



COUNTY OF EL PASO  
OFFICE OF THE COUNTY AUDITOR

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September 20, 2019

Mr. Roger Martinez  
Chief Juvenile Probation Officer  
6400 Delta Drive  
El Paso, Texas 79905

Dear Mr. Martinez:

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

The audit report is attached. We tested seven financial controls and four operating controls with a total of 181 samples. There were no findings noted as a result of the audit procedures. We wish to thank the management and staff of Juvenile Probation 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:HM:ya

cc: Ms. Betsy Keller, Chief Administrator



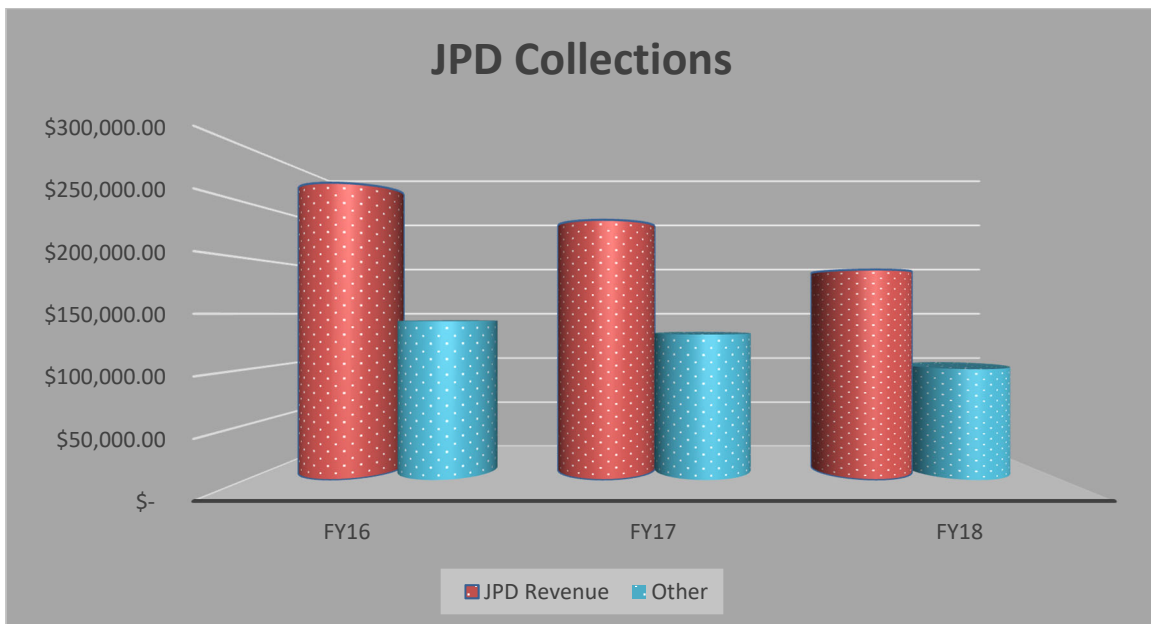
## Juvenile Probation



### EXECUTIVE SUMMARY

#### BACKGROUND

The Juvenile Probation Department (JPD) is committed to transforming young lives and creating safer communities while holding youth accountable for their actions. They provide an effective system that gives youth access to services which enhance personal growth, development, and opportunities for a productive life. Juvenile justice jurisdiction is strictly regulated by state law but probation is administered at the county level. JPD collections consist of all fees associated with probation, supervision, court costs, and court ordered victim restitution. JPD internally developed their own management software, Juvenile Management Information System (JMIS) that was implemented on January 9, 2017. Collections by the Juvenile courts for 2016, 2017, and 2018 are illustrated below. The “other” portion consists of state fees, restitution, placement support fees, summons fees, court ordered support fee to parents, due to others, and restitution to attorneys. JPD experienced a reduction in fees collected in FY17 and FY18 due to an initiative to waive all fees for cases that have been dismissed and are over two years old. Based on prior collection trends, the department concluded it was not cost effective to continuously charge families in contempt for failure to pay outstanding balances.



Source: MUNIS

The audit was performed by Hadi Medina, internal auditor. The most recent prior audit report was issued on September 6, 2018, and had no findings.

#### AUDIT OBJECTIVES

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

Business Objective	Control Assessment
1. Appropriate and timely posting of manual receipts to JMIS	Satisfactory
2. Functioning appropriate cash controls	Satisfactory
3. Timely deposits of collections in accordance with <i>Local Government Code 113.022</i>	Satisfactory
4. Accuracy of mail log information and timely posting to JMIS	Satisfactory
5. Functioning appropriate void controls	Satisfactory
6. Treatment of restitution payments in accordance with <i>Family Code §54.0482</i>	Satisfactory
7. Functioning appropriate mileage reimbursement controls	Satisfactory
8. Adherence to documented policies and procedures	Satisfactory
9. Adequate non-financial security and operational measures	Satisfactory



## Juvenile Probation

### EXECUTIVE SUMMARY



#### SCOPE

The scope of the audit is July 2018 through June 2019.

#### METHODOLOGY

To achieve the audit objectives we:

- Reviewed policies, procedures, and applicable statutes.
- Tested a sample of manual receipts for appropriate and timely posting.
- Performed a surprise cash count in accordance with *Local Government Code (LGC) §115.0035*.
- Traced a sample of daily deposit slips to the financial accounting system for compliance with *LGC §113.02*.
- Tested a sample of mail logs to determine deposit completeness, accuracy, and timeliness in compliance with *LGC §113.02*.
- Reviewed a sample of voided transactions in Odyssey to verify legitimacy of transactions and management verification.
- Identified restitution payments during the scope of the audit. Multiple reports were used to test a sample and verify disbursement and compliance in accordance with *Family Code §54.0482*.
- Tested a sample of mileage reimbursements to determine accuracy of documentation and proper authorization.
- Observed current security and operational processes and controls, such as safeguarding of collections, security system, building and vault access, and emergency action plan for adequacy.

#### RESULTS

Listed below are controls and findings summaries, with findings listed from highest to lower risk.

Controls Summary	
Good Controls	Weak Controls
<ul style="list-style-type: none"> <li>• Manual receipt controls (Obj. 1)</li> <li>• Cash handling procedures (Obj. 2)</li> <li>• Timely deposit controls (Obj. 3)</li> <li>• Mail log controls (Obj. 4)</li> <li>• Void controls and procedures (Obj. 5)</li> <li>• Treatment of restitution payments (Obj. 6)</li> <li>• Mileage reimbursement controls (Obj. 7)</li> <li>• Maintain and follow department policies and procedures (Obj. 8)</li> <li>• Non-financial security and operational controls (Obj. 9)</li> </ul>	
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

JPD continues to implement improvements in their operations and have met all the objectives of this audit. Therefore, no recommendations were provided in this report.