



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA
COUNTY AUDITOR
edion@epcounty.com
www.epcounty.com/auditor

County Administrative Offices
800 East Overland Street, Rm. 406
El Paso, Texas 79901-2407
(915) 546-2040
(915) 546-8172 FAX

05-08

May 11, 2021

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 four financial controls with a total of 113 samples. There were four findings noted as a result of the audit procedures; two were repeat findings. 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,

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

Edward A. Dion
County Auditor

EAD:PT:ya

cc: Ms. Betsy C. Keller, Chief Administrator



**EI PASO COUNTY
CONSTABLE PRECINCT 7 AUDIT
AUGUST 2019 – DECEMBER 2020
EXECUTIVE SUMMARY**

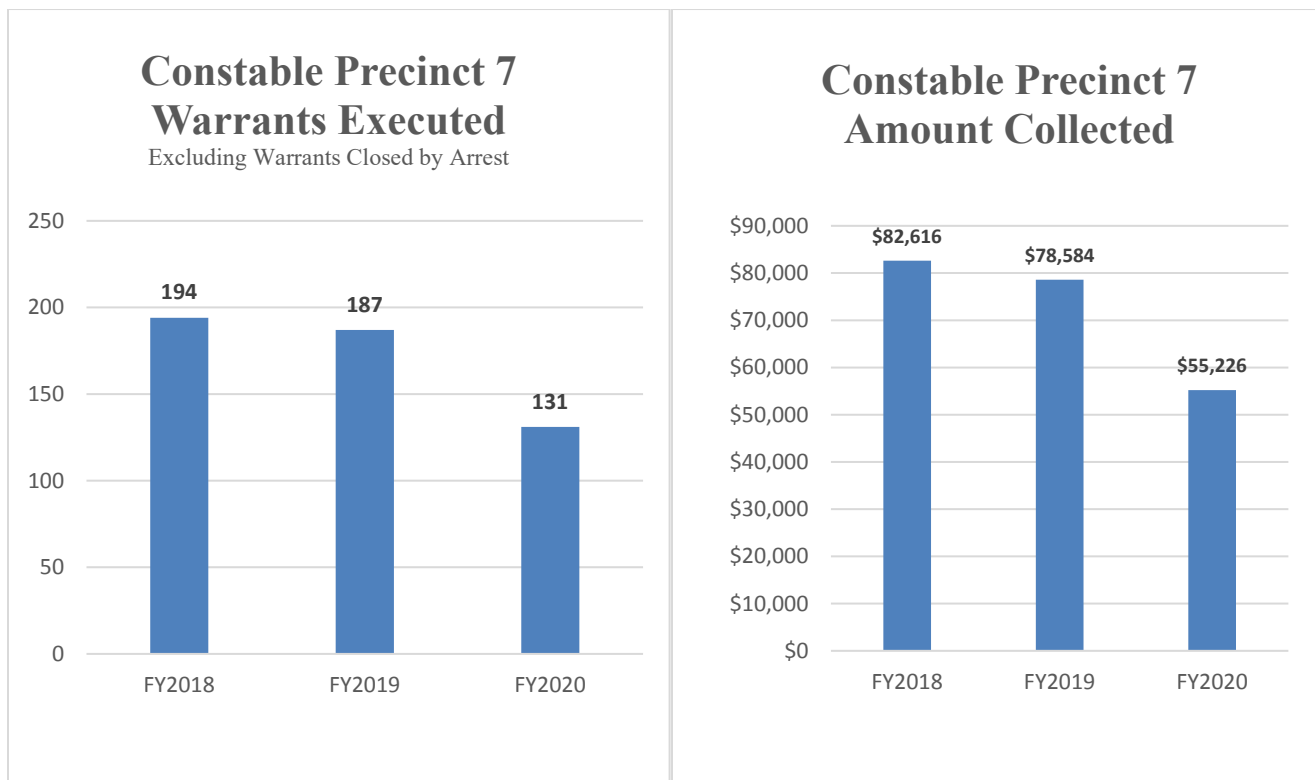


BACKGROUND

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, two deputy constables and one administrative assistant. The audit was performed by James O’Neal, internal auditor manager – senior. The most recent prior audit report was issued on January 3, 2020, and had five findings.

