



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

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01-05

January 3, 2020

The Honorable R. Angela Sommers
Constable Precinct 7
435 E. Vinton Rd.
Drawer 4
Anthony, Texas 79821

Dear Constable Sommers:

The County Auditor's Internal Audit division performed an audit of the El Paso County Constable Precinct 7 office to determine if internal controls are adequate to ensure preparation of Constable 7 financial reports. Policies, procedures, and regulations were also reviewed to ensure processes are documented, operating and efficient.

The audit report is attached. We tested five operational and three financial controls with a total of 84 samples. There were five findings noted as a result of the audit procedures. We wish to thank the management and staff of the Constable Precinct 7 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,

Edward A. Dion
County Auditor

EAD:PT:RG:ya

cc: Ms. Betsy C. Keller, Chief Administrator



EI PASO COUNTY CONSTABLE PRECINCT 7 AUDIT EXECUTIVE SUMMARY

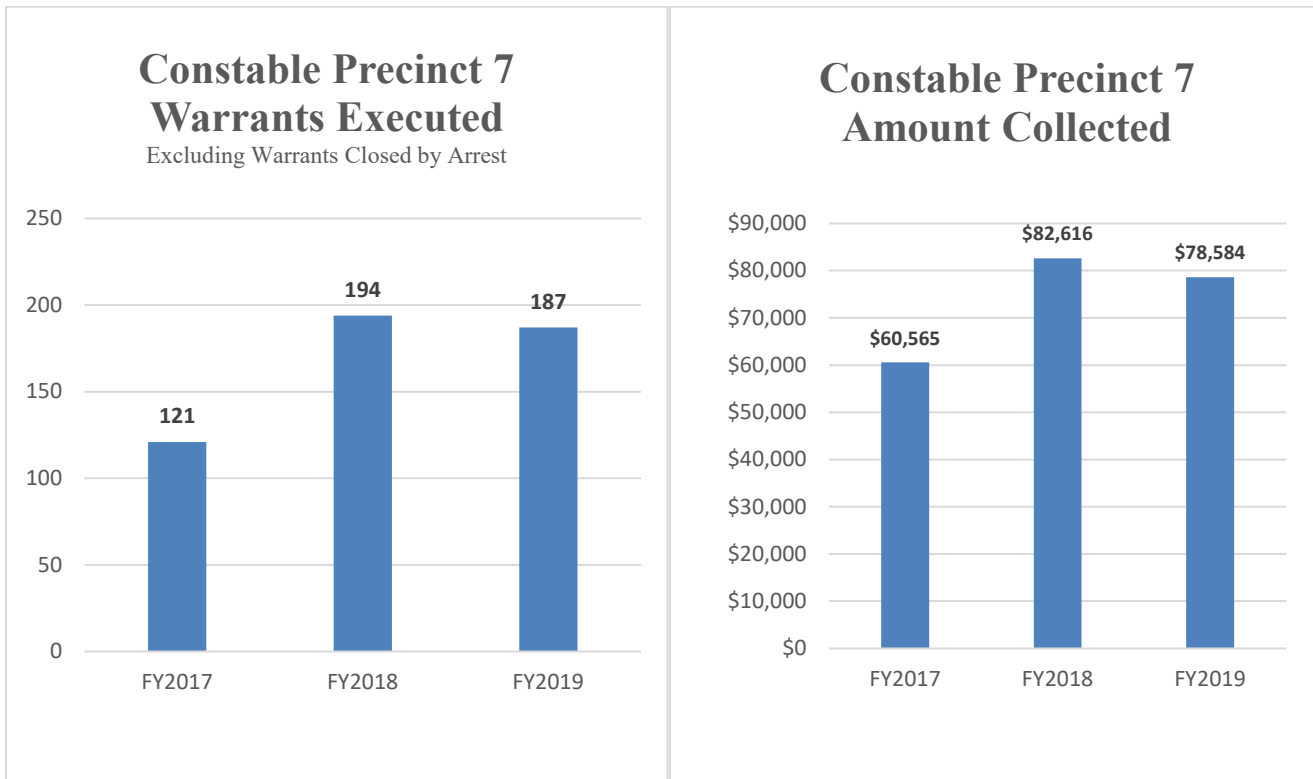


BACKGROUND

Constables are elected officials and serve four year terms within each justice precinct. Constables have the same duties and powers as do police officers and sheriffs, and have the duty to serve warrants, precepts, and civil process lawfully directed to them. Constables are also required by law to be present, or ensure one of their Deputy Constables is present, during hearings held by the Justice of the Peace. The current Constable has been in office since January 2009. Staff consists of one sergeant and two deputy constables. The audit was performed by James O’Neal, internal auditor manager – senior.

