

# COUNTY of HIDALGO

COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

January 16, 2015

The Honorable Ramon Garcia  
Hidalgo County Judge  
302 W. University Drive  
Edinburg, Texas 78539

Dear Judge Garcia:

Pursuant to Local Government Code Section 114.044 and/or Local Government Code Section 115.0035 (c), we are submitting for your review the following monthly reports and/or letters:

| Department                                                                | Fees/Costs      | Description                                         |
|---------------------------------------------------------------------------|-----------------|-----------------------------------------------------|
| The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector | \$ 1,804,149.61 | October 2014 Monthly Report                         |
| Mr. Juan Martinez, Hidalgo County Fire Marshal                            | \$ 20,412.84    | September 2014 Monthly Report/Letter                |
| Mr. Juan Martinez, Hidalgo County Fire Marshal                            | \$ 18,930.00    | October 2014 Monthly Report/Letter                  |
| The Hon. Celestino Avila, Constable Pct. No. 1                            | \$ 2,030.00     | October 2014 Monthly Report/Letter                  |
| The Hon. Larry Gallardo, Constable Pct. No. 3                             | \$ 19,785.00    | October 2014 Monthly Report/Letter                  |
| The Hon. A.C. Cuellar, Jr., Commissioner Pct. No. 1                       | \$ 250.00       | Delta Lake October 2014 Monthly Report/Letter       |
| The Hon. A.C. Cuellar, Jr., Commissioner Pct. No. 1                       | \$ 328.00       | Delta Lake –November 2014 Monthly Report/Letter     |
| The Hon. Jose M. Flores, Commissioner Pct. No. 3                          | \$ 1,104.00     | Anzalduas Park October 2014 Monthly Report/Letter   |
| The Hon. Jose M. Flores, Commissioner Pct. No. 3                          | \$ 1,448.00     | Anzalduas Park –November 2014 Monthly Report/Letter |
| The Hon. Martin Cantu, Constable Pct. No. 2                               | \$ 2,150.00     | October 2014 Monthly Report/Letter                  |
| The Hon. Martin Cantu, Constable Pct. No. 2                               | \$ 490.00       | November 2014 Monthly Report/Letter                 |
| The Hon. Atanacio Gaitan, Jr., Constable Pct. No. 4                       | \$ 370.00       | October 2014 Monthly Report/Letter                  |
| The Hon. Atanacio Gaitan, Jr., Constable Pct. No. 4                       | \$ 280.00       | November 2014 Monthly Report/Letter                 |

| Department                                       | Description                                                      |
|--------------------------------------------------|------------------------------------------------------------------|
| Mr. Oscar Cuellar, City Manager, City of Penitas | Tax Increment Reinvestment Zone No. 1 Penitas Report No. 2014-21 |

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

|                                                                            |                                                                                                                                                      |
|----------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mr. Luciano Ozuna Jr. City Manager, City of Alamo                          | Tax Increment Reinvestment Zone No. 1 Alamo, Report No. 2014-23                                                                                      |
| Mr. Joe Vera III, City Manager, City of Hidalgo                            | Tax Increment Reinvestment Zone No. 1 Hidalgo, Report No. 2014-23                                                                                    |
| The Hon. Rene Guerra, Criminal District Attorney                           | Audit of the Chapter 59 Asset Forfeiture Audit Report by Attorney Representing the State For the Fiscal Year Ended August 31, 2014 Audit No. 2014-36 |
| The Hon. Hector Palacios, Commissioner Precinct No. 2                      | Audit of Precinct 2 Asset Inventory Listing Audit No. 2014-58                                                                                        |
| The Hon. Atanacio Gaitan, Jr. Constable Precinct No. 4                     | Audit of the Constable, Precinct 4 Office Asset Inventory Listing Audit No. 2014-59                                                                  |
| The Hon. Marcos Ochoa, Justice of the Peace Pct. 3 Pl. 2                   | Audit of the Justice of the Peace, Pct. 3, Pl. 2 Asset Inventory Listing Audit No. 2014-60                                                           |
| The Hon. Rene Guerra, Criminal District Attorney                           | Audit of the District Attorney's Office Asset Inventory Listing Audit No. 2014-61                                                                    |
| The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector  | Review of Delinquent Tax Attorney Payment Request-October 2014 Report No. 2014-76                                                                    |
| The Hon. Jaime E. Tijerina, 92 <sup>nd</sup> Judicial District of Texas    | Audit of the 92 <sup>nd</sup> District Court Asset Inventory Listing Audit No. 2014-77                                                               |
| Mr. Sergio Cruz, Budget Officer                                            | Cash Count Report No. 2014-63                                                                                                                        |
| The Hon. Celestino Avila, Constable Pct. No. 1                             | Cash Count Report No. 2014-64                                                                                                                        |
| Mr. Raul Sesin, P.E., C.F.M., Planning Administrator                       | Weslaco Office - Cash Count Report No. 2014-65                                                                                                       |
| The Hon. A.C. Cuellar, Jr., Comm. Pct. No. 1                               | Delta Lake - Cash Count Report No. 2014-66                                                                                                           |
| The Hon. Larry Gallardo, Constable Pct. No. 3                              | Cash Count Report No. 2014-67                                                                                                                        |
| Mr. Raul Sesin, P.E., C.F.M., Planning Administrator                       | Cash Count Report No. 2014-68                                                                                                                        |
| The Hon. Eddie Guerra, Hidalgo County Sheriff                              | Inmate Trust - Cash Count Report No. 2014-69                                                                                                         |
| The Hon. Eddie Guerra, Hidalgo County Sheriff                              | Sheriffs "B" - Cash Count Report No. 2014-70                                                                                                         |
| The Hon. Eddie Guerra, Hidalgo County Sheriff                              | Sheriff's "D" - Cash Count Report No. 2014-71                                                                                                        |
| Mr. Eduardo Olivarez, Chief Administrator Officer                          | Edinburg OSSF - Cash Count Audit No. 2014-72                                                                                                         |
| Mr. Eduardo Olivarez, Chief Administrator Officer                          | Restaurant - Cash Count Audit No. 2014-73                                                                                                            |
| Mr. Raul Sesin, P.E., C.F.M., Planning Administrator                       | Edinburg Office - Cash Count Report No. 2014-74                                                                                                      |
| Mr. Juan Martinez, Hidalgo County Fire Marshal                             | Cash Count Audit No. 2014-75                                                                                                                         |
| Mr. Arnold K. Patrick, Director Comm. Supervision & Corrections Department | Cash Count Report No. 2014-541                                                                                                                       |
| Mr. Eduardo Olivarez, Chief Administrator Officer                          | Edinburg Clinic - Cash Count Report No. 2014-549                                                                                                     |
| Mr. Eduardo Olivarez, Chief Administrator Officer                          | McAllen Clinic - Cash Count Report 2014-550                                                                                                          |
| Ms. Yvonne Ramon, Elections Administrator                                  | Cash Count Report No. 2014-554                                                                                                                       |
| The Hon. Rosa Trevino, Justice of the Peace Pct. 2 Pl. 2                   | Cash Count Report No. 2014-557                                                                                                                       |
| The Hon. Marcos Ochoa, Justice of the Peace Pct. 3 Pl. 2                   | Cash Count Report No. 2014-559                                                                                                                       |
| The Hon. Charlie Espinoza, Justice of the Peace Pct. 4 Pl.                 | Cash Count Report No. 2014-561                                                                                                                       |
| The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector  | Alamo Motor Vehicle Substation - Cash Count Report No. 2014-567                                                                                      |
| The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector  | Alamo Tax Office - Cash Count Report No. 2014-573                                                                                                    |
| The Hon. Norma G. Garcia, Hidalgo County Treasurer                         | Cash Count Report No. 2014-576                                                                                                                       |

#### HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 206<sup>th</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>th</sup> D.C.

