



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

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07-13

July 30, 2020

The Honorable Luis Aguilar
Constable Precinct 4
2350 George Dieter, Suite A-2
El Paso, Texas 79936

Dear Constable Aguilar:

The County Auditor's Internal Audit division performed an audit of the El Paso County Constable Precinct 4 office to determine if internal controls are adequate to ensure preparation of Constable Precinct 4 financial reports. Policies, procedures, and regulations were also reviewed to ensure processes are documented, operating and efficient.

The audit report is attached. We tested four operational and four financial controls with a total of 92 samples. There were two findings noted as a result of the audit procedures. We wish to thank the management and staff of the Constable Precinct 4 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:PT:RG:ya

cc: Ms. Betsy C. Keller, Chief Administrator
Mr. Noe Juarez, Sergeant Deputy Constable, Precinct 4



**EI PASO COUNTY CONSTABLE PRECINCT 4
AUGUST 2019 – MARCH 2020
FINDINGS AND ACTION PLANS**

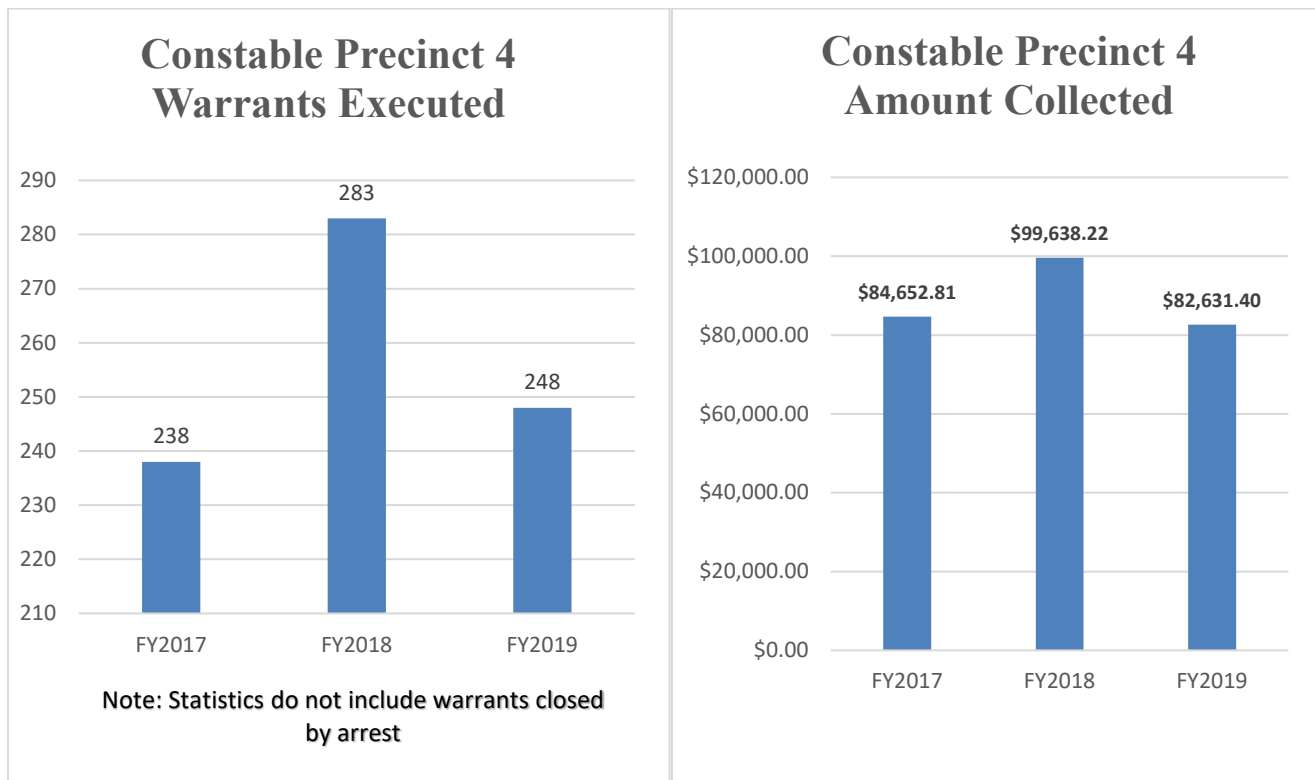


BACKGROUND

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, two deputy constables and one administrative clerk. 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) and internal reporting from the County Auditor’s Office. The following charts represent statistical and financial data for Constable Precinct 4 office. The drop in executed warrants and collections between fiscal years 2018 and 2019 is due to the election of a new judge and major change in staff for the office of Justice of the Peace, Precinct 4 beginning January 2019. This transition and increase in training time resulted in a lag of warrant issuance which in turn caused a drop in Constable collections.



