



COUNTY OF EL PASO  
OFFICE OF THE COUNTY AUDITOR

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01-07

January 3, 2020

The Honorable Hector J. Bernal  
Constable Precinct 3  
500 E. San Antonio  
3rd Floor, Suite 306 B  
El Paso, Texas 79901

Dear Constable Bernal:

The County Auditor's Internal Audit division performed an audit of the El Paso County Constable Precinct 3 office to determine if internal controls are adequate to ensure preparation of Constable 3 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 three financial controls with a total of 92 samples. There were three findings noted as a result of the audit procedures. We wish to thank the management and staff of the Constable Precinct 3 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

EAD:PT:RG:ya

cc: Ms. Betsy C. Keller, Chief Administrator



# EI PASO COUNTY CONSTABLE PRECINCT 3 AUDIT EXECUTIVE SUMMARY

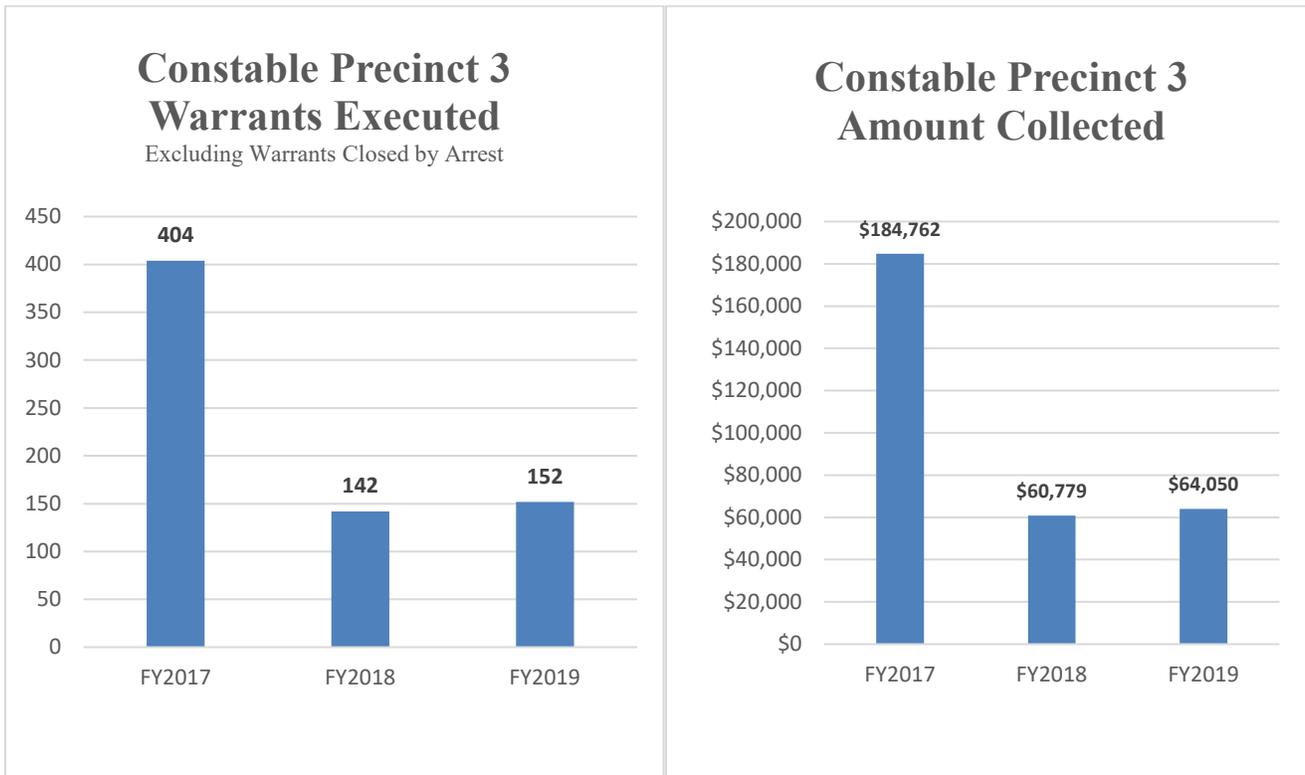


## BACKGROUND

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 1999. Staff consists of one sergeant and two deputy constables and one administrative assistant. The audit was performed by James O’Neal, internal auditor manager – senior.

## 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 Constable Precinct 3 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 3 office. Following are the business objectives and related control assessment.

Business Objective	Control Assessment
1. Establish and document policies and procedures	Needs Improvement
2. Maintenance of manual receipt book log documentation and controls	Needs Improvement
3. Compliance with timely deposit law Local Government Code §113.022	Satisfactory
4. Maintenance and review of fuel card usage, documentation and controls	Needs Improvement
5. Compliance with continuing education requirements Occupations Code §1701.351	Satisfactory
6. Compliance with weapons proficiency requirements Occupations Code §1701.355	Satisfactory



**EI PASO COUNTY  
CONSTABLE PRECINCT 3 AUDIT  
EXECUTIVE SUMMARY**



**SCOPE**

The scope of the audit is October 2018 through July 2019.