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JUDGE, 370<sup>th</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>th</sup> D.C.

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JESSE CONTRERAS  
JUDGE, 449<sup>th</sup> D.C.

Hidalgo County Judge  
January 16, 2015  
Page 3 of 3

Thank you for your consideration in this matter.

Respectfully,



Ray Eufrazio, CPA  
Hidalgo County Auditor

Attachments

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**HIDALGO COUNTY DISTRICT JUDGES**

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JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.



Prepared By: Abigail G.   
Date: 12/15/14

**Hidalgo County Tax Office  
Collections Summary  
For the Month ended October 31, 2014**

|                                |                                                                                                              |      |
|--------------------------------|--------------------------------------------------------------------------------------------------------------|------|
| Hidalgo County Tax Collections | 1,798,388.83 ✓                                                                                               | M1-1 |
| Administrative Fees Collected  | 5,566.54 ✓                                                                                                   | M1-1 |
| Road District # 2 Collections  | -                                                                                                            | M2-1 |
| Road District # 5 Collections  | 194.24 ✓                                                                                                     | M3-1 |
| Road District # 11 Collections | -                                                                                                            | M4-1 |
| Road District # 15 Collections | -                                                                                                            | M5-1 |
| State District Collections     | -                                                                                                            | M6-1 |
| Total Collections              | <u>1,804,149.61</u><br> |      |

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR  
HIDALGO COUNTY TAXES COLLECTED  
OCTOBER 2014

## COMPARATIVE RATE OF COLLECTIONS

| HIDALGO COUNTY<br>GHD        | ORIGINAL<br>TAX LEVY | COLLECTED<br>TO DATE | DROPPED YRS<br>AFTER PURGE | MODIF.<br>TO DATE    | TAXES<br>OUTSTANDING | PERCENT<br>2014/2015 | COLLECTED<br>2013/2014 |
|------------------------------|----------------------|----------------------|----------------------------|----------------------|----------------------|----------------------|------------------------|
| 2014 TAX ROLL                | 167,256,801.76 MI-10 | 531,281.34 MI-10     | -                          | 2,860,712.20 MI-10   | 169,586,232.62 MI-10 | 0.31%                | 0.00%                  |
| 2013 & PRIOR YRS<br>ROLLBACK | 33,265,561.40 MI-10  | 4,661,466.01 MI-10   | -                          | (1,262,907.91) MI-10 | 27,341,187.48 MI-10  | 14.57%               | 11.56%                 |
|                              | 244,763.41 MI-11     | 94,706.69 MI-11      | -                          | 67,196.55 MI-11      | 217,253.27 MI-11     | 30.36%               | 12.65%                 |
| TOTALS                       | 200,767,126.57 MI-12 | 5,287,454.04 MI-12   | -                          | 1,665,000.84 MI-12   | 197,144,673.37 MI-12 |                      |                        |
|                              |                      |                      |                            |                      |                      | #DIV/0!              |                        |

## BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF OCTOBER 2014

|                                       |                                                      | MONTHLY<br>MODIFICATIONS          |
|---------------------------------------|------------------------------------------------------|-----------------------------------|
| CURRENT YEAR-BASE TAX                 | 531,281.34 d MI-3                                    | (2014) 2,860,712.20 CURRENT MI-10 |
| CURRENT YEAR-P&I                      | - d MI-3                                             | (36,184.42) '13 ROLL MI-10        |
| PRIOR YEARS-BASE TAX                  | 778,839.59 - [ 344,181.43: '12 + Prior Tax Roll MI-5 | (103,778.76) PRIOR                |
| PRIOR YEARS-P&I                       | 319,753.73 - [ 93,203.14: 2013 Tax Roll MI-3         | (108,594.33) '12 + Prior MI-11    |
| ROLLBACK BASE                         | 6,120.27 d MI-6                                      | 76,642.68 ROLLBACK MI-11          |
| ROLLBACK P&I                          | 621.07 d MI-6                                        |                                   |
| ATTORNEY FEES                         | 161,772.83 d MI-9                                    |                                   |
| HOSPITAL DISTRICT FUNDING             | -                                                    |                                   |
| SPECIAL INVENTORY FINE                | -                                                    | 500.00 d MI-19                    |
| SPECIAL INVENTORY PENALTY             | -                                                    | 1,103.78 d MI-21                  |
| TAX CERTIFICATE FEES                  | -                                                    | 760.00 d MI-23                    |
| SERVICE CHG FEES                      | -                                                    | 690.56 d MI-26                    |
| MISC FEES                             | -                                                    | 2,512.20 d MI-29                  |
| TOTAL COLLECTIONS                     | 1,798,388.83 d MI-9                                  | 2,833,576.13 MI-12                |
| LESS HCAD COMM REND. PEN. (CURR) 2014 | 8.54 d MI-18                                         | #                                 |
| LESS HCAD COMM REND. PEN. (DELQ)      | 110.55 - [ 56.72: 2013 HCAD MI-18                    | #                                 |
| LESS TRANSFERRED                      | 919,647.08 d MI-2, MI-15                             | 53.83: '12 + Prior HCAD MI-18     |
| LESS IN TRANSIT                       | 716,849.83 d MI-2, MI-45                             | 5,566.54 d MI-42                  |
| LESS DUE TO DEL TAX ATTY FEES         | 161,772.83 d MI-2, MI-42                             |                                   |
| LESS DUE TO CO TREASURER              | -                                                    |                                   |
| BALANCE                               | -                                                    |                                   |

## \*\*\*\*\*AFFIDAVIT\*\*\*\*\*

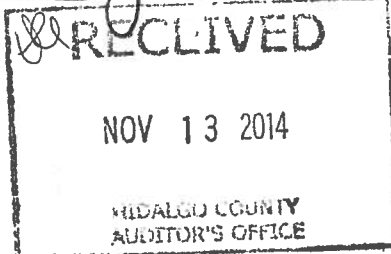
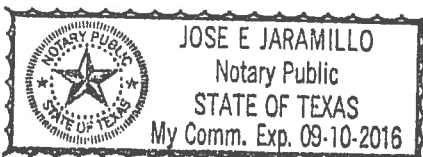
I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF OCTOBER 2014 IS CORRECT.

ASSESSOR-COLLECTOR OF TAXES FOR HIDALGO COUNTY, TEXAS



SWORN AND SUBSCRIBED BEFORE ME THIS 7TH DAY OF NOVEMBER 2014 A.D.

NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE  
APPROVED BY:   
DATE: 12/13/14

MI-1

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR  
ROAD DIST # 2 TAXES COLLECTED  
OCTOBER 2014

COMPARATIVE RATE OF COLLECTIONS

| ROAD DIST # 2<br>RD2 | ORIGINAL<br>TAX LEVY | COLLECTED<br>TO DATE | DROPPED YRS<br>AFTER PURGE | MODIF.<br>TO DATE | TAXES<br>OUTSTANDING | PERCENT<br>2014/2015 | COLLECTED<br>2013/2014 |
|----------------------|----------------------|----------------------|----------------------------|-------------------|----------------------|----------------------|------------------------|
| 1981 & PRIOR YRS     | 61.38                | -                    | -                          | -                 | 61.38                | 0.00%                | 0.00%                  |
| TOTALS               | 61.38                | M2-3                 | - M2-3                     | - M2-3            | 61.38 M2-4           |                      |                        |

BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF OCTOBER 2014

|                               | MONTHLY<br>MODIFICATIONS |
|-------------------------------|--------------------------|
| CURRENT YEAR-BASE TAX         | - CURRENT                |
| CURRENT YEAR-P&I              | -                        |
| PRIOR YEARS-BASE TAX          | - PRIOR                  |
| PRIOR YEARS-P&I               | -                        |
| ROLLBACK BASE                 | - ROLLBACK               |
| ROLLBACK P&I                  | -                        |
| ATTORNEY FEES                 | -                        |
| TOTAL COLLECTIONS             | -                        |
| LESS HCAD COMM REND. PEN.     | - M2-4                   |
| LESS TRANSFERRED              | -                        |
| LESS IN TRANSIT               | -                        |
| LESS DUE TO DEL TAX ATTY FEES | -                        |
| LESS DUE TO CO TREASURER      | -                        |
| BALANCE                       | - M2-2                   |

\*\*\*\*\*AFFIDAVIT\*\*\*\*\*

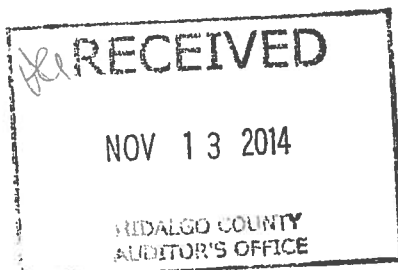
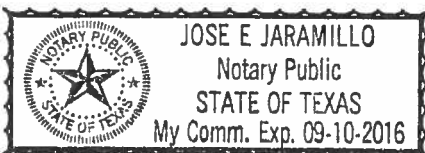
I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF OCTOBER 2014 IS CORRECT.

ASSESSOR/COLLECTOR OF TAXES FOR ROAD DISTRICT # 2



SWORN AND SUBSCRIBED BEFORE ME THIS 7TH DAY OF NOVEMBER 2014 A.D.

NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE  
APPROVED BY: He  
DATE: 12/14

M2-1

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR  
ROAD DIST # 5 TAXES COLLECTED  
OCTOBER 2014

COMPARATIVE RATE OF COLLECTIONS

| ROAD DIST # 5<br>RD5         | ORIGINAL<br>TAX LEVY | COLLECTED<br>TO DATE | DROPPED YRS<br>AFTER PURGE | MODIF.<br>TO DATE | TAXES<br>OUTSTANDING | PERCENT<br>2014/2015 | COLLECTED<br>2013/2014 |
|------------------------------|----------------------|----------------------|----------------------------|-------------------|----------------------|----------------------|------------------------|
| 1999 & PRIOR YRS<br>ROLLBACK | 9,914.85             | 208.83               | -                          | (380.02)          | 9,326.00             | 2.19%                | 1.44%                  |
|                              | -                    | -                    | -                          | -                 | -                    | 0.00%                | 0.00%                  |
| TOTALS                       | 9,914.85             | 208.83               | -                          | (380.02)          | 9,326.00             |                      |                        |

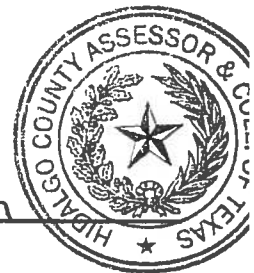
BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF OCTOBER 2014

|                               |        | MONTHLY<br>MODIFICATIONS |
|-------------------------------|--------|--------------------------|
| CURRENT YEAR-BASE TAX         | -      | - CURRENT                |
| CURRENT YEAR-P&I              | -      | -                        |
| PRIOR YEARS-BASE TAX          | 53.61  | - PRIOR M3-8             |
| PRIOR YEARS-P&I               | 115.75 | -                        |
| ROLLBACK BASE                 | -      | - ROLLBACK               |
| ROLLBACK P&I                  | -      |                          |
| ATTORNEY FEES                 | 24.88  |                          |
| TOTAL COLLECTIONS             | 194.24 |                          |
| LESS HCAD COMM REND. PEN.     | -      |                          |
| LESS TRANSFERRED              | 138.17 |                          |
| LESS IN TRANSIT               | 31.19  |                          |
| LESS DUE TO DEL TAX ATTY FEES | 24.88  |                          |
| LESS DUE TO CO TREASURER      | -      |                          |
| BALANCE                       | -      |                          |

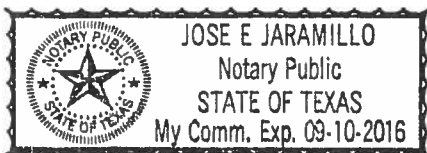
\*\*\*\*\*AFFIDAVIT\*\*\*\*\*

I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF OCTOBER 2014 IS CORRECT.

ASSESSOR-COLLECTOR OF TAXES FOR ROAD DISTRICT # 5

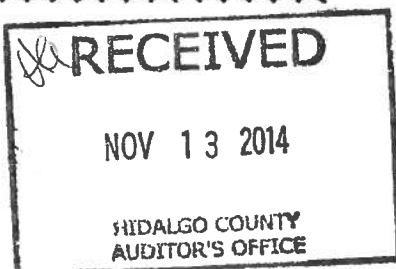


SWORN AND SUBSCRIBED BEFORE ME THIS 7TH DAY OF NOVEMBER 2014 A.D.



NOTARY PUBLIC, HIDALGO COUNTY, TEXAS

HIDALGO COUNTY AUDITOR'S OFFICE  
APPROVED BY: [Signature]  
DATE: 12/12/14



M3-1

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR  
ROAD DIST # 11 TAXES COLLECTED  
OCTOBER 2014

## COMPARATIVE RATE OF COLLECTIONS

ROAD DIST # 11  
RD11

|                  | ORIGINAL<br>TAX LEVY | COLLECTED<br>TO DATE | DROPPED YRS<br>AFTER PURGE | MODIF.<br>TO DATE | TAXES<br>OUTSTANDING | PERCENT<br>2014/2015 | COLLECTED<br>2013/2014 |
|------------------|----------------------|----------------------|----------------------------|-------------------|----------------------|----------------------|------------------------|
| 1979 & PRIOR YRS | 3.33                 | -                    | -                          | -                 | 3.33                 | 0.00%                | 0.00%                  |
| TOTALS           | 3.33                 | M4-3                 | M4-3                       | -                 | M4-3                 | M4-4<br>±A           |                        |

## BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF OCTOBER 2014

|                               | MONTHLY<br>MODIFICATIONS |
|-------------------------------|--------------------------|
| CURRENT YEAR-BASE TAX         | - CURRENT                |
| CURRENT YEAR-P&I              | -                        |
| PRIOR YEARS-BASE TAX          | - PRIOR                  |
| PRIOR YEARS-P&I               | -                        |
| ROLLBACK BASE                 | - ROLLBACK               |
| ROLLBACK P&I                  | -                        |
| ATTORNEY FEES                 | -                        |
| TOTAL COLLECTIONS             | - M4-2                   |
| LESS HCAD COMM REND. PEN.     | - M4-4                   |
| LESS TRANSFERRED              | -                        |
| LESS IN TRANSIT               | -                        |
| LESS DUE TO DEL TAX ATTY FEES | -                        |
| LESS DUE TO CO TREASURER      | -                        |
| BALANCE                       | - M4-2                   |

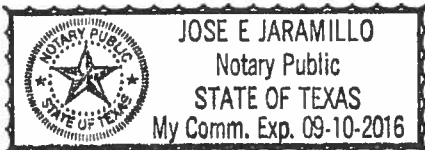
## \*\*\*\*\* AFFIDAVIT \*\*\*\*\*

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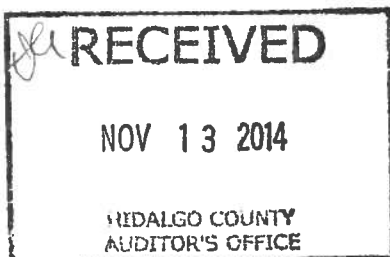
*Pablo (Paul) Villarreal Jr.*  
ASSESSOR-COLLECTOR OF TAXES FOR ROAD DISTRICT # 11



SWORN AND SUBSCRIBED BEFORE ME THIS 7TH DAY OF NOVEMBER 2014 A.D.



