



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

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09-14

September 9, 2024

The Honorable Josh Herrera
Justice of the Peace, Precinct 3
500 E. San Antonio
3rd Floor, Suite 308
El Paso, Texas 79901

Dear Judge Herrera:

The County Auditor's Internal Audit division performed an audit of the Justice of the Peace, Precinct 3 (JP3) financial records to determine if internal controls are adequate to ensure proper preparation of the JP3 financial reports. Policies, procedures and regulations were also reviewed to ensure processes are documented, operating and efficient.

The audit report is attached. We tested one operational and six financial controls using 134 samples. There were no findings noted as a result of the audit procedures. We wish to thank the management and staff of JP3 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 "Barbara Parker".

Barbara Parker
County Auditor

BP:PH:ya

cc: Ms. Betsy Keller, Chief Administrator



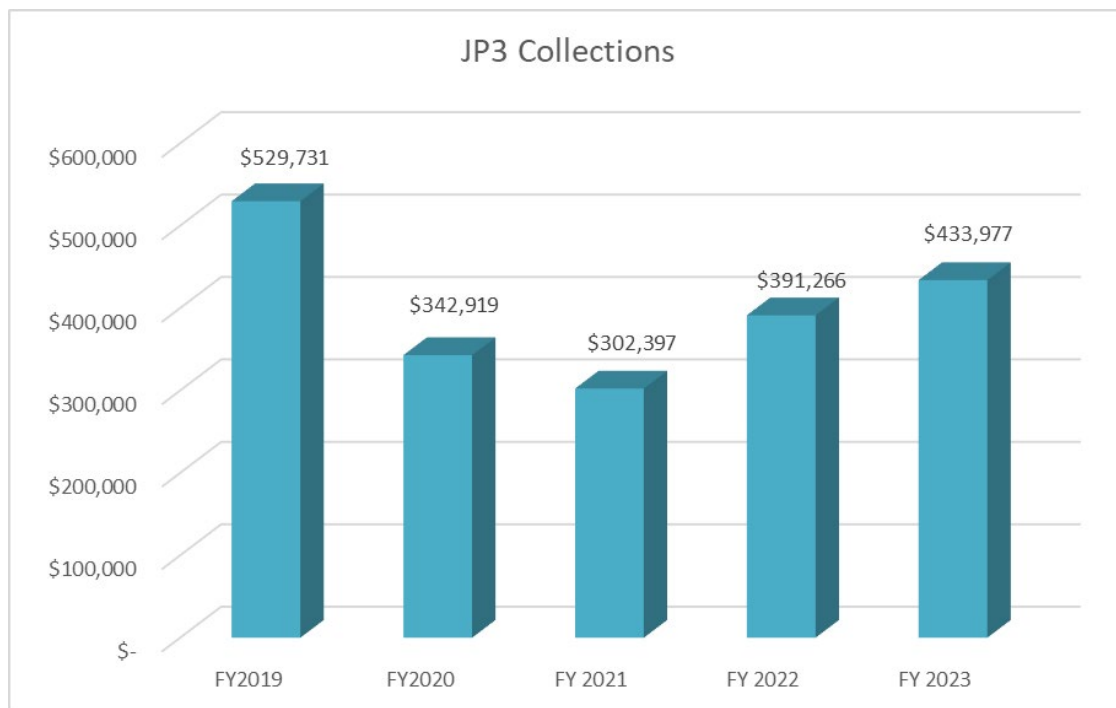
JUSTICE OF THE PEACE, PRECINCT NUMBER 3 JULY 2023 – JUNE 2024 EXECUTIVE SUMMARY



BACKGROUND

Justices of the Peace are elected officials and serve four-year terms. Precinct 3 (JP3) 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. Other duties include issuing search and arrest warrants and the performance of marriage services. The current Justice of the Peace for JP3 has been in office since January 2019. The audit was performed by Patrice Hills, CIA, internal auditor certified II. The most recent prior audit report was issued on August 29, 2023, with no findings.

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 JP3 for the past five fiscal years. Please note that in fiscal year 2020, all precincts experienced a significant decline in conjunction with COVID-19 restrictions. In fiscal year 2022 and 2023, JP3 experienced increases of \$88,869 and \$42,711, respectively. These higher collections amounts are attributed to increases in the adjudication of criminal cases and the filing of civil cases.



Source: Enterprise Justice Judicial Reporting System

SCOPE

The scope of the audit is from July 2023 through June 2024.

OBJECTIVES

The audit evaluated the adequacy of controls and processes to achieve key business objectives related to JP3 financial reports. Following are the business objectives and related control assessment.

Business Objective	Control Assessment
1. Established and documented policies and procedures.	Satisfactory
2. Functioning and appropriate cash controls.	Satisfactory
3. Adequate documentation for void and reversal Enterprise Justice entries.	Satisfactory
4. Timely deposits in accordance with <i>Local Government Code (LGC) §113.022</i> .	Satisfactory
5. Completeness of the payment mail log and timely posting to Enterprise Justice.	Satisfactory
6. Timely processing of cash bonds (to include receipt, deposit and posting of bonds and granting of hearing).	Satisfactory
7. Appropriate authorization and accurate payment of interpreter services.	Satisfactory



JUSTICE OF THE PEACE, PRECINCT NUMBER 3
JULY 2023 – JUNE 2024
EXECUTIVE SUMMARY



METHODOLOGY

To achieve the audit objectives, we:

- Reviewed policies and procedures.
- Performed a surprise cash count in accordance with *Local Government Code (LGC) §115.0035*.
- Tested a sample of void, adjustment and reversal entries to verify legitimacy of transactions and management approval.
- Tested a sample of daily deposits sent to verify compliance with *LGC §113.022*.
- Tested a sample of mail log entries for appropriate documentation.
- Tested a sample of cash bonds collected to verify timeliness of disposition and supporting documentation.
- Review the court's bond schedule to ensure cases are being heard timely and court orders are followed and enforced.
- Compared a sample of interpreter invoices to payroll time entries to verify occurrence, authorization and accurate 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)• Void and reversal transactions (Obj. 3)• Timely deposits of daily collections (Obj. 4)• Mail payment log and timely posting to Enterprise Justice (Obj. 5)• Timely process of cash bonds (Obj. 6)• Appropriate authorization and accurate payment of interpreter services (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

JP3 met all objectives of this audit. Internal controls are adequate to ensure proper preparation of the JP3 financial reports. Processes documented appear to be operating efficiently.