



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

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09-01

September 2, 2021

Mr. Roger Martinez
Chief Juvenile Probation Officer
6400 Delta Drive
El Paso, Texas 79905

Dear Mr. Martinez:

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

The audit report is attached. We tested seven financial controls and one operating control with a total of 157 samples. There were no findings noted as a result of the audit procedures. We wish to thank management and the staff of Juvenile Probation 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,

Sabrina Franco for Edward A. Dion

Edward A. Dion
County Auditor

EAD:HM:ya

cc: Mrs. Betsy Keller, Chief Administrator



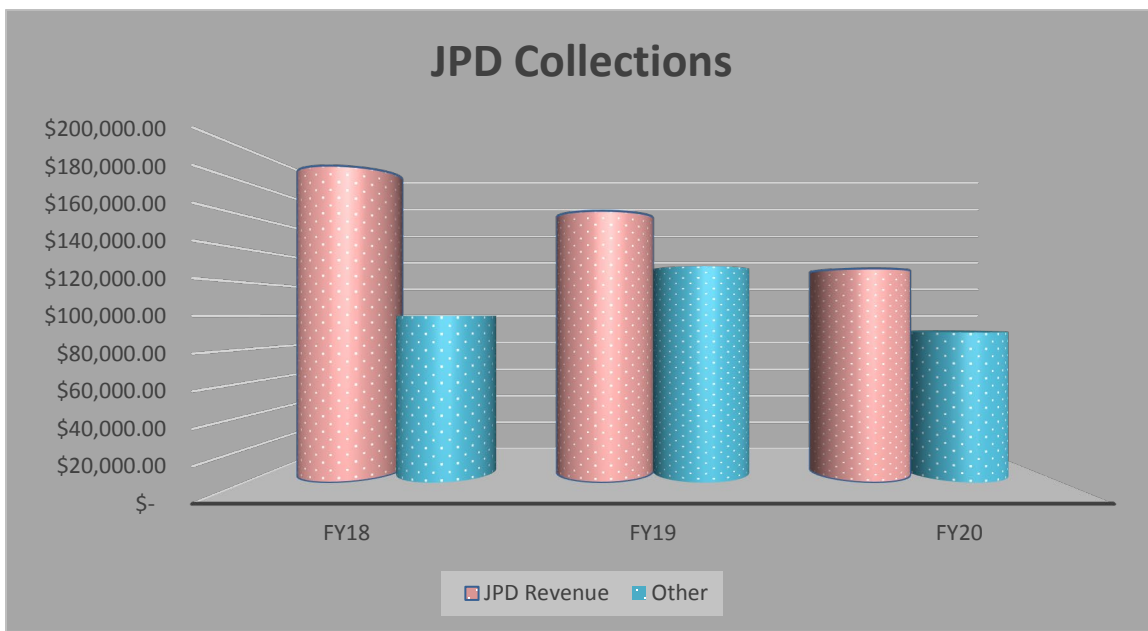
**Juvenile Probation
For the period of June 2020 to July 2021**



EXECUTIVE SUMMARY

BACKGROUND

The Juvenile Probation Department (JPD) is committed to transforming young lives and creating safer communities while holding youth accountable for their actions. They provide an effective system that gives youth access to services which enhance personal growth, development, and opportunities for a productive life. Juvenile justice jurisdiction is strictly regulated by state law but probation is administered at the county level. JPD collections consist of all fees associated with probation, supervision, court costs, and court ordered victim restitution. JPD uses an internally developed management software, Juvenile Management Information System (JMIS). Collections by the Juvenile courts for 2018, 2019, and 2020 are illustrated below. The “other” portion consists of state fees, restitution, placement support fees, summons fees, court ordered support fee to parents, due to others, and restitution to attorneys. JPD experienced a reduction in fees collected in FY19 due to an initiative to waive all fees for cases that were dismissed and over two years old. Based on prior collection trends, the department concluded it was not cost effective to continuously charge families with contempt for failure to pay outstanding balances. Due to the Covid-19 pandemic, there was also a decrease in collections for FY20.



Source: MUNIS

The audit was performed by Hadi Medina, internal auditor. The scope of the last audit performed was July 2019 to June 2020 and the related audit report was issued September 21, 2020 with no findings.

AUDIT OBJECTIVES

The audit evaluated the adequacy of controls and processes to achieve key business objectives related to JPD financial reports. Following are the business objectives and related control assessments.

| Business Objective | Control Assessment |
|---|--------------------|
| 1. Adherence to documented policies and procedures | Satisfactory |
| 2. Appropriate and timely posting of manual receipts to JMIS | Satisfactory |
| 3. Functioning appropriate cash controls | Satisfactory |
| 4. Timely deposits of collections in accordance with <i>Local Government Code 113.022</i> | Satisfactory |
| 5. Accuracy of mail log information and timely posting to JMIS | Satisfactory |
| 6. Functioning appropriate void controls | Satisfactory |
| 7. Treatment of restitution payments in accordance with <i>Family Code §54.0482</i> | Satisfactory |
| 8. Functioning appropriate mileage reimbursement controls | Satisfactory |



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EXECUTIVE SUMMARY

SCOPE

The scope of the audit is July 2020 through June 2021. Due to the Covid-19 pandemic and associated Stay Home Work Safe order, no surprise cash count was conducted.

METHODOLOGY

To achieve the audit objectives we:

- Reviewed policies, procedures, and applicable statutes.
- Tested a sample of manual receipts for appropriate and timely posting.
- Traced and tested a sample of daily deposit slips to the financial accounting system for compliance with *LGC §113.022*.
- Tested a sample of mail logs to determine deposit completeness, accuracy, and timeliness in compliance with *LGC §113.022*.
- Tested and reviewed all void transactions in JMIS to verify legitimacy and management verification.
- Tested a sample of restitution payments for proper disbursement and compliance with *Family Code §54.0482*.
- Tested a sample of mileage reimbursements to determine accuracy of documentation and proper authorization.

RESULTS

Listed below are controls and findings summaries, with findings listed from highest to lower risk.

| Controls Summary | |
|--|----------------------|
| Good Controls | Weak Controls |
| <ul style="list-style-type: none"> • Maintain and follow department policies and procedures (Obj. 1) • Manual receipt controls (Obj. 2) • Cash handling procedures (Obj. 3) • Timely deposit controls (Obj. 4) • Mail log controls (Obj. 5) • Void controls and procedures (Obj. 6) • Treatment of restitution payments (Obj. 7) • Mileage reimbursement controls (Obj. 8) | |
| 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.

CONCLUSION

JPD continues to implement improvements in their operations and have met all the objectives of this audit. Therefore, no recommendations were provided in this report.