*Jose E. Jaramillo*  
NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE  
APPROVED BY: *[Signature]*  
DATE: 12/2/14

M4-1

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR  
ROAD DIST # 15 TAXES COLLECTED  
OCTOBER 2014  
REVISED PBC

## COMPARATIVE RATE OF COLLECTIONS

ROAD DIST # 15  
RD15

|                  | ORIGINAL<br>TAX LEVY       | COLLECTED<br>TO DATE   | DROPPED YRS<br>AFTER PURGE | MODIF.<br>TO DATE          | TAXES<br>OUTSTANDING             | PERCENT<br>2014/2015 | COLLECTED<br>2013/2014 |
|------------------|----------------------------|------------------------|----------------------------|----------------------------|----------------------------------|----------------------|------------------------|
| 1993 & PRIOR YRS | 1,192.72                   | 4.78                   | -                          | (179.81)                   | 1,008.13                         | 0.47%                | 2.02%                  |
| ROLLBACK         | -                          | -                      | -                          | -                          | -                                | 0.00%                | 0.00%                  |
| TOTALS           | 1,192.72 <del>4</del> MS-3 | 4.78 <del>4</del> MS-3 | -                          | (179.81) <del>4</del> MS-3 | 1,008.13 <del>4</del> MS-4<br>#1 |                      |                        |

## BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF OCTOBER 2014

|                               | MONTHLY<br>MODIFICATIONS |
|-------------------------------|--------------------------|
| CURRENT YEAR-BASE TAX         | - CURRENT                |
| CURRENT YEAR-P&I              | -                        |
| PRIOR YEARS-BASE TAX          | - PRIOR                  |
| PRIOR YEARS-P&I               | -                        |
| ROLLBACK BASE                 | - ROLLBACK               |
| ROLLBACK P&I                  | -                        |
| ATTORNEY FEES                 | -                        |
| TOTAL COLLECTIONS             | -                        |
| LESS HCAD COMM REND. PEN.     | - <del>4</del> MS-2      |
| LESS TRANSFERRED              | -                        |
| LESS IN TRANSIT               | -                        |
| LESS DUE TO DEL TAX ATTY FEES | -                        |
| LESS DUE TO CO TREASURER      | -                        |
| BALANCE                       | - <del>4</del> MS-2      |

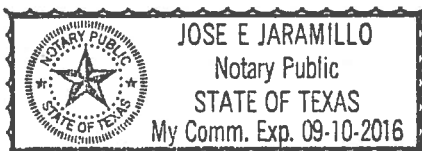
## \*\*\*\*\*AFFIDAVIT\*\*\*\*\*

I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF OCTOBER 2014 IS CORRECT.

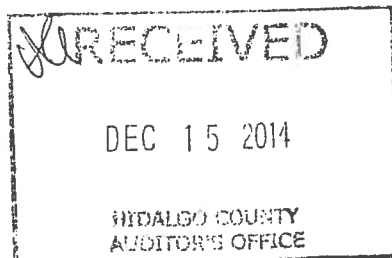
*Pablo (Paul) Villarreal Jr.*  
ASSESSOR-COLLECTOR OF TAXES FOR ROAD DISTRICT # 15



SWORN AND SUBSCRIBED BEFORE ME THIS 9TH DAY OF DECEMBER 2014 A.D.



*Jose E. Jaramillo*  
NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE  
APPROVED BY: *[Signature]*  
DATE: 12/15/14

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR  
STATE DIST TAXES COLLECTED  
OCTOBER 2014

COMPARATIVE RATE OF COLLECTIONS

| STATE DIST<br>TEX | ORIGINAL<br>TAX LEVY | COLLECTED<br>TO DATE | DROPPED YRS<br>AFTER PURGE | MODIF.<br>TO DATE | TAXES<br>OUTSTANDING | PERCENT<br>2014/2015 | COLLECTED<br>2013/2014 |
|-------------------|----------------------|----------------------|----------------------------|-------------------|----------------------|----------------------|------------------------|
| 1979 & PRIOR YRS  | 24.77                | -                    | -                          | -                 | 24.77                | 0.00%                | 0.00%                  |
| TOTALS            | 24.77 + MW-3         | - + MW-3             | -                          | - + MW-3          | 24.77 MW-4<br>+A     |                      |                        |

BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF OCTOBER 2014

|                               | MONTHLY<br>MODIFICATIONS |
|-------------------------------|--------------------------|
| CURRENT YEAR-BASE TAX         | - CURRENT                |
| CURRENT YEAR-P&I              | -                        |
| PRIOR YEARS-BASE TAX          | - PRIOR                  |
| PRIOR YEARS-P&I               | -                        |
| ROLLBACK BASE                 | - ROLLBACK               |
| ROLLBACK P&I                  | -                        |
| ATTORNEY FEES                 | -                        |
| TOTAL COLLECTIONS             | -                        |
| LESS HCAD COMM REND. PEN.     | - d MW-2                 |
| LESS TRANSFERRED              | -                        |
| LESS IN TRANSIT               | -                        |
| LESS DUE TO DEL TAX ATTY FEES | -                        |
| LESS DUE TO CO TREASURER      | -                        |
| BALANCE                       | - d MW-2                 |

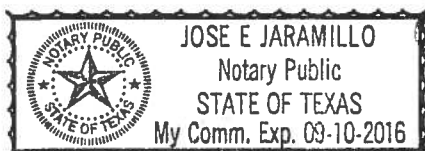
\*\*\*\*\*AFFIDAVIT\*\*\*\*\*

I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF OCTOBER 2014 IS CORRECT.

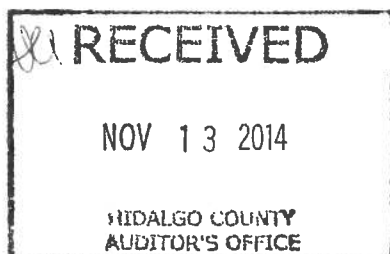
ASSESSOR-COLLECTOR OF TAXES FOR STATE DIST TAXES



SWORN AND SUBSCRIBED BEFORE ME THIS 7TH DAY OF NOVEMBER 2014 A.D.



NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE  
APPROVED BY: \_\_\_\_\_  
DATE: 12/12/14

MW-1

# HIDALGO COUNTY FIRE MARSHAL MONTHLY REPORT FOR THE MONTH OF SEPTEMBER

pbc

|          | APPLICANT                  | RECEIPT | Cash | Check | MO | TYPE OF                | TREASURER | AMOUNTS DUE TO |
|----------|----------------------------|---------|------|-------|----|------------------------|-----------|----------------|
| DATE     | NAME                       | NUMBER  |      |       |    | SERVICE                | RECEIPT   | COUNTY         |
| 09/02/14 | ARCADIO RAFAEL GUERRA      | 8474    | X    |       |    | BURN PERMIT            | 178895    | \$25.00        |
| 09/02/14 | JESUS GUERRERO             | 8475    | X    |       |    | BURN PERMIT            | 178895    | \$25.00        |
| 09/02/14 | JCON CONSTRUCTION          | 8476    |      | X     |    | BUILDING PERMIT        | 178895    | \$1,232.50     |
| 09/02/14 | CRISELDA V HILL            | 8477    | X    |       |    | BURN PERMIT            | 178895    | \$25.00        |
| 09/02/14 | ELSA DOMINGUEZ             | 8478    | X    |       |    | GROUP HOME INSP        | 178895    | \$75.00        |
| 09/02/14 | JEANNETTE LOUISE SCHUSTER  | 8479    |      | X     |    | COMMERCIAL BURN PERMIT | 178895    | \$100.00       |
| 09/03/14 | LITTLE PACK DAYCARE CENTER | 8480    |      | X     |    | BUSINESS OCCUPANCY     | 179093    | \$75.00        |
| 09/03/14 | JULIO MONTELONGO           | 8481    | X    |       |    | BURN PERMIT (2)        | 179093    | \$50.00        |
| 09/03/14 | JOSE L PEREZ               | 8482    | X    |       |    | BURN PERMIT            | 179093    | \$25.00        |
| 09/03/14 | ELEUTERIO HERNANDEZ        | 8483    | X    |       |    | BUSINESS OCCUPANCY     | 179093    | \$75.00        |
| 09/03/14 | JOSE CABRERA               | 8484    | X    |       |    | BURN PERMIT            | 179093    | \$25.00        |
| 09/03/14 | JOSE BELMARES              | 8485    | X    |       |    | BUSINESS OCCUPANCY     | 179093    | \$75.00        |
| 09/03/14 | ADOLFO GUZMAN              | 8486    | X    |       |    | COMMERCIAL BURN PERMIT | 179093    | \$100.00       |
| 09/03/14 | CALVIN RAY WEDGWORTH       | 8487    | X    |       |    | BURN PERMIT            | 179093    | \$25.00        |
| 09/03/14 | JAVIER ESQUEDA             | 8488    |      | X     |    | BUSINESS OCCUPANCY     | 179093    | \$75.00        |
| 09/03/14 | LORENZO RODRIGUEZ          | 8489    | X    |       |    | BURN PERMIT            | 179093    | \$25.00        |
| 09/03/14 | LAURA DE LEON              | 8490    | X    |       |    | BUSINESS OCCUPANCY     | 179093    | \$75.00        |
| 09/03/14 | RAQUEL SAENZ               | 8491    | X    |       |    | BUSINESS OCCUPANCY     | 179093    | \$75.00        |
| 09/03/14 | JAVIER ESQUEDA             | 8492    |      | X     |    | COMMERCIAL BURN PERMIT | 179093    | \$100.00       |
| 09/03/14 | JOSE VELA                  | 8493    | X    |       |    | BURN PERMIT            | 179093    | \$25.00        |

|          |                        |      |   |   |                        |        |          |
|----------|------------------------|------|---|---|------------------------|--------|----------|
| 09/03/14 | RITA PENA              | 8494 | X |   | BUSINESS OCCUPANCY     | 179093 | \$75.00  |
| 03/14    | AMINTA MARTINEZ        | 8495 |   | X | GROUP HOME INSP        | 179093 | \$75.00  |
| 09/03/14 | MARIA ALICIA RODRIGUEZ | 8496 | X |   | BUSINESS OCCUPANCY     | 179093 | \$75.00  |
| 09/03/14 | GREGORY ALLAN WARSNACK | 8497 |   | X | COMMERCIAL BURN PERMIT | 179093 | \$100.00 |
| 09/03/14 | MARLEN SIERRA          | 8498 |   | X | BUSINESS OCCUPANCY     | 179093 | \$75.00  |
| 09/03/14 | EDITH RODRIGUEZ        | 8499 | X |   | BUSINESS OCCUPANCY     | 179093 | \$75.00  |
| 09/03/14 | MAURO SIERRA           | 8500 |   | X | BURN PERMIT            | 179093 | \$25.00  |
| 09/03/14 | ALFREDO AREVALO        | 01-T | X |   | BURN PERMIT            | 179093 | \$25.00  |
| 09/03/14 | YADIRA RODRIGUEZ       | 02-T | X |   | DAY CARE INSP          | 179093 | \$75.00  |
| 09/03/14 | JORGE SAENZ            | 03-T | X |   | BURN PERMIT            | 179093 | \$25.00  |
| 09/03/14 | MICHAEL B VELAZQUEZ    | 04-T | X |   | BURN PERMIT            | 179093 | \$25.00  |
| 09/03/14 | LAURA ZAMBRANO         | 05-T | X |   | BUSINESS OCCUPANCY     | 179093 | \$75.00  |
| 09/03/14 | VOID                   | 06-T |   |   | VOID                   | 179093 | \$0.00   |
| 09/03/14 | JORGE CAVAZOS          | 07-T | X |   | BUSINESS OCCUPANCY     | 179093 | \$75.00  |
| 09/03/14 | BRIGIDO MARMOLEJO JR   | 08-T |   | X | BURN PERMIT            | 179093 | \$25.00  |
| 09/03/14 | HORACIO GARZA          | 09-T | X |   | BUSINESS OCCUPANCY     | 179093 | \$75.00  |
| 09/03/14 | REYNALDO MORIN         | 10-T | X |   | BURN PERMIT            | 179093 | \$25.00  |
| 09/03/14 | LUIS TRISTAN           | 11-T | X |   | BURN PERMIT            | 179093 | \$25.00  |
| 09/03/14 | JOSE ABEL MORALES      | 12-T | X |   | BURN PERMIT            | 179093 | \$25.00  |
| 09/03/14 | MIGEL GONZALES         | 13-T | X |   | BURN PERMIT            | 179093 | \$25.00  |
| 09/03/14 | VOID                   | 14-T |   |   | VOID                   | 179093 | \$0.00   |
| 09/03/14 | MARIA ROCHA            | 15-T | X |   | BURN PERMIT            | 179093 | \$25.00  |
| 03/14    | AMANDA A CANTU         | 16-T |   | X | BUSINESS OCCUPANCY     | 179093 | \$75.00  |