FINANCIAL REPORTING

Financial and statistical reports are generated from the Odyssey Courts and Justice System (Odyssey). The following charts represent statistical and financial data for Constable Precinct 7 office.



Sources: Odyssey Judicial Reporting System and Funds and Fees of Office Reports

OBJECTIVES

The audit evaluated the adequacy of controls and processes used to achieve key business objectives related to the Constable Precinct 7 office. Following are the business objectives and related control assessment.

Business Objective	Control Assessment
1. Establish and document policies and procedures	Needs Improvement
2. Maintenance of manual receipt book log documentation and controls	Needs Improvement
3. Completeness and posting of manual receipts in Odyssey	Needs Improvement
4. Compliance with timely deposit law Local Government Code §113.022	Needs Improvement
5. Maintenance and review of fuel card usage, documentation and controls	Needs Improvement
6. Maintenance and review of civil case processing log documentation and controls	Satisfactory
7. Compliance with continuing education requirements Occupations Code §1701.351	Satisfactory
8. Compliance with weapons proficiency requirements Occupations Code §1701.355	Satisfactory



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SCOPE

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

METHODOLOGY

To achieve the audit objectives we:

- Reviewed applicable policies, procedures and regulations.
- Requested office manual receipt book log for review.
- Tested a sample of receipts for appropriate documentation and timely posting in Odyssey.
- Tested collections for timely deposit compliance in accordance with *Local Government Code §113.022*.
- Tested a sample of fuel log transactions to ensure proper usage, documentation and controls.
- Tested a sample of logged civil services to ensure timely service and proper documentation
- Reviewed training records for compliance with *Occupations Code §1701.351*.
- Reviewed weapons proficiency records for compliance with *Occupations Code §1701.355*.

RESULTS

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

Control Summary	
Good Controls	Weak Controls
<ul style="list-style-type: none"> • Proper civil service log documentation (Obj. 6) • Compliance with education requirements (Obj. 7) • Compliance with weapons proficiency requirements (Obj. 8) 	<ul style="list-style-type: none"> • Established and documented policies and procedures (Obj. 1) • Manual receipt book log controls (Obj. 2) • Timely and accurate posting of manual receipts to Odyssey (Obj. 3) • Timely deposit compliance (Obj. 4) • Proper fuel card documentation and usage (Obj. 5)
Finding Summary	
<ol style="list-style-type: none"> 1. 12% of collections sampled did not comply with <i>LGC §113.022</i> (Time for Making Deposits). 2. 12% of manual receipts sampled did not have payment information entered into Odyssey in a timely manner. 3. 8% of the sampled fuel card transactions had inconsistent odometer readings entered during the fueling process. 4. Office and clerical policies and procedures are not documented. 5. There is no manual receipt book log indicating which books are assigned to which deputy and which have been turned in. 	

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

The El Paso County Constable Precinct 7 office met three of the eight objectives of this audit. Implementation of recommendations provided in this report should assist the Constable's office in improving the internal control structure of its operations.



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Prior Audit Findings Summarized with Current Status

This is the first full scope internal audit for the office of Constable Precinct 7. Limited scope reviews of only collection receipts and daily reconciliation reports have been reviewed in the past for statutory compliance. There are no prior findings for this office.

Current Audit Findings & Action Plans

Finding #1			Risk Level M
<p><u>Deposits not timely</u> – We sampled 24 of 121 deposits; three or 12% did not comply with LGC §113.022. The discrepancies ranged from 6 to 17 days. Local Government Code §113.022 states all monies collected shall be deposited 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 monies must be deposited, without exception, on or before the fifth business day after receipt. Not making timely deposits increases the risks of fraud, misuse or loss of funds and is not in compliance with LGC §113.022.</p>			
Recommendation			
<p>Constable Precinct 7 should enforce depositing of funds timely to ensure compliance with LGC §113.022. This can be accomplished through additional officer training and by updating policies and procedures to reference the government code mentioned above and document the proper time frame allowed for depositing collections.</p>			
Action Plan			
Person Responsible	Constable, Precinct 7	Estimated Completion Date	January 31, 2020
<p>Constable agrees with recommendation and will express the importance of LGC §113.022 compliance by communicating with all deputies and incorporating the statute in updated policies and procedures.</p>			