**METHODOLOGY**

To achieve the audit objectives we:

- Reviewed applicable policies, procedures and regulations.
- Requested office manual receipt book log for review.
- Tested collections for timely deposit compliance in accordance with *Local Government Code (LGC) §113.022*.
- Tested a sample of fuel log transactions to ensure proper usage, documentation and controls.
- Reviewed training records for compliance with *Occupations Code §1701.351*.
- 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"> <li>• Timely deposit compliance (Obj. 3)</li> <li>• Compliance with education requirements (Obj. 5)</li> <li>• Compliance with weapons proficiency requirements (Obj. 6)</li> </ul>	<ul style="list-style-type: none"> <li>• Documented policies and procedures (Obj. 1)</li> <li>• Manual receipt book log controls (Obj. 2)</li> <li>• Fuel card documentation and usage (Obj. 4)</li> </ul>
Finding Summary	
<ol style="list-style-type: none"> <li>1. Office and clerical policies and procedures are not documented.</li> <li>2. 37% of sampled fuel card transactions had inconsistent odometer readings entered during the fueling process.</li> <li>3. There is no manual receipt book log indicating which books are assigned to which deputy and which have been turned in.</li> </ol>	

**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 3 office met three of the six 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.



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**Prior Audit Findings Summarized with Current Status**

This is the first full scope internal audit for the office of Constable Precinct 3. Limited scope reviews of collection receipts and daily reconciliation reports have been performed in the past for statutory compliance. There were no prior findings for this office.

**Current Audit Findings & Action Plans**

Finding #1		Risk Level <span style="background-color: yellow; border: 1px solid black; border-radius: 50%; padding: 2px;">M</span>
<p><u>Documented Policies and Procedures</u> – Office and clerical policies and procedures are not documented. The provided policies and procedures only address law enforcement policies and procedures. Best practice is to have documented office and clerical policies and procedures to provide day-to-day operation guidance and streamline internal processes. Following are examples of key operational clerical and office functions that should be addressed in the policies and procedures manual:</p> <ul style="list-style-type: none"> <li>• Receipting of collections in Odyssey</li> <li>• Timely posting of manual receipts in Odyssey</li> <li>• Daily close out and reconciliation of Odyssey tills</li> <li>• Deposit preparation</li> <li>• Security and storage of funds held overnight</li> <li>• Timely deposit law compliance</li> <li>• Segregation of duties</li> <li>• Manual receipt book log usage</li> <li>• Fuel card usage policy</li> </ul> <p>The lack of strong office policies and procedures weakens the internal controls and fails to offer guidance to the current and future deputies and office staff. This increases the risks of loss, theft, fraud and inconsistent processes.</p>		
<b>Recommendation</b>		
Constable Precinct 3 should update the current policies and procedures to address the above key clerical and office functions and any other clerical functions deemed necessary by management.		
<b>Action Plan</b>		
<b>Person Responsible</b>	<b>Constable, Precinct 3</b>	<b>Estimated Completion Date</b>
		<b>January 31, 2020</b>
A policy and procedure has been created and submitted to the County Attorney's office for review and approval. Once approved, it will be discussed and disseminated to all deputies and support staff members.		



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Finding #2		Risk Level <b>M</b>
<p><u>Departmental Fuel Cards</u> – In a sample of three monthly fuel card statements, a total of 52 transactions, 19 or 37% of the transactions had inconsistent odometer readings. Fueling requires odometer readings and fuel card pin numbers be entered to begin the fueling process. Each monthly statement contains fuel purchases for four vehicles; 16 of the 19 inconsistent readings were for the same vehicle, five in November, five in January and six in March. Inconsistent or incorrect mileage entry could lead to possible fraud, misuse or loss of County funds. Further, the lack of correct data entry could also lead to incorrect or misleading departmental fuel consumption statistics.</p>		
<b>Recommendation</b>		
<p>Constable Precinct 3 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.</p>		
<b>Action Plan</b>		
<b>Person Responsible</b>	<b>Constable, Precinct 3</b>	<b>Estimated Completion Date</b>
		<b>December 4, 2019</b>
<p>Constable agrees with recommendation. An email was sent to all deputies and support staff personnel stating effective immediately; all gasoline purchases for county issued vehicles must have the correct odometer mileage inputted. Further, the email stated failure to comply with this new policy could result in a written reprimand. This will also be included in the office policies to be sent to County Attorney for review.</p>		

Finding #3		Risk Level <b>L</b>
<p><u>Manual receipt books</u> - The 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. Best practice is to document and track the distribution and retirement of all manual receipt books used by the Constable’s office. This log will reduce the risk of receipt misuse and possible theft of County funds.</p>		
<b>Recommendation</b>		
<p>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.</p>		
<b>Action Plan</b>		
<b>Person Responsible</b>	<b>Constable, Precinct 3</b>	<b>Estimated Completion Date</b>
		<b>December 31, 2019</b>
<p>Constable agrees with recommendation. An internal office log was created to record and monitor which current manual receipt book has been assigned to each deputy. Further, the submission of used receipt books will be noted and archived for future audit and review purposes. These new procedures have been relayed to all departmental staff and documented in the new office policies and procedures.</p>		