|          |                                                            |                                          |                                       |                                       |  |                                                        |                                            |                                                |
|----------|------------------------------------------------------------|------------------------------------------|---------------------------------------|---------------------------------------|--|--------------------------------------------------------|--------------------------------------------|------------------------------------------------|
| 09/03/14 | VOID <input checked="" type="checkbox"/>                   | 17-T <input checked="" type="checkbox"/> |                                       |                                       |  | VOID <input checked="" type="checkbox"/>               | <input checked="" type="checkbox"/> 179093 | <input checked="" type="checkbox"/> \$0.00     |
| 09/03/14 | NINFA TREVINO REYES <input checked="" type="checkbox"/>    | 18-T <input checked="" type="checkbox"/> | X <input checked="" type="checkbox"/> |                                       |  | BUSINESS OCCUPANCY <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> 179093 | <input checked="" type="checkbox"/> \$75.00    |
| 09/04/14 | GUADALUPE VASQUEZ <input checked="" type="checkbox"/>      | 19-T <input checked="" type="checkbox"/> | X <input checked="" type="checkbox"/> |                                       |  | BUSINESS OCCUPANCY <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> 179094 | <input checked="" type="checkbox"/> \$75.00    |
| 09/04/14 | JOSE SILVA <input checked="" type="checkbox"/>             | 20-T <input checked="" type="checkbox"/> | X <input checked="" type="checkbox"/> |                                       |  | BURN PERMIT <input checked="" type="checkbox"/>        | <input checked="" type="checkbox"/> 179094 | <input checked="" type="checkbox"/> \$25.00    |
| 09/04/14 | HOMERO GARCIA <input checked="" type="checkbox"/>          | 21-T <input checked="" type="checkbox"/> | X <input checked="" type="checkbox"/> |                                       |  | BURN PERMIT <input checked="" type="checkbox"/>        | <input checked="" type="checkbox"/> 179094 | <input checked="" type="checkbox"/> \$25.00    |
| 09/04/14 | FRANCISCO GONZALEZ <input checked="" type="checkbox"/>     | 22-T <input checked="" type="checkbox"/> | X <input checked="" type="checkbox"/> |                                       |  | BURN PERMIT <input checked="" type="checkbox"/>        | <input checked="" type="checkbox"/> 179094 | <input checked="" type="checkbox"/> \$25.00    |
| 09/05/14 | RALPH GEARHART <input checked="" type="checkbox"/>         | 23-T <input checked="" type="checkbox"/> |                                       | X <input checked="" type="checkbox"/> |  | BURN PERMIT <input checked="" type="checkbox"/>        | <input checked="" type="checkbox"/> 179095 | <input checked="" type="checkbox"/> \$25.00    |
| 09/05/14 | CASEY INDUSTRIAL INC <input checked="" type="checkbox"/>   | 24-T <input checked="" type="checkbox"/> |                                       | X <input checked="" type="checkbox"/> |  | BUILDING PERMIT <input checked="" type="checkbox"/>    | <input checked="" type="checkbox"/> 179095 | <input checked="" type="checkbox"/> \$3,409.34 |
| 09/05/14 | ELIZABETH ALANIZ <input checked="" type="checkbox"/>       | 25-T <input checked="" type="checkbox"/> | X <input checked="" type="checkbox"/> |                                       |  | DAY CARE INSP <input checked="" type="checkbox"/>      | <input checked="" type="checkbox"/> 179095 | <input checked="" type="checkbox"/> \$75.00    |
| 09/05/14 | HIDALGO CO HEAD START <input checked="" type="checkbox"/>  | 26-T <input checked="" type="checkbox"/> |                                       | X <input checked="" type="checkbox"/> |  | BUSINESS OCCUPANCY <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> 179095 | <input checked="" type="checkbox"/> \$75.00    |
| 09/05/14 | OLGA MARTINEZ <input checked="" type="checkbox"/>          | 27-T <input checked="" type="checkbox"/> |                                       | X <input checked="" type="checkbox"/> |  | BURN PERMIT <input checked="" type="checkbox"/>        | <input checked="" type="checkbox"/> 179095 | <input checked="" type="checkbox"/> \$25.00    |
| 09/05/14 | RICARDO GONZALEZ <input checked="" type="checkbox"/>       | 28-T <input checked="" type="checkbox"/> |                                       | X <input checked="" type="checkbox"/> |  | BUSINESS OCCUPANCY <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> 179095 | <input checked="" type="checkbox"/> \$75.00    |
| 09/05/14 | ANA MENDOZA <input checked="" type="checkbox"/>            | 29-T <input checked="" type="checkbox"/> | X <input checked="" type="checkbox"/> |                                       |  | BUSINESS OCCUPANCY <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> 179095 | <input checked="" type="checkbox"/> \$75.00    |
| 09/05/14 | ARTURO TAPIA <input checked="" type="checkbox"/>           | 30-T <input checked="" type="checkbox"/> | X <input checked="" type="checkbox"/> |                                       |  | BURN PERMIT <input checked="" type="checkbox"/>        | <input checked="" type="checkbox"/> 179095 | <input checked="" type="checkbox"/> \$25.00    |
| 09/05/14 | JUAN J GONZALEZ <input checked="" type="checkbox"/>        | 31-T <input checked="" type="checkbox"/> | X <input checked="" type="checkbox"/> |                                       |  | BURN PERMIT <input checked="" type="checkbox"/>        | <input checked="" type="checkbox"/> 179095 | <input checked="" type="checkbox"/> \$25.00    |
| 09/05/14 | FERNANDO LUNA <input checked="" type="checkbox"/>          | 32-T <input checked="" type="checkbox"/> | X <input checked="" type="checkbox"/> |                                       |  | BURN PERMIT <input checked="" type="checkbox"/>        | <input checked="" type="checkbox"/> 179095 | <input checked="" type="checkbox"/> \$25.00    |
| 09/05/14 | JOSE REYES <input checked="" type="checkbox"/>             | 33-T <input checked="" type="checkbox"/> | X <input checked="" type="checkbox"/> |                                       |  | BUSINESS OCCUPANCY <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> 179095 | <input checked="" type="checkbox"/> \$75.00    |
| 09/05/14 | HORACIO GONZALEZ <input checked="" type="checkbox"/>       | 34-T <input checked="" type="checkbox"/> | X <input checked="" type="checkbox"/> |                                       |  | BURN PERMIT <input checked="" type="checkbox"/>        | <input checked="" type="checkbox"/> 179095 | <input checked="" type="checkbox"/> \$25.00    |
| 09/05/14 | ANGEL HORACIO GONZALEZ <input checked="" type="checkbox"/> | 35-T <input checked="" type="checkbox"/> | X <input checked="" type="checkbox"/> |                                       |  | BURN PERMIT <input checked="" type="checkbox"/>        | <input checked="" type="checkbox"/> 179095 | <input checked="" type="checkbox"/> \$25.00    |
| 09/08/14 | MODESTO-YVETTE PADILLA <input checked="" type="checkbox"/> | 36-T <input checked="" type="checkbox"/> |                                       | X <input checked="" type="checkbox"/> |  | FOSTER HOME INSP <input checked="" type="checkbox"/>   | <input checked="" type="checkbox"/> 179171 | <input checked="" type="checkbox"/> \$75.00    |
| 09/08/14 | JESUS AGUILLON <input checked="" type="checkbox"/>         | 8501 <input checked="" type="checkbox"/> | X <input checked="" type="checkbox"/> |                                       |  | BURN PERMIT <input checked="" type="checkbox"/>        | <input checked="" type="checkbox"/> 179171 | <input checked="" type="checkbox"/> \$25.00    |
| 09/08/14 | REYMUNDO CHAPA <input checked="" type="checkbox"/>         | 8502 <input checked="" type="checkbox"/> | X <input checked="" type="checkbox"/> |                                       |  | BURN PERMIT <input checked="" type="checkbox"/>        | <input checked="" type="checkbox"/> 179171 | <input checked="" type="checkbox"/> \$25.00    |
| 09/08/14 | FRANCISCO CUELLO <input checked="" type="checkbox"/>       | 8503 <input checked="" type="checkbox"/> | X <input checked="" type="checkbox"/> |                                       |  | BURN PERMIT <input checked="" type="checkbox"/>        | <input checked="" type="checkbox"/> 179171 | <input checked="" type="checkbox"/> \$25.00    |