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 the office of Constable Precinct 7. The 30% drop in both collections and warrants executed between fiscal years 2019 and 2020 is due to the COVID-19 pandemic. An El Paso County mandated office closure and stay at home order restricted the number of warrants issued, served and collected by the Constable’s 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. 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



**EI PASO COUNTY
CONSTABLE PRECINCT 7 AUDIT
AUGUST 2019 – DECEMBER 2020
EXECUTIVE SUMMARY**



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	Needs Improvement
7. Compliance with El Paso County Human Resources timekeeping and attendance policies and procedures	Needs Improvement
8. Proper segregation of duties during procurement of supplies and services	Needs Improvement
9. Compliance with weapons proficiency requirements <i>Occupations Code §1701.355</i>	Satisfactory

SCOPE

The scope of the audit is August 2019 through December 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.
- Tested a sample of procurement transactions to ensure proper segregation of duties.
- 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"> • 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) • Compliance with weapons proficiency requirements (Obj. 9) 	<ul style="list-style-type: none"> • Mailed-in foreign civil service payment timely input into Odyssey system (Obj. 4) • Fuel Card documentation and usage (Obj. 6) • County Human Resources timekeeping and attendance policies and procedures compliance (Obj. 7) • Proper segregation of duties during procurement process (Obj. 8)
Finding Summary	
<ol style="list-style-type: none"> 1. Lack of segregation of duties during procurement process 2. Lack of proper controls for mailed-in foreign civil payments (repeat finding) 3. Inconsistent odometer readings entered during fueling process (repeat finding) 4. Non-compliance with County Human Resource timekeeping policies and procedures 	



**EI PASO COUNTY
CONSTABLE PRECINCT 7 AUDIT
AUGUST 2019 – DECEMBER 2020
EXECUTIVE SUMMARY**



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 five of the nine 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 7 AUDIT
AUGUST 2019 – DECEMBER 2020
FINDINGS AND ACTION PLANS



Prior Audit Findings Summarized with Current Status

- Closed** **H** 1. **Finding:** 12% of collection receipts sampled did not comply with *Local Government Code* § 113.022 (Time for Making Deposits).
Recommendation: 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.
Action Plan: 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.
- Open** **M** 2. **Finding:** 12% of manual receipts sampled had payment information entered into Odyssey in an untimely manner.
See
Current
Finding # 2 **Recommendation:** 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.
Action Plan: 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.
- Open** **M** 3. **Finding:** Eight percent of fuel card transactions sampled had inconsistent odometer readings
See
Current
Finding # 3 **Recommendation:** 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.
Action Plan: 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.
- Closed** **M** 4. **Finding:** Constable's office does not have documented office and clerical policies and procedures
Recommendation: 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.
Action Plan: 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.
- Closed** **L** 5. **Finding:** 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.
Recommendation: A manual receipt book log should be implemented by the Constable's office. 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 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.



**EI PASO COUNTY
CONSTABLE PRECINCT 7 AUDIT
AUGUST 2019 – DECEMBER 2020
FINDINGS AND ACTION PLANS**



Current Audit Findings & Action Plans

Finding #1		Risk Level H						
<p><u>Segregation of Duties during Procurement Process</u> – All purchase orders issued during the audit scope were tested to ensure proper segregation of duties during the procurement process. Five out of the nine (55%) purchase orders tested showed the same individual as both the authorizing and receipting agent of procured items. It is best practice to have proper segregation of duties when authorizing, recording and accepting all procured items. Improper segregation of duties may lead to an increased risk of fraud or misuse of County funds and property.</p>								
<p>Recommendation</p> <p>Constable Precinct 7 should counsel staff on the importance of proper segregation of duties procedures during the procurement process. Further, this should be documented in the office policies and procedures to ensure proper reference for current and future departmental staff.</p>								
<p>Action Plan</p> <table border="1"> <thead> <tr> <th>Person Responsible</th> <th>Constable, Precinct 7</th> <th>Estimated Completion Date</th> </tr> </thead> <tbody> <tr> <td colspan="3"> <p>Constable understands importance of segregation of duties, however, due to limited staff feels 100% true segregation is a challenge. Therefore, Constable agrees to review and approve, via email, instances where procurement processes are initiated and completed by the same staff member. Further, the Constable agrees to communicate this process to all staff members and incorporate this procedure in the current administrative procedure manual.</p> </td> </tr> </tbody> </table>			Person Responsible	Constable, Precinct 7	Estimated Completion Date	<p>Constable understands importance of segregation of duties, however, due to limited staff feels 100% true segregation is a challenge. Therefore, Constable agrees to review and approve, via email, instances where procurement processes are initiated and completed by the same staff member. Further, the Constable agrees to communicate this process to all staff members and incorporate this procedure in the current administrative procedure manual.</p>		
Person Responsible	Constable, Precinct 7	Estimated Completion Date						
<p>Constable understands importance of segregation of duties, however, due to limited staff feels 100% true segregation is a challenge. Therefore, Constable agrees to review and approve, via email, instances where procurement processes are initiated and completed by the same staff member. Further, the Constable agrees to communicate this process to all staff members and incorporate this procedure in the current administrative procedure manual.</p>								

