



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

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12-10

December 19, 2018

The Honorable Jesus Urenda
Justice of the Peace, Precinct Number 4
2350 George Dieter, Ste A
El Paso, Texas 79936

Dear Judge Urenda:

The County Auditor's Internal Audit division performed an audit of the Justice of the Peace, Precinct Number 4 (JP4) financial records to determine if internal controls are adequate to ensure proper preparation of JP4 financial reports. Policies, procedures, and regulations were also reviewed to ensure processes are documented, operating, and efficient.

The audit report is attached. We tested one operational and five financial controls using 303 samples. There were no findings noted as a result of the audit procedures. We wish to thank the management and staff of JP4 for their assistance and courtesies extended during this audit.

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 audit was performed with objectivity and due professional care.

Respectfully,

Edward A. Dion
County Auditor

EAD:BT:ya

cc: Ms. Betsy Keller, Chief Administrator



Justice of the Peace Precinct 4 Audit

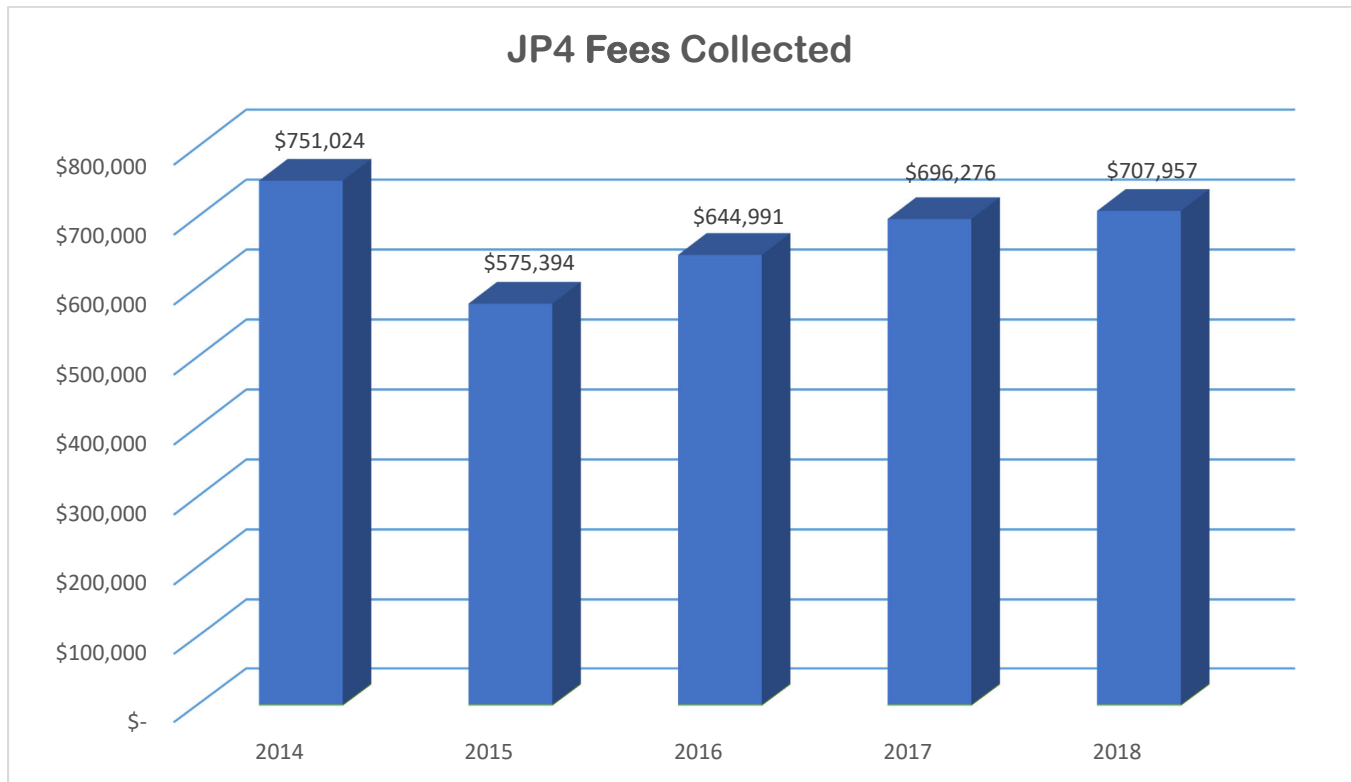
EXECUTIVE SUMMARY



BACKGROUND

Justices of the Peace are elected officials and serve four year terms. Precinct 4 (JP4) has judicial power over criminal cases involving minor offenses and civil matters where the amount in controversy does not exceed \$10,000. Other duties include issuing search and arrest warrants, conducting preliminary hearings, and performing marriage services. The audit was performed by Bertha Tafoya, internal auditor. The most recent prior audit report was issued May 16, 2018.