4,334.34

x1h

|          |                      |      |   |   |  |                    |        |          |
|----------|----------------------|------|---|---|--|--------------------|--------|----------|
| 09/09/14 | JESUS ALMAGUER       | 8504 |   | X |  | BURN PERMIT        | 179179 | \$25.00  |
| 09/14    | ALEJANDRO GUERRERO   | 8505 | X |   |  | BURN PERMIT        | 179179 | \$25.00  |
| 09/09/14 | ROSENDO GUZMAN       | 8506 | X |   |  | BURN PERMIT        | 179179 | \$25.00  |
| 09/09/14 | ANTONIO PEREZ JR     | 8507 |   | X |  | BUSINESS OCCUPANCY | 179179 | \$75.00  |
| 09/10/14 | CONCEPCION GOMEZ     | 8508 | X |   |  | BURN PERMIT        | 179302 | \$25.00  |
| 09/10/14 | MARIA ALANIS         | 8509 | X |   |  | BUILDING PERMIT    | 179302 | \$200.00 |
| 09/10/14 | ESPERANZA BUSTAMANTE | 8510 | X |   |  | BUSINESS OCCUPANCY | 179302 | \$75.00  |
| 09/10/14 | SIBIO GRACIA         | 8511 | X |   |  | BURN PERMIT        | 179302 | \$25.00  |
| 09/10/14 | ROBERTO VILLARREAL   | 8512 |   | X |  | BUSINESS OCCUPANCY | 179302 | \$75.00  |
| 09/10/14 | JUAN VASQUEZ JR      | 8513 | X |   |  | BURN PERMIT        | 179302 | \$25.00  |
| 09/10/14 | ARTURO GARCIA        | 8514 |   | X |  | FOSTER HOME INSP   | 179302 | \$75.00  |
| 09/10/14 | FERNANDO MOJICA      | 8515 | X |   |  | BURN PERMIT        | 179302 | \$25.00  |
| 09/10/14 | EVAN WILLIAMS        | 8516 |   | X |  | BUILDING PERMIT    | 179302 | \$200.00 |
| 09/10/14 | AMY V ONUERAH        | 8517 |   | X |  | BUSINESS OCCUPANCY | 179302 | \$75.00  |
| 09/10/14 | YSMAEL DISMER        | 8518 | X |   |  | BUSINESS OCCUPANCY | 179302 | \$75.00  |
| 09/10/14 | ROGELIO SALAZAR      | 8519 |   | X |  | FOSTER HOME INSP   | 179302 | \$225.00 |
| 09/10/14 | TOMAS RIOS           | 8520 | X |   |  | BUSINESS OCCUPANCY | 179302 | \$75.00  |
| 09/10/14 | ROLANDO GONZALES     | 8521 |   | X |  | BUSINESS OCCUPANCY | 179302 | \$75.00  |
| 09/10/14 | JOSEFINA VARGAS      | 8522 | X |   |  | BUSINESS OCCUPANCY | 179302 | \$75.00  |
| 09/10/14 | NINFA FLORES         | 8523 |   | X |  | BURN PERMIT        | 179302 | \$25.00  |
| 09/10/14 | RAMON GONZALEZ       | 8524 | X |   |  | BUSINESS OCCUPANCY | 179302 | \$75.00  |
| 09/10/14 | LEONOR SOLIS         | 8525 | X |   |  | BURN PERMIT        | 179302 | \$25.00  |
| 0/14     | YNES GARCIA          | 8526 |   | X |  | BURN PERMIT        | 179302 | \$25.00  |

|          |                        |      |   |   |                           |        |          |
|----------|------------------------|------|---|---|---------------------------|--------|----------|
| 09/10/14 | GERARDO CASTORENA      | 8527 | X |   | BUSINESS OCCUPANCY        | 179302 | \$75.00  |
| 10/14    | ERNESTO ORTIZ JR       | 8528 | X |   | BUILDING PERMIT           | 179302 | \$200.00 |
| 09/10/14 | RAQUEL MIRAMONTES      | 8529 | X |   | BUSINESS OCCUPANCY        | 179302 | \$75.00  |
| 09/10/14 | MOISES MOLINA          | 8530 | X |   | BURN PERMIT               | 179302 | \$25.00  |
| 09/10/14 | RUBEN VELA             | 8531 | X |   | BUSINESS OCCUPANCY        | 179302 | \$75.00  |
| 09/10/14 | RAFAEL RODRIGUEZ       | 8532 | X |   | BUSINESS OCCUPANCY        | 179302 | \$75.00  |
| 09/10/14 | DIEGO VILLA-BARRERA    | 8533 | X |   | BUSINESS OCCUPANCY        | 179302 | \$75.00  |
| 09/10/14 | RUBEN TREVINO          | 8534 |   | X | BUSINESS OCCUPANCY        | 179302 | \$75.00  |
| 09/10/14 | JOSE PEDRAZA           | 8535 | X |   | BUSINESS OCCUPANCY        | 179302 | \$75.00  |
| 09/10/14 | MARIA AGUINAGA         | 8536 | X |   | BURN PERMIT               | 179302 | \$25.00  |
| 09/10/14 | RENE DOMINGUEZ         | 8537 | X |   | BURN PERMIT               | 179302 | \$25.00  |
| 09/10/14 | ZULEMA CANTU           | 8538 |   | X | BUSINESS OCCUPANCY        | 179302 | \$75.00  |
| 09/10/14 | JUAN CHAVEZ            | 8539 | X |   | BUSINESS OCCUPANCY        | 179302 | \$75.00  |
| 09/10/14 | ZULEMA CANTU           | 8540 |   | X | BUSINESS OCCUPANCY        | 179302 | \$75.00  |
| 09/10/14 | SILVIA CHAVEZ          | 8541 | X |   | BUSINESS OCCUPANCY<br>(2) | 179302 | \$150.00 |
| 09/10/14 | MARIA LUVIANOS         | 8542 | X |   | BURN PERMIT               | 179302 | \$25.00  |
| 09/10/14 | AMADEO ACOSTA          | 8543 |   | X | BURN PERMIT               | 179302 | \$25.00  |
| 09/10/14 | JOSE SALAZAR           | 8544 |   | X | BUSINESS OCCUPANCY        | 179302 | \$75.00  |
| 09/10/14 | GABINA MARTINEZ        | 8545 | X |   | BURN PERMIT               | 179302 | \$25.00  |
| 09/10/14 | JOSE SANCHEZ           | 8546 | X |   | BURN PERMIT               | 179302 | \$25.00  |
| 09/10/14 | PETRA MANCIAS DE ROCHA | 8547 | X |   | BUSINESS OCCUPANCY        | 179302 | \$75.00  |
| 09/10/14 | LUPITA GONZALEZ        | 8548 |   | X | BUSINESS OCCUPANCY        | 179302 | \$75.00  |
| 10/14    | ARMINDA MARES          | 8549 | X |   | BUSINESS OCCUPANCY        | 179302 | \$75.00  |