Finding #2		Risk Level M
<p><u>Foreign Civil Mailed-In Payment Controls</u> – All foreign civil mailed-in payments received during the audit scope were tested to ensure proper controls and timely input into the Odyssey financial system. Out of the seven foreign civil mailed-in payments tested, three (43%) had one or more deficiencies noted. These deficiencies were as follows:</p> <ul style="list-style-type: none"> • Two payments (28%) were logged on the mailed payment receipt log after the transaction was entered into Odyssey. It is best practice for all mailed payments to be logged in the mailed payment receipt log upon receipt and then forwarded for input into Odyssey. • One payment (14%) failed to implement a clear and proper segregation of duties. One deputy served the applicable warrant, receipted the collection of payment and recorded the payment into the Odyssey system. It is best practice to have a clear separation of duties between payment acceptance, payment recording and payment custody. <p>Inconsistent payment recording, untimely Odyssey input and lack of proper segregation of duties could lead to an increased risk of fraud and misuse or loss of County funds (repeat finding).</p>		



**EI PASO COUNTY
CONSTABLE PRECINCT 7 AUDIT
AUGUST 2019 – DECEMBER 2020
FINDINGS AND ACTION PLANS**



Recommendation		
<p>Constable Precinct 7 should communicate to staff the importance of proper mailed-in payment recording and appropriate segregation of duties. Further, Constable should develop and incorporate procedures addressing these issues into office wide policies and procedures and at a minimum the Constable should review the payment received logs on a weekly basis to ensure proper and timely recording.</p>		
Action Plan		
Person Responsible	Constable, Precinct 7	Estimated Completion Date
<p>Constable agrees to enforcing a segregation of duties when serving, receipting and recording warrants and civil paperwork, however, due to limited staff this may not always be accomplished. Therefore, in instances where a segregation of duties cannot be implemented the Constable agrees to review the recording process to ensure proper oversight. The best practice of segregation of duties will be communicated to staff and be documented in the administrative procedure manual.</p>		

Finding #3	Risk Level M
<p><u>Departmental Fuel Cards</u> – In a sample of three monthly fuel card statements, containing a total of 45 transactions, four out of the 45 transactions (9%) had inconsistent odometer readings. Fueling requires odometer readings and fuel card pin numbers be entered to begin the fueling process. Each tested monthly statement contained fuel purchases for three vehicles except for one month where fuel purchases were documented for four vehicles. Each of the four vehicles had one inconsistent reading spanning the three months sampled. 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 (repeat finding).</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 current and future departmental staff.</p>	
Action Plan	
Person Responsible	Constable, Precinct 7
<p>Constable agrees with recommendation and will reference County policy in communicating importance of proper fuel card usage.</p>	



**EI PASO COUNTY
CONSTABLE PRECINCT 7 AUDIT
AUGUST 2019 – DECEMBER 2020
FINDINGS AND ACTION PLANS**



Finding #4		Risk Level M
<p><u>El Paso County Human Resource Timekeeping and Attendance Policy Adherence</u> – Timecard records for the audit scope for all four current employees were reviewed; the following was noted:</p> <ul style="list-style-type: none"> A random sample of eight of 40 (20%) vacation pay codes, consisting of three employees, were tested to ensure Human Resource policy compensatory usage adherence. All eight pay codes sampled (100%) had instances in which vacation leave was used before accumulated compensatory time. Further, all three employees within the tested sample had a remaining compensatory balance at the end of the fiscal year without elected official approval. County Human Resource policy states compensatory time must be used prior to the use of vacation leave and all compensatory time must be exhausted within the same fiscal year unless a 90 day extension into the new fiscal year is approved and granted by department head or elected official. <p>Proper coding and adherence to 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 7 should ensure proper timekeeping coding and policy adherence. 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 7	Estimated Completion Date
<p>Constable acknowledges finding. However, the use of vacation time over compensatory time was due to staff members risking the loss of accumulated vacation time. Constable agrees to reference County policy in communicating importance of proper vacation and compensatory time usage.</p>		