Financial reports are generated from the Odyssey Courts and Justice System (Odyssey) showing all transactions occurring each month. The following chart is a comparison of fees collected at Precinct 4 for the past five fiscal years.



OBJECTIVES

The audit evaluated the adequacy of controls and processes to achieve key business objectives related to JP4 financial reports. Following are the business objectives and related control assessments.

Business Objective	Control Assessment
1. Functioning appropriate cashiering controls	Satisfactory
2. Completeness of the payment mail log and timely posting to Odyssey	Satisfactory
3. Proper supporting documentation of dismissed cases	Satisfactory
4. Timely processing of cash bonds	Satisfactory
5. Ensure adequate controls for approval of interpreter service fees	Satisfactory
6. Adequate non-financial security and operational measures	Satisfactory



Justice of the Peace Precinct 4 Audit

EXECUTIVE SUMMARY



SCOPE

The scope of the audit includes financial records from March 2018 through October 2018.

METHODOLOGY

To achieve the audit objectives we:

- Performed a surprise cash count 11/19/2018, in accordance with *Local Government Code §115.0035*.
- Tested a sample of daily collections for overages and shortages.
- Tested a sample of mail log entries for appropriate documentation and timely deposit in accordance with *Local Government Code §113.022*.
- Tested a sample of dismissed cases to verify proper disposition and supporting documentation.
- Tested a sample of cash bonds to verify timely and proper disposition.
- Reviewed interpreter service payments to verify authorization and supporting documentation.
- Reviewed operational processes and controls of security system for adequacy.
- Verified resolution of prior audit findings.

RESULTS

Listed below are control and observation summaries, with observations listed from highest to lowest risk. Please see the *Findings and Action Plans* section of this report for related details.

Control Summary	
Good Controls	Weak Controls
<ul style="list-style-type: none"> • Cash handling procedures (Obj. 1) • Review of the payment mail log for completeness (Obj. 2) • Proper documentation on dismissed cases (Obj. 3) • Resolution of pending cash bonds (Obj. 4) • Controls for approval of interpreter service fees (Obj.5) • Proper non-financial security and operational measures (Obj. 6) 	
Findings Summary	
None	

INHERENT LIMITATIONS

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.

CONCLUSION

JP4 met all objectives of this audit. Internal controls are adequate to ensure proper preparation of the JP4 financial reports. Processes documented appear to be operating efficiently.



Justice of the Peace Precinct 4 Audit EXECUTIVE SUMMARY



Prior Audit Findings Summarized with Current Status

Status

- M** Closed
- 1. Finding:** A computer was left on/unlocked overnight.
Recommendation: Contact County ITD personnel for guidance to lock computers using the password-protect screen saver which locks any computer automatically.
Action Plan: Staff computers have been set to lock automatically after 10 minutes of inactivity. Estimated completion date May 9, 2018.
- M** Closed
- 2. Finding:** An invoice for interpreter services was approved for payment for services rendered at the County Clerk's collections division June 20, 2018.
Recommendation: The person requesting and approving the interpreter services should not be the same. Invoices should be reviewed thoroughly to ensure proper verification of liability before approval
Action Plan. Request and approval of interpreter services will be made by a different person. Further, the requests for payment of interpreter services will include the judge's approval. Estimated completion date May 31, 2018.
- M** Closed
- 3. Finding:** Bond refunds were not processed as per court order.
Recommendation: Court coordinator must process refunds and/or update cases as instructed on the Judge's court notes.
Action Plan: The task of processing bond refunds was temporarily assigned to the court coordinator while criminal clerk was out on FMLA. The cases processed by the court coordinator will be reviewed by the criminal clerk to ensure these reflect a correct disposition, are properly closed, and/or fees charged are correct. Estimated completion date May 31, 2018.
- M** Closed
- 4. Finding:** Payment by Mail Log is incomplete, repeat finding
Recommendation: Payment entries to the mail log should be complete and for a second person to review the log on a regular basis for completeness and accuracy. Such review of the mail log should be documented as required by procedures.
Action Plan: A review of the mail log will be performed biweekly, and it will be documented. Estimated completion date May 9, 2018.
- M** Closed
- 5. Finding:** The assistant district attorney's signature was not included for all motions to dismiss
Recommendation: Review of all court documents for completeness prior to these being scanned to Odyssey.
Action Plan: Court documents will be reviewed for completeness prior to these being scanned to Odyssey. Estimated completion date May 9, 2018