and completeness. No discrepancies were noted.
2. A review of the Sheriff's forfeiture funds was conducted to ensure that incurred expenses were allowable under the "Guide to Equitable Sharing for Foreign Countries and Federal, State, & Local Law Enforcement Agencies" or Chapter 59.06 of the Code of Criminal Procedures.
3. A sample of receipts for execution of sales, foreign civil, identification & record and justice of the peace fines was reviewed. Further, all deposits were traced to the County Auditor's Treasury Division and the Financial Accounting Management Information System (FAMIS) to ensure that all transactions were accounted for properly. Minor discrepancies were noted.

4. The State monthly paper ready inmate reports from October 2011 to July 2012, which are submitted to the Texas Commission on Jail Standards (TCJS), were reviewed for accuracy. No discrepancies were noted.
5. The Sheriff's monthly Bail Bond Posting fee reports from October 2011 to July 2012 were reviewed to ensure that all transactions were accounted for properly. A sample of receipts was verified and all deposits were traced to FAMIS. Bond fees were transferred to the State, as required. Minor discrepancies were noted.
6. A review of the inmate phone commissions was performed. All Sheriff Jail phone commissions were received up to June 2012.
7. A surprise cash count was performed on October 3, 2011 at the Sheriff's Civil Section, Crime Records, Evidence and Forensics Section (CREFS) to verify the daily receipts collections. Minor discrepancies were noted.
8. The Confidential Informant/Operations Fund from the Criminal Investigation Division was reviewed and a cash count was performed on August 27, 2012. No discrepancies were noted.

General

1. Observation: While reviewing the Sheriff's forfeiture funds, it was noted that there is once again an expense made from the Justice Forfeiture account to pay for registration fees for memorial races or walks. The "*Guide to Equitable Sharing for State and Local Enforcement Agencies*" (The Guide) is unclear if these types of expenses are allowed. The County Auditor's office contacted the U.S. Department of Justice (DOJ) Asset Forfeiture and Money Laundering Section to inquire about these types of expenses. According to the DOJ, these expenses are considered impermissible in that they may have an appearance of personal gain.
Corrective Action/Recommendation: It was recommended to the Sheriff Budget Director that the Justice Forfeiture account be reimbursed for this expenditure from another account. The Justice Forfeiture account was reimbursed for this expense in August 2012.
2. Observation: While reviewing the Justice Forfeiture account expenses, it was noted that this account was used to pay \$12,000.00 for eight months of parking spaces for Sheriff's personnel. The County Auditor's Office contacted the DOJ Asset Forfeiture and Money Laundering Section to inquire if this is an allowable expense. According to the DOJ, these expenses are considered impermissible.
Corrective Action/Recommendation: It was recommended to the Sheriff Budget Director that the Justice Forfeiture account be reimbursed for this expenditure from another account. Funds from the State Forfeiture Account were used to reimburse the Justice Forfeiture Account for this expense in August 2012.
3. Observation: While reviewing the Justice Forfeiture account, it was noted that there were some deposits received from the U.S. Treasury office that should have been deposited into the Asset Sharing Forfeiture account. The County Auditor's Office obtained payment distribution reports from the Department of U.S. Treasury Executive Office for Asset Forfeiture and the U.S. Department of Justice (DOJ) Asset Forfeiture and Money

Laundrying Section, which outlines what equitable sharing payments have been made to the Sheriff's Department. After contacting the U.S. DOJ Asset Forfeiture and Money Laundering Section, it was determined that the Sheriff's Department could comingle the U.S. Treasury Forfeiture funds with the DOJ Forfeiture funds. However, the Sheriff's department must be able to differentiate the deposits and disbursements of Justice and Treasury forfeiture funds when preparing the annual Equitable Sharing Agreement and Certification form.