Source: Odyssey Judicial Reporting System

OBJECTIVES

The audit evaluated the adequacy of controls and processes used to achieve key business objectives related to the Constable Precinct 4 office. Following are the business objectives and related control assessment.

Business Objective	Control Assessment
1. Established and documented office and law enforcement policies and procedures	Satisfactory
2. Compliance with timely deposit law <i>Local Government Code (LGC) §113.022</i>	Satisfactory
3. Compliance with Commissioner’s Court approved civil collection fees; <i>LGC §118.131</i>	Satisfactory



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Business Objective	Control Assessment
4. Maintenance and review of mailed-in foreign civil service payment documentation and controls	Needs Improvement
5. Maintenance of manual receipt book log documentation and controls	Satisfactory
6. Maintenance and review of fuel card usage, documentation and controls	Satisfactory
7. Compliance with El Paso County Human Resources timekeeping and attendance policies and procedures	Needs Improvement
8. Compliance with weapons proficiency requirements <i>Occupations Code §1701.355</i>	Satisfactory

SCOPE

The scope of the audit is August 2019 through March 2020.

METHODOLOGY

To achieve the audit objectives we:

- Reviewed applicable policies, procedures and regulations for both clerical and in-field processes.
- Tested a sample of collections for timely deposit compliance in accordance with *LGC § 113.022*.
- Tested a sample of civil fee collections to ensure compliance with Commissioners Court and *LGC §118.131* fee approvals.
- Tested a sample of mailed-in foreign civil service payments to ensure proper controls, documentation and timely financial system (Odyssey) input.
- Requested office manual receipt book log for proper documentation and control review.
- Tested a sample of monthly fuel card statements to ensure proper usage, documentation and controls.
- Reviewed employee time cards to ensure proper compliance with El Paso County Human Resources compensatory, administrative and shift differential timekeeping policies and procedures.
- 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 *Detail Findings and Action Plans* section of this report for related details and management action plans, as well as the status of prior audit action plans.

Control Summary	
Good Controls	Weak Controls
<ul style="list-style-type: none"> • Established and documented policies and procedures (Obj. 1) • Timely deposit compliance (Obj. 2) • Approved civil fee collection compliance (Obj. 3) • Manual receipt book log documentation and controls (Obj. 5) • Fuel card usage, documentation and controls (Obj. 6) • Weapons proficiency requirement compliance (Obj. 8) 	<ul style="list-style-type: none"> • Mailed-in foreign civil fee controls, documentation and timely Odyssey input (Obj. 4) • County Human Resources timekeeping and attendance policies and procedures compliance (Obj. 7)
Finding Summary	
<ol style="list-style-type: none"> 1. Non-compliance with County Human Resource timekeeping policies and procedures 2. Mailed-in foreign civil service collection not posted in Odyssey in a timely manner 	

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.



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CONCLUSION

The El Paso County Constable Precinct 4 office met six 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.



EL PASO COUNTY CONSTABLE PRECINCT 4
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Prior Audit Findings Summarized with Current Status

Status

M Closed

1. **Finding: *Deposits not timely*** – In a sample of 39 collections, three or 8% of deposits did not comply with LGC §113.022. The discrepancies ranged from 7 to 11 days. This increases the risks of fraud, misuse or loss of funds and is not in compliance with LGC §113.022, which could lead to lost revenues for the County.

Recommendation: Funds should be deposited 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.

Action Plan: Constable agrees with recommendation. Constable will schedule a staff meeting to discuss and enforce the policy and procedure regarding depositing of funds in a timely manner to ensure compliance. Further, Constable plans to perform periodic review of deposits to ensure compliance. Deputies who are found to be in constant violation may face disciplinary action. **Resolved**

M Closed

2. **Finding: *Documented Policies and Procedures*** – The provided policies and procedures only address law enforcement policies and procedures. Key operational clerical and office functions should be addressed in the policies and procedures manual. The lack of strong 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.

Recommendation: Constable Precinct 4 should update the current policies and procedures to address the key clerical and office functions and any other clerical functions deemed necessary.

