



COUNTY OF EL PASO  
OFFICE OF THE COUNTY AUDITOR

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05-14

May 28, 2019

The Honorable Norma Favela Barceleau  
District Clerk  
Room 103, County Courthouse Building  
500 E. San Antonio Street  
El Paso, Texas 79901

Dear Ms. Favela Barceleau;

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

The audit report is attached. We tested nine financial controls using 152 samples. There were no findings noted as a result of the audit procedures. The District Clerk's office, specifically the Accounting division, should be commended for their professionalism and excellent work. We wish to thank the management and staff of the District Clerk's office 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,

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

Edward A. Dion  
County Auditor

EAD:BT:ya

cc: Ms. Betsy Keller, Chief Administrator



## The Office of The District Clerk

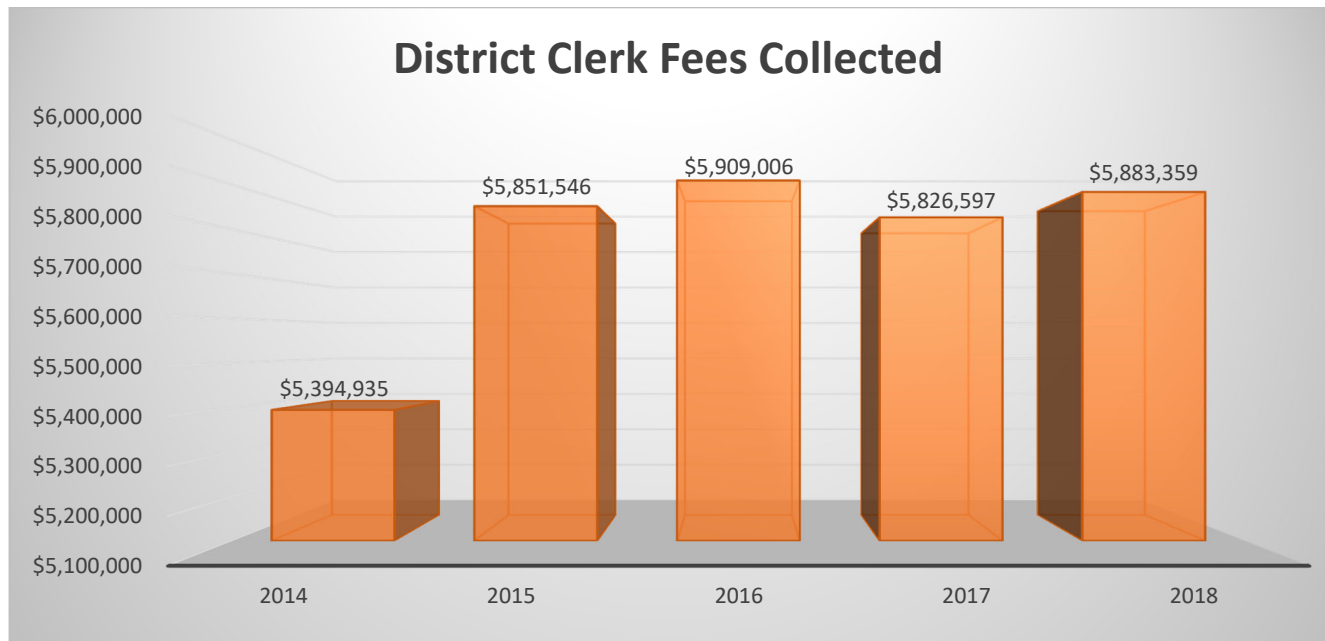


### EXECUTIVE SUMMARY

#### BACKGROUND

The office of the District Clerk is created by the Texas Constitution, Article V, Section 9. The District Clerk is an elected official with a four-year term of office. The District Clerk's office is responsible for coordinating the notification, swearing in and impaneling of jurors, securing court records, maintaining court dockets, and collecting various fees. There are eight sections in the District Clerk's Office: Accounting, Adoptions, Appeals, Attorney General, Civil, Criminal, Family Jury, and Records Management. The District Clerk's office provides service to the District Courts, County Courts, visiting judges and the jail magistrates. The current District Clerk has been in Office since 2011. The audit was performed by Bertha Tafoya, internal auditor. The most recent prior audit report was issued on November 21, 2018, and had no findings.

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 the Office of the District Clerk for the past five fiscal years.



Source: Odyssey system

#### OBJECTIVES

The audit evaluated the adequacy of controls and processes to achieve key business objectives related to the District Clerk's office financial reports. Following are the business objectives and related control assessments.

Business Objective	Control Assessment
1. Functioning appropriate cashiering controls	Satisfactory
2. Timely deposits of daily collections in accordance with <i>Local Government Code (LGC) 113.022</i>	Satisfactory
3. Timely and complete bank reconciliations	Satisfactory
4. Investments at various financial institutions are properly recorded in Odyssey	Satisfactory
5. Completeness and timely posting of manual receipts issued	Satisfactory
6. Adequate controls for acceptance of passport applications	Satisfactory
7. Completeness of the payment mail log and timely posting to Odyssey	Satisfactory
8. Disbursement controls for juror payments and State reimbursement requests	Satisfactory
9. Proper void and reversed Odyssey entries	Satisfactory



The Office of The District Clerk



EXECUTIVE SUMMARY

SCOPE

The scope of the audit includes financial records from July 2018 through January 2019.

METHODOLOGY

To achieve the audit objectives we:

- Reviewed policies, procedures and applicable statutes.
Performed a surprise cash count February 7, 2019, in accordance with LGC §115.0035(b).
Tested daily collections posted to the County's financial system, Munis, for overages and shortages.
Tested a sample of daily deposit slips and verified posting to Munis.
Tested a sample of daily deposits sent to the bank to ensure compliance with LGC §113.022.
Reviewed a sample of bank reconciliations for the Deposit, Custodial, Juvenile, and other invested accounts for appropriate documentation, timeliness, and management review and approval.
Reviewed a sample of investments at various financial institutions for proper recording and timely posting of interest earned to Odyssey.
Tested a sample of released investments on behalf of minor children for appropriate documentation and management review and approval.
Reviewed manual receipt books for adherence to usage procedures and controls.
Tested a sample of passport collections for completeness and timely posting.
Tested a sample of mail log entries for appropriate documentation and timely deposit in accordance with LGC §113.022.
Reviewed procedures and controls for the issuance of juror payments and reimbursement of expenses as per Texas Government Code §61.0015.
Reviewed a sample of voided and reversed Odyssey transactions to verify legitimacy.

RESULTS

Listed below are control and finding summaries, with findings listed from highest to lowest risk.

Table with 2 columns: Control Summary (Good Controls, Weak Controls) and 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.



## The Office of The District Clerk

### EXECUTIVE SUMMARY



#### **CONCLUSION**

The District Clerk's office met all objectives of this audit. Internal controls are adequate to ensure proper preparation of the District Clerk's financial reports. Processes are documented and operating efficiently.