Corrective Action/Recommendation: It is recommended that these deposits be transferred to the correct account. It is further recommended that money received for and expended from DOJ forfeiture funds must be reported separately in the Justice Funds column. Money received and expended from U.S. Treasury forfeiture funds must be reported in the Treasury Funds column of the annual report. According to the DOJ, Justice and Treasury funds should not be reported in the same column.

Summary

This review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from lost, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. The internal control structure of the Sheriff's Department appears to be adequate, and should be further strengthened with the implementation of the above-mentioned recommendations.

LH:ya



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

09-20

September 12, 2012

The Honorable Robert T. Pearson
Justice of the Peace, Precinct Number 1
424 Executive Center Boulevard, Suite 100
El Paso, Texas 79902

Dear Judge Pearson:

A copy of a memorandum from Mr. Phillip Trevizo and Mr. Ricardo Gabaldon, internal auditors dated September 12, 2012 is attached. This memorandum is a report on a review of your financial records for June 2011 through June 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to your office, as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendations made by Mr. Trevizo and Mr. Gabaldon.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Very truly yours,

A handwritten signature in black ink, appearing to read "Edward A. Dion".

Edward A. Dion
County Auditor

EAD:PT:RG:ya

Attachment




COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR


EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor


County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

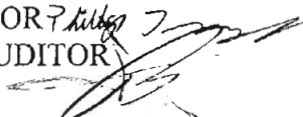
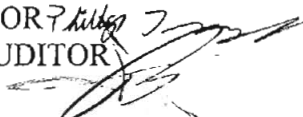
09-21

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR 

THRU: TERESA MOLINAR, OPERATIONS MANAGER 

THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR 

FROM: PHILLIP TREVIZO, INTERNAL AUDITOR 
RICARDO GABALDON, INTERNAL AUDITOR 

DATE: SEPTEMBER 12, 2012

SUBJECT: REVIEW OF JUSTICE OF THE PEACE, PRECINCT NUMBER 1,
FINANCIAL RECORDS FOR JUNE 2011 THROUGH JUNE 2012.

Overview

A review of the financial records for Justice of the Peace, Precinct Number 1, for June 2011 through June 2012 has been completed. The objective of this review was to verify the information contained within the Justice of the Peace's financial reports. These financial reports, generated from Odyssey, are a recapitulation of all transactions that occurred during each month.

Scope and Purpose

The scope and purpose of the review consisted of the following:

1. A surprise cash count was performed on February 8, 2012, in accordance with *Local Government Code §115.003*. No discrepancies were noted.
2. All deposit slips were compared to daily balance reports and treasury records in order to verify that collections were deposited timely and in accordance with *Local Government Code §113.022* and properly posted on the Financial Accounting Management Information System (FAMIS). No discrepancies were noted.
3. All necessary schedules were prepared for the appropriate allocation of court costs. No discrepancies were noted.
4. A sample of dismissed cases was reviewed for supporting documentation and proper disposition of the case.

5. A sample of driver safety cases was reviewed to verify that the certificate was received or the fine was paid. No discrepancies were noted.
6. Constable and Justice of the Peace manual receipt books were reviewed to ensure their completeness, and to verify the timeliness of the posting to Odyssey.
7. A sample of mail log payments was reviewed to ensure completeness of the log, cross-referenced to Odyssey, and verified that collections were deposited timely.
8. The Judge's compliance with the education requirements of *Government Code § 27.005* was reviewed.
9. The Judge's compliance with the Bond Requirements of *Government Code §27.001* was reviewed. No discrepancies were noted.
10. Previous memoranda were reviewed for implementation of prior recommendations.