Action Plan: Constable agrees with recommendation. Constable will develop office policies and procedures to address not only the functions mentioned above but any others deemed necessary. **Resolved**

L Closed

3. **Finding: *Manual Receipt Books*** – 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. This log will reduce the risk of receipt misuse and possible theft of County funds.

Recommendation: A manual receipt book log should be implemented by the Constable's office to provide better internal controls. The receipt 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.

Action Plan: Constable agrees with recommendation. Constable acknowledges the need for manual receipt control and will create a log showing which receipt books are assigned to which officer. Further, this log will also show which completed books have been returned to the County Auditor office for audit and disposal. This policy will also be addressed in the office policies and procedures to be created by the Constable. Implementation of this recommendation should tighten manual receipt book controls and reduce the risk of receipt misuse. **Resolved**



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Current Audit Findings & Action Plans

Finding #1		Risk Level H	
<p><u>El Paso County Human Resource Timekeeping and Attendance Policy Adherence</u> – Timecard records for the audit scope for all four employees were reviewed; the following was noted:</p> <ul style="list-style-type: none"> • One employee (25%) had a consistent compensatory time balance of over 200 hours; violating County policy. Per County policy, non-exempt employees may not have a balance of more than 80 hours of compensatory time at any given time. • Two employees (50%) had instances in which vacation leave was used in lieu of compensatory time, violating County policy. The first employee had six instances and the second employee had three instances. County policy states compensatory time must be used prior to the use of vacation leave. • Three employees (75%) had compensatory balances transferred from one fiscal year to another without written department head approval. Per County policy, compensatory time accrued must be taken within the same fiscal year it was earned, unless otherwise approved in writing by the department head which would grant the employee a 90 day extension. • A total of nine differential timekeeping codes were reviewed, with one employee coding (11%) not meeting the consecutive four hour minimum requirement. Shift differential timekeeping codes are used to record hours worked between 4:00 pm and 12:00 am (evening shift A) and 12:00 am to 8:00 am (graveyard shift B). Employees are paid a shift differential of \$0.35 for shift A and \$0.75 for shift B. However, County policy requires a minimum of four consecutive hours must be worked during each time frame. <p>Proper coding and adherence to the County Human Resources timekeeping and attendance policies will ensure proper time allocation, proper employee compensation, policy adherence and reduced risk of fraud and possible wage-hour liability for the County.</p>			
Recommendation			
<p>Constable Precinct 4 should communicate the importance of proper timekeeping coding and policy adherence. Those employees with high compensatory balances should work with the Constable in scheduling the use of such time in accordance with County policies. Further, these policies should be incorporated into the office policies and procedures for future reference and policy compliance.</p>			
Action Plan			
Person Responsible	Constable, Precinct 4	Estimated Completion Date	August 15, 2020
<p>Constable agrees with recommendation. Constable to work with those employees with high compensatory balances and ensure compliance with County policies. Further, the Constable will incorporate the County policies in the Constable’s office policies and procedures.</p>			



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Finding #2		Risk Level M	
<p>Mailed-In Foreign Civil Service Payment Controls – Foreign civil services are civil services requested by agencies located outside of El Paso County. These services are paid via a mailed check or money order and are to be recorded on an office foreign civil service log and input to the Odyssey system upon receipt. A sample of six of 28 logged entries were reviewed to ensure proper controls and timely Odyssey input. Of the six payments entered, one payment (17%) took nine days from date of receipt to date of Odyssey entry. Constable reports an ongoing issue with mail being received at the Justice of the Peace Precinct 4 office and not delivered to the Constable’s office timely. Untimely input and receipt of payments into the Odyssey system could lead to possible fraud and loss or misuse of County funds.</p>			
Recommendation			
<p>All payments received by mail should be logged and receipted in Odyssey upon receipt. The Constable should research the acquisition of a date stamp to document when all mailed payments and documents are received in the Constable’s office. If mailed items are delivered to and received by the Justice of the Peace office, the Constable date stamp will ensure the true receipt date is documented and should be used to record the payment on the log by the Constable’s administrative staff. This log should also be reviewed and initialed by the Constable on a regular basis to ensure proper and timely documentation.</p>			
Action Plan			
Person Responsible	Constable, Precinct 4	Estimated Completion Date	August 15, 2020
<p>Constable agrees with recommendation. Constable will research the acquisition of a date stamp to properly document receipt of all relevant documents and payments received by mail. Further, the Constable will communicate to the Justice of the Peace office the importance of remitting Constable payments received by their office in a timely manner. The Constable will also review the log periodically to ensure proper and timely documentation.</p>			