



COUNTY OF EL PASO  
OFFICE OF THE COUNTY AUDITOR

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11-19

November 19, 2020

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

Dear Ms. Favela Barceleanu:

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 one operational and six financial controls using 198 samples. There were no findings noted as a result of the audit procedures. We wish to thank the management and staff of 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:PH:ya

cc: Mrs. Betsy Keller, Chief Administrator



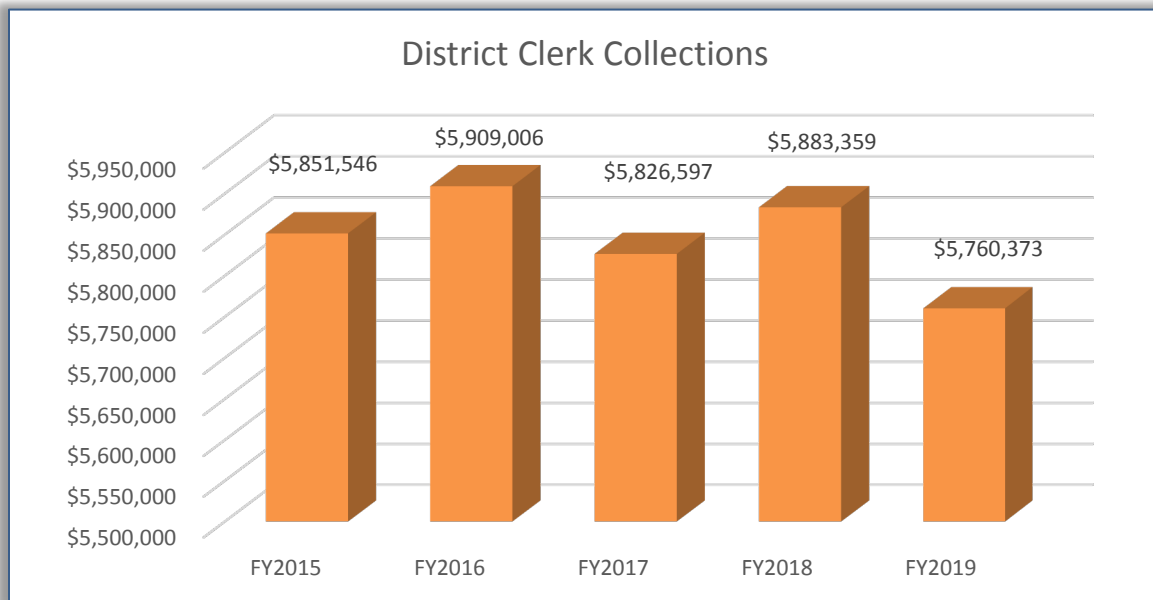
**THE OFFICE OF THE DISTRICT CLERK  
FEBRUARY 2019 – FEBRUARY 2020  
FINDINGS AND ACTION PLANS**



**BACKGROUND**

The office of the District Clerk was 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 Patrice Hills, CIA, internal auditor certified. The most recent prior audit report was issued on May 28, 2019.

Financial reports are generated from the Odyssey Courts and Justice System (Odyssey) showing all transactions occurring each month. The following chart depicts fees collected by the District Clerk's office over the past five fiscal years. In fiscal year 2019 collections decreased 2.09% from prior fiscal year. The \$122,986 decrease was attributable to an overall 2.9% reduction in court costs collections derived from a 3.48% and a 7.09% decrease in cases filed and cases adjudicated, respectively.



Source: Odyssey Judicial Reporting System

**SCOPE**

The scope of the audit is from February 2019 through February 2020. The scope of this audit was limited as it did not include review of manual receipts or a surprise cash count due to office closures related to COVID-19.

**OBJECTIVES**

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

Business Objective	Control Assessment
1. Review policies and procedures.	Satisfactory
2. Timely bank deposits in accordance with <i>Local Government Code § 113.022</i> .	Satisfactory
3. Timely and complete bank reconciliations.	Satisfactory
4. Completeness of the payment mail log and timely posting to Odyssey.	Satisfactory
5. Adequate documentation for voided and reversed Odyssey entries.	Satisfactory
6. Adequate disbursement controls for funds held for minors.	Satisfactory
7. Bail bond forfeiture collections in accordance with <i>Local Government Code § 133.101</i> and <i>Code of Criminal Procedure § 22.16</i> .	Satisfactory



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**METHODOLOGY**

To achieve the audit objectives we:

- Reviewed policies and procedures.
- Tested a sample of daily deposits for compliance with *Local Government Code (LGC) §113.022*.
- Tested a sample of mail log entries for appropriate documentation and compliance with *LGC §113.022*.
- Tested a sample of bank reconciliation for completeness and accuracy, and management review.
- Reviewed a sample of voided and reversed Odyssey entries for legitimacy of transactions.
- Reviewed a sample of cases with funds held on behalf of minors for initial investments, disbursements controls and, supporting documentation.
- Tested a sample of bail bond forfeiture cases for compliance with *LGC § 133.101* and *Code of Criminal Procedure (CCP) § 22.16*.

**RESULTS**

Listed below are controls and findings summaries, with findings listed from highest to lowest risk. There were no findings identified in this audit. The prior audit also had no findings.

<b>Controls Summary</b>	
<b>Good Controls</b>	<b>Weak Controls</b>
<ul style="list-style-type: none"> <li>• Current policies and procedures (Obj. 1)</li> <li>• Timely deposits of daily collections (Obj. 2)</li> <li>• Timely and accurate bank reconciliations (Obj. 3)</li> <li>• Functioning appropriate cash controls (Obj. 4)</li> <li>• Documentation on void and reversed Odyssey entries (Obj. 5)</li> <li>• Adequate disbursement controls (Obj. 6)</li> <li>• Bail bond forfeiture collections in compliance(Obj. 7)</li> </ul>	
<b>Findings Summary</b>	
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**

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