



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

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07-13

July 18, 2022

The Honorable Stephanie Fietze
Justice of the Peace, Precinct 7
435 E. Vinton Rd, Suite C
Vinton, Texas 79821

Dear Judge Fietze:

The County Auditor's Internal Audit division performed an audit of the Justice of the Peace, Precinct Number 7 (JP7) financial records to determine if internal controls are adequate to ensure proper preparation of the JP7 financial reports. Policies, procedures, and regulations were also reviewed to ensure processes are documented, operating and efficient.

The audit report is attached. We tested nine financial controls and two operating controls with a total of 229 samples. There were no findings noted as a result of the audit procedures. We wish to thank the management and staff of JP7 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".

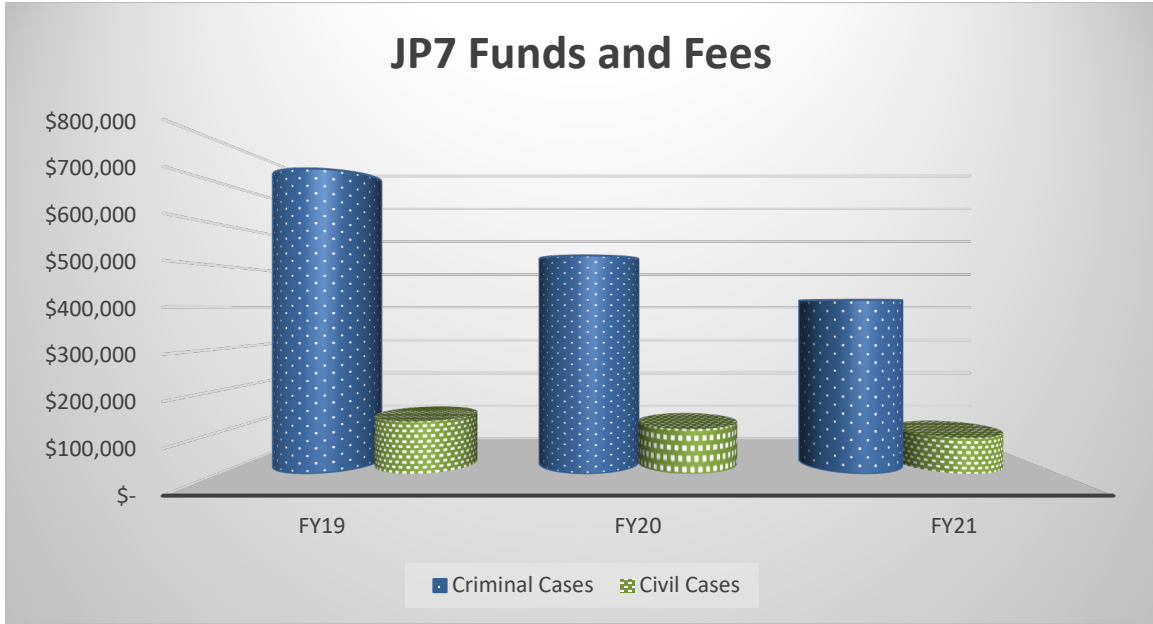
Edward A. Dion
County Auditor

EAD:HM:ea

cc: Ms. Betsy Keller, Chief Administrator

BACKGROUND

Justices of the Peace are elected officials and serve four-year terms. Justice of the Peace Precinct 7 (JP7) has judicial power over criminal cases involving minor offenses under their jurisdiction and civil matters where the amount in controversy does not exceed \$20,000. The current judge was elected in November and took office in January 2019. Other duties include issuing search and arrest warrants and the performance of marriage services. Funds and Fees collected for fiscal years 2019, 2020, and 2021 are illustrated below. Due to the Covid-19 pandemic, there was a drop in warrants executed and scheduled courts dates which caused a decrease in collections for FY20 and FY21. Although the office was closed to the public, payments were accepted via mail and phone, and court was held virtually.



Source: Annual Funds and Fees reports

The audit was performed by Hadi Medina, internal auditor. The scope of the last audit performed was June 2020 to May 2021 and the related audit report was issued August 3, 2021, with no findings.

AUDIT OBJECTIVES

The audit evaluated the adequacy of controls and processes to achieve key business objectives related to JP7 financial reports. Following are the business objectives and related control assessment.

Business Objective	Control Assessment
1. Adherence to documented policies and procedures	Satisfactory
2. Court order compliance in dismissed cases	Satisfactory
3. Adequate void transaction controls	Satisfactory
4. Proper posting of jail time credits	Satisfactory
5. Functioning appropriate cash controls	Satisfactory
6. Timely processing and resolution of cash bonds	Satisfactory
7. Timely deposits of collections in accordance with <i>Local Government Code (LGC) 113.022</i>	Satisfactory
8. Adequate controls of interpreter services payments	Satisfactory
9. Appropriate and timely posting of manual receipts to Odyssey	Satisfactory
10. Accuracy of mail log information and timely posting to Odyssey	Satisfactory
11. Judge's education compliance with <i>Local Government Code (GC) § 27.005</i>	Satisfactory

SCOPE

The scope of the audit is from June 2021 through May 2022.

METHODOLOGY

To achieve the audit objectives, we:

- Reviewed policies, procedures, and applicable statutes for proper documentation and updates.
- Tested a sample of dismissed cases for court order compliance and supporting documentation.
- Tested all void transactions in Odyssey for legitimacy of transactions and management verification.
- Tested a sample of cases with jail time credit to verify jail time served and supporting documentation.
- Performed as surprise cash count in accordance with *LGC §115.0035*.
- Tested a sample of cash bonds posted to verify bonds were processed in a timely manner.
- Traced and tested a sample of deposit slips to the financial accounting system for compliance with *LGC §113.022*
- Tested a sample of interpreter services invoices for proper authorization and documentation.
- Tested a sample of manual receipts for appropriate and timely posting.
- Tested a sample of mail logs to determine deposit completeness, accuracy, and timeliness.
- Reviewed Judge’s training certificates for compliance with *GC §27.005*.

RESULTS

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

Control Summary	
Good Controls	Weak Controls
<ul style="list-style-type: none"> • Maintain and follow department policies and procedures (Obj. 1) • Proper documentation on dismissed cases (Obj. 2) • Void controls and procedures (Obj. 3) • Posting and documentation of jail time credit by Sheriff’s Office (Obj. 4) • Cash handling procedures (Obj. 5) • Continuous review of outstanding bonds (Obj. 6) • Timely deposit controls (Obj. 7) • Interpreter services invoice controls (Obj. 8) • Manual receipt controls (Obj. 9) • Mail log controls (Obj. 10) • Compliance with educational requirement (Obj. 11) 	
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

JP7 met all objectives of this audit and continues to operate with effective internal controls.