General

1. Observation: While reviewing a sample of the dismissed cases, it was noted that three cases for defective equipment and one case for failure to report address change were dismissed by a clerk without a judge's dismissal signature. Furthermore, in one case the judge's signature was not included in the trial notes.
Corrective Action/Recommendation: It is recommended that Justice of the Peace staff follow proper procedures while dismissing a case. Furthermore, due care should be exercised on all cases, and Justice of the Peace clerks should stop dismissing cases without the judge's signature.
2. Observation: Upon reviewing a sample of Justice of the Peace manual receipts, it was noted that one manual receipt payment was deposited by the Justice of the Peace staff 74 days after it was received.
Corrective Action/Recommendation: It is recommended that Justice of the Peace staff deposit collections in a timely manner as required by *Local Government Code § 115.0035*.
3. Observation: While reviewing a sample of payments received by mail, it was noted that five payments were deposited after the fifth business day. Moreover, some of the payments sampled did not provide a case number.
Corrective Action/Recommendation: Again it is recommended that Justice of the Peace staff deposit funds in accordance with *Local Government Code § 115.0035*. Furthermore, Justice of the Peace personnel should always reference case numbers in the mail log.

Review of Past Memoranda

1. Observation: It has been requested that Judge Pearson provide adequate documentation of his compliance with *Government Code §27.005* to the County Auditor's Internal Audit Division. Upon further inquiry, Judge Pearson explained his compliance is obtained as an instructor of educational requirements to other Justices of the Peace, and he submits his

hours to the State to get credit hours for his educational requirements. It was requested that he provide supporting documentation of his teaching hours; however, he has failed to provide any documentation for review.

Corrective Action/Recommendation: It is again recommended that Judge Pearson provide adequate documentation to the County Auditor's Office to confirm the Judge's compliance with *Government Code §27.005*.

Summary

This financial review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. Based on this review, the internal control structure continues to appear weak, but should be strengthened with the implementation of the above mentioned recommendations.

PT:RG:ya



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

09-35

September 20, 2012

Mr. Ernesto Carrizal, Director
Facilities Management- Parking Garage
Room M-1, County Courthouse Building
500 East San Antonio Street
El Paso, Texas 79901

Dear Mr. Carrizal:

A copy of a memorandum from Mr. Phillip Trevizo and Ms. Linda Hemme, internal auditors dated September 20, 2012 is attached. This memorandum is a report on a review of your financial records for July 2010 through August 2012. Because of certain statutory duties required of the County Auditor, this office is not independent in regard to your office, as defined by AICPA professional standards. However, our review was performed with objectivity and due professional care. I concur with the recommendations made by Mr. Trevizo and Ms. Hemme.

As a follow up to this report, please provide a written management response relating to each recommendation. The management response should provide feedback on how management will implement the recommendations noted on the report provided by the County Auditor's Internal Audit Division.

If we can be of any assistance in this regard, please let us know.

Very truly yours,

Edward A. Dion
County Auditor

EAD:PT:LH:ya

Attachment



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

09-36

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR *Edward A. Dion*

THRU: TERESA MOLINAR, OPERATIONS MANAGER *Teresa Molinar*

THRU: JAMES O'NEAL, INTERNAL AUDIT SUPERVISOR *James O'Neal*

FROM: PHILLIP TREVIZO, INTERNAL AUDITOR *Phillip Trevizo*
LINDA HEMME, INTERNAL AUDITOR *Linda Hemme*

DATE: SEPTEMBER 20, 2012

SUBJECT: REVIEW OF THE EL PASO COUNTY PARKING GARAGE FINANCIAL RECORDS FOR JULY 2010 THROUGH AUGUST 2012

Overview

A review of the financial records for the El Paso County Parking Garage from July 2010 through August 2012 has been completed. The objective of this review was to verify that all collections were accounted for properly.

Scope and Purpose

The scope and purpose of the review consisted of the following:

1. A surprise cash count was performed on August 23, 2012, in accordance with *Local Government Code §115.003*. In addition, a search of the security vault was performed.
2. A sample of deposits was reviewed to ensure that funds were deposited in accordance with the rapid deposit law, *Local Government Code §113.022*. Furthermore, a review of daily deposits was conducted to check for overages and shortages.
3. Internal controls were reviewed to ensure the proper handling of unissued parking access cards. No discrepancies were noted.
4. A sample of the amounts invoiced to the City of El Paso for El Paso Police Department leased parking spaces were reviewed to ensure payments are being received in full and in a timely manner. No discrepancies noted.
5. A sample of parking validations was reviewed to ensure proper back-up documentation was obtained. No discrepancies were noted.

