



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

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02-02

February 2, 2023

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

Dear Ms. Favela Barceleau:

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 three operational and six financial controls using 65 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,

Edward A. Dion
County Auditor

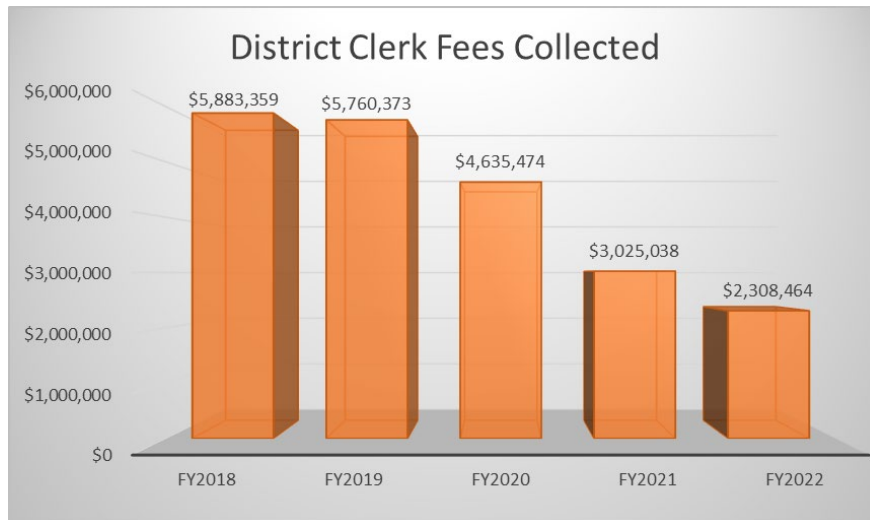
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cc: Ms. Betsy Keller, Chief Administrator

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 October 6, 2021.

Financial reports are generated from the Enterprise Justice System showing all transactions occurring each month. The following chart is a comparison of fees collected at the District Clerk's office for the past five fiscal years. In fiscal year 2022 collections decreased 23.69% from the prior fiscal year. The \$716,574 decline was attributable to decreases in District Clerk fees, passport acceptance fees, and jury fines.



Source: Enterprise Justice Judicial Reporting System

SCOPE

The scope of the audit is from August 2021 through August 2022.

OBJECTIVES

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

Business Objective	Control Assessment
1. Established and documented policies and procedures.	Satisfactory
2. Functioning and appropriate cash controls.	Satisfactory
3. Timely deposits in accordance with <i>Local Government Code (LGC) § 113.022</i> .	Satisfactory
4. Timely and complete bank reconciliations.	Satisfactory
5. Adequate disbursement controls for funds, payments, and reimbursement.	Satisfactory
6. Safeguarding of access to tangible assets.	Satisfactory
7. Adequate documentation and appropriate controls for <i>Title IV-D</i> billing in Attorney General of Texas Child Support cases in accordance with <i>Texas Family Code (FC) § 110, 231.202</i> and <i>Government Code (GC) § 51.317, 51.318(b)(2), 51.319(2)</i> .	Satisfactory

METHODOLOGY

To achieve the audit objectives, we:

- Reviewed policies and procedures.
- Performed a surprise cash count on October 13, 2022, in accordance with *LGC §115.0035*.
- Tested all deposits to verify compliance with *LGC §113.022*.
- Tested a sample of bank reconciliations for completeness, accuracy, and management review.



**THE OFFICE OF THE DISTRICT CLERK
AUGUST 2021 – AUGUST 2022
FINDINGS AND ACTION PLANS**



- Tested a sample of Comptroller’s Judiciary Section jury payments and reimbursements for timeliness, supervisory approval, and supporting documentation.
- Interviewed staff regarding safe combination access and associated policies.
- Reviewed listing of employees with access to the safe and safe combinations, and procedures for ensuring the list is up to date.
- Tested *Title IV-D* billings in Attorney General of Texas Child Support cases to verify timely submission supporting documentation, receipt of payment, and timely recording of payment.

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.

Controls Summary	
Good Controls	Weak Controls
<ul style="list-style-type: none"> • Documented policies and procedures (Obj. 1) • Functioning appropriate cash controls (Obj. 2) • Timely deposits of daily collections (Obj. 3) • Timely and accurate bank reconciliations (Obj. 4) • Adequate disbursement controls (Obj. 5) • Safeguarding of access to tangible assets (Obj. 6) • Adequate documentation and appropriate controls for Title IV-D billing in Attorney General/Child Support Cases (Obj. 7) 	
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

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.