Finding #2			Risk Level M
<p><u>Manual Receipt Entry to Odyssey</u> – We sampled 24 of 121 manual receipts; three or 12% had payment information entered into Odyssey in an untimely manner (6, 14 and 17 business days after the transaction occurred). It is best practice for manually receipted payment information to be entered into Odyssey within 24 hours of collection. Untimely entry of payment information into the Odyssey system may increase the risk of inadequate judicial decisions and actions based on outdated information.</p>			
Recommendation			
<p>Constable Precinct 7 should counsel staff on the importance of timely posting of manual receipt payment information into Odyssey, if possible, within 24 hours of receipt. Further, this should be documented in the office policies and procedures to ensure proper documentation and acknowledgement by department staff.</p>			
Action Plan			
Person Responsible	Constable, Precinct 7	Estimated Completion Date	January 31, 2020
<p>Constable agrees with recommendation and will express the importance of timely posting of information into Odyssey by communicating with all deputies and incorporating this practice in updated policies and procedures.</p>			



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Finding #3		Risk Level M
<p><u>Departmental Fuel Cards</u> – In a sample of three monthly fuel card statements, containing a total of 49 transactions, three or 6% of the transactions had inconsistent odometer readings. Fueling requires odometer readings and fuel card pin numbers be entered to begin the fueling process. Each monthly statement contains fuel purchases for four vehicles; all four inconsistent readings were for the same vehicle, two in October and one in January. Inconsistent or incorrect information entry could lead to possible fraud, misuse or loss of County funds. Further, the lack of correct data entry could lead to incorrect or misleading departmental fuel consumption statistics.</p>		
Recommendation		
<p>Constable Precinct 7 should communicate the importance of proper fuel card usage and documentation to staff fueling vehicles. Odometer readings per vehicle assigned fuel cards should be consistent without deviation. Further, this should be documented in the office policies and procedures to ensure proper acknowledgement by department staff.</p>		
Action Plan		
Person Responsible	Constable, Precinct 7	Estimated Completion Date December 31, 2019
<p>Constable agrees with recommendation and will begin reviewing the fuel card billing statements more closely in order to catch any inconsistencies dealing with odometer readings or fuel consumption. Further, Constable will relay and discuss these inconsistencies and the importance of proper odometer reading input during the fueling process with all deputies.</p>		

Finding #4		Risk Level M
<p><u>Documented Policies and Procedures</u> – Office and clerical policies and procedures are not documented. The provided policies and procedures only address law enforcement policies and procedures. Following are examples of key operational clerical and office functions that should be addressed in the policies and procedures manual:</p> <ul style="list-style-type: none"> • Receipting of collections in Odyssey • Timely posting of manual receipts in Odyssey • Daily close out and reconciliation of Odyssey tills • Deposit preparation • Security and storage of funds held overnight • Timely deposit law compliance • Segregation of duties • Manual receipt book log usage • Fuel card usage policy • Procedures to forward bond paper work to the Justice of the Peace <p>The lack of strong documented office policies and procedures weakens the internal controls and fails to offer guidance to the current and future deputies and office staff. This increases the risks of loss, theft, fraud and inconsistent processes.</p>		
Recommendation		
<p>Constable Precinct 7 should update the current policies and procedures to address the above key clerical and office functions and any other clerical functions deemed necessary.</p>		



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Action Plan			
Person Responsible	Constable, Precinct 7	Estimated Completion Date	January 31, 2020
Constable agrees with recommendation and will begin working on policies procedures to address the key clerical and office functions mentioned above or any other functions deemed necessary.			

Finding #5	Risk Level L		
<p><u>Manual receipt books</u> - The Constable's office does not have a log documenting which receipt books are assigned to which deputy and which receipt books have been remitted for disposal. It is best practice to document and track the distribution and retirement of all manual receipt books used by the Constable's office. This log will reduce the risk of receipt misuse and possible theft of County funds.</p>			
Recommendation			
<p>A manual receipt book log should be implemented by the Constable's office. The log should contain the receipt book number, date of issuance, name and signature of deputy acceptance, date of return and date of submission to the County Auditor's office for review and disposal.</p>			
Action Plan			
Person Responsible	Constable, Precinct 7	Estimated Completion Date	December 31, 2019
Constable agrees with recommendation and will begin a log showing which receipt book is assigned to which deputy. Further, the constable will label each receipt book as "disposed" when remitted to the Auditor's office for audit and disposal.			