6. A sample of manual receipts issued from the Facilities Management Office was reviewed to ensure their completeness, cross referencing to deposit warrants, and to verify the timeliness of transactions.

General

1. Observation: While performing a surprise cash count the following items were noted:
 - Parking Attendant #1 was short by an immaterial amount when compared to the daily cashiering report. It was explained that a daily parker paid in all dimes and that the amount was not verified to avoid holding up the line
 - Parking Attendant #2 was short by \$11.00 when compared to the daily cashiering report. It was explained that the parking attendant had unpaid and partially paid parking tickets in her possession due to daily parkers not having enough money to pay for their parking.
 - The automated cash box machine had unaccounted revenue of \$429.00 that had not been deposited. Upon inquiry, it was explained that the auto cashier box had not been counted in a while, and a deposit had to be made to account for the auto cashier box revenue. It is further noted that as of the date of this audit memo, this deposit has not been done.
 - Cashier #1 on the 13th floor of the County Courthouse was over by \$55.00 due to the fact that check #5576 had not been entered into RecWare.

Corrective Action/Recommendation: It is recommended that due care be exercised when performing cashiering duties and that all monies be counted properly upon receipt. Furthermore, it is recommended that the auto cashier box be reconciled and deposits be made pursuant to *Local Government Code §113.022 Time for Making Deposits*, copy attached. Finally, cashiers should enter all transactions into RecWare upon receipt.

2. Observation: Upon reviewing a sample of daily deposits for overages and shortages, it was noted that 30 out of 50 or 60 percent of deposit warrants sampled had a discrepancy of either an overage or shortage as compared to the daily collections report.

Corrective Action/Recommendation: Upon further inquiry, it was explained that shortages occur because some parking garage customers do not have enough money to pay for their parking tickets. The Facilities Manager obtained an opinion from the County Attorney's Office instructing them to collect whatever money the customer had in their possession; and they do not have the authority to detain a customer for lack of payment. It was also explained that overages occur when customers pay and leave without taking their change and from change found by the Parking Garage Manager. A new worksheet has been created for Parking Garage Manager to document overages and shortages for each parking garage attendant. Furthermore, it is recommended that the new worksheet should be submitted daily to the County Auditor's Office as supporting documentation for overages and shortages.

3. Observation: While reviewing a sample of manual receipts, it was noted that a receipt was issued for the incorrect amount. Receipt number 1303 was issued for \$10.00; however, the correct \$55.00 amount was deposited to the bank.

Corrective Action/Recommendation: It is recommended that due care be exercised when issuing manual receipts by the facilities management staff. It is further recommend that staff verify the amount collected reflects the correct amount on the manual receipt.

Summary

This financial review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected. Based on this review, the internal control structure appears to be weak, but should be strengthened with the implementation of the above mentioned recommendations.

PT:LH:ya

Sec. 113.022. TIME FOR MAKING DEPOSITS. (a) A county officer or other person who receives money shall deposit the money with the county treasurer on or before the next regular business day after the date on which the money is received. If this deadline cannot be met, the officer or person must deposit the money, without exception, on or before the fifth business day after the day on which the money is received. However, in a county with fewer than 50,000 inhabitants, the commissioners court may extend the period during which funds must be deposited with the county treasurer, but the period may not exceed 15 days after the date the funds are received.

(b) A county treasurer shall deposit the money received under Subsection (a) in the county depository in accordance with Section 116.113(a). In all cases, the treasurer shall deposit the money on or before the seventh business day after the date the treasurer receives the money.