1,575.00

X12

|          |                          |      |   |   |                                                 |        |          |
|----------|--------------------------|------|---|---|-------------------------------------------------|--------|----------|
| 09/10/14 | CYNTHIA REYES            | 8550 | X |   | DAY CARE INSP                                   | 179302 | \$75.00  |
| 10/14    | GERARDO HERNANDEZ        | 8551 | X |   | COMMERCIAL BURN PERMIT                          | 179302 | \$100.00 |
| 09/10/14 | STEPHANIE SALINAS        | 8552 | X |   | BUSINESS OCCUPANCY                              | 179302 | \$75.00  |
| 09/10/14 | PERLA CECILIA VILLARREAL | 8553 | X |   | BUSINESS OCCUPANCY                              | 179302 | \$75.00  |
| 09/10/14 | ARTURO MARTINEZ          | 8554 | X |   | BURN PERMIT                                     | 179302 | \$25.00  |
| 09/10/14 | MARIA SERNA              | 8555 | X |   | BURN PERMIT                                     | 179302 | \$25.00  |
| 09/10/14 | MARIO MORENO             | 8556 |   | X | SPRINKLER SYSTEM PERMIT/PRELIMINARY PLAN REVIEW | 179302 | \$746.00 |
| 09/10/14 | CLARA HATHORN            | 8557 | X |   | BUSINESS OCCUPANCY                              | 179302 | \$75.00  |
| 09/10/14 | FELIPE FLORES            | 8558 | X |   | BURN PERMIT                                     | 179302 | \$25.00  |
| 09/10/14 | RAMONA MEDRANO           | 8559 |   | X | BURN PERMIT                                     | 179302 | \$25.00  |
| 09/10/14 | HECTOR CORTEZ            | 8560 |   | X | BURN PERMIT                                     | 179302 | \$25.00  |
| 09/10/14 | IGNACIO GONZALEZ         | 8561 |   | X | BURN PERMIT                                     | 179302 | \$25.00  |
| 09/10/14 | AMANDEEP S TIWANA        | 8562 |   | X | BUSINESS OCCUPANCY                              | 179302 | \$75.00  |
| 09/10/14 | DAVID RODRIGUEZ          | 8563 |   | X | BUSINESS OCCUPANCY                              | 179302 | \$75.00  |
| 09/10/14 | MARIA MIRAMONTES         | 8564 | X |   | BUSINESS OCCUPANCY                              | 179302 | \$75.00  |
| 09/10/14 | ANALICIA URBINA          | 8565 | X |   | BUSINESS OCCUPANCY                              | 179302 | \$75.00  |
| 09/10/14 | FERMIN ALVAREZ           | 8566 | X |   | BURN PERMIT                                     | 179302 | \$25.00  |
| 09/10/14 | JUAN CARLOS USCANGA      | 8567 | X |   | BUSINESS OCCUPANCY                              | 179302 | \$75.00  |
| 09/10/14 | JOSE GARCIA              | 8568 | X |   | BURN PERMIT                                     | 179302 | \$25.00  |
| 09/10/14 | EDUARDO RODRIGUEZ        | 8569 |   | X | COMMERCIAL BURN PERMIT                          | 179302 | \$100.00 |
| 09/10/14 | JUAN ALANIS              | 8570 | X |   | BURN PERMIT                                     | 179302 | \$25.00  |
| 09/10/14 | JOSE DELAPUENTE          | 8571 | X |   | BUSINESS OCCUPANCY                              | 179302 | \$75.00  |
| 09/10/14 | CYNTHIA ROBLEDO          | 8572 | X |   | BURN PERMIT                                     | 179302 | \$25.00  |

|          |                              |               |            |            |                                  |                          |                  |
|----------|------------------------------|---------------|------------|------------|----------------------------------|--------------------------|------------------|
| 09/10/14 | ELDA VALDEZ $\Delta$         | 8573 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY $\Delta$      | 179302 $\Delta$          | $\Delta$ \$75.00 |
| 10/14    | ALICIA SALINAS $\Delta$      | 8574 $\Delta$ |            | X $\Delta$ | BURN PERMIT $\Delta$             | 179302 $\Delta$          | $\Delta$ \$25.00 |
| 09/10/14 | RICARDO SALAZAR $\Delta$     | 8575 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$             | 179302 $\Delta$          | $\Delta$ \$25.00 |
| 09/10/14 | DANIEL IBANEZ $\Delta$       | 8576 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$             | 179302 $\Delta$          | $\Delta$ \$25.00 |
| 09/10/14 | ABEL GARCIA $\Delta$         | 8577 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY $\Delta$      | 179302 $\Delta$          | $\Delta$ \$75.00 |
| 09/11/14 | ROMEO GARZA $\Delta$         | 8578 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$             | $\Delta$ 179303 $\Delta$ | $\Delta$ \$25.00 |
| 09/11/14 | JENNIFER PAQUIN $\Delta$     | 8579 $\Delta$ |            | X $\Delta$ | PRELIMINARY PLAN REVIEW $\Delta$ | $\Delta$ 179303 $\Delta$ | $\Delta$ \$75.00 |
| 09/11/14 | IRMA GUERRERO $\Delta$       | 8580 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY $\Delta$      | $\Delta$ 179303 $\Delta$ | $\Delta$ \$75.00 |
| 09/12/14 | PABLO OLMEDO $\Delta$        | 8581 $\Delta$ |            | X $\Delta$ | BUSINESS OCCUPANCY $\Delta$      | 179304 $\Delta$          | $\Delta$ \$75.00 |
| 09/12/14 | DOLORES PAGE $\Delta$        | 8582 $\Delta$ |            | X $\Delta$ | DAY CARE INSP $\Delta$           | 179304 $\Delta$          | $\Delta$ \$75.00 |
| 09/12/14 | NATIVIDAD VALENCIA $\Delta$  | 8583 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$             | 179304 $\Delta$          | $\Delta$ \$25.00 |
| 09/12/14 | REYNALDO GUERRERO $\Delta$   | 8584 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$             | 179304 $\Delta$          | $\Delta$ \$25.00 |
| 09/12/14 | ROMEO MIRELES $\Delta$       | 8585 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$             | 179304 $\Delta$          | $\Delta$ \$25.00 |
| 09/15/14 | MONICA S ARGUELLO $\Delta$   | 8586 $\Delta$ |            | X $\Delta$ | BURN PERMIT $\Delta$             | 179382 $\Delta$          | $\Delta$ \$25.00 |
| 09/15/14 | GUADALUPE FERNANDEZ $\Delta$ | 8587 $\Delta$ |            | X $\Delta$ | BUSINESS OCCUPANCY $\Delta$      | 179382 $\Delta$          | $\Delta$ \$75.00 |
| 09/15/14 | GUADALUPE SOLIS $\Delta$     | 8588 $\Delta$ |            | X $\Delta$ | BUSINESS OCCUPANCY $\Delta$      | 179382 $\Delta$          | $\Delta$ \$75.00 |
| 09/15/14 | CINDY GARCIA $\Delta$        | 8589 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$             | 179382 $\Delta$          | $\Delta$ \$25.00 |
| 09/16/14 | ALICIA RODRIGUEZ $\Delta$    | 8590 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$             | 179385 $\Delta$          | $\Delta$ \$25.00 |
| 09/16/14 | ARTURO DELACERDA $\Delta$    | 8591 $\Delta$ |            | X $\Delta$ | BUSINESS OCCUPANCY $\Delta$      | 179385 $\Delta$          | $\Delta$ \$75.00 |
| 09/16/14 | ANGELA DIAZ $\Delta$         | 8592 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY $\Delta$      | 179385 $\Delta$          | $\Delta$ \$75.00 |
| 09/16/14 | RAUL LOERA $\Delta$          | 8593 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$             | 179385 $\Delta$          | $\Delta$ \$25.00 |
| 09/16/14 | LINDOLFO MIRELES $\Delta$    | 8594 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$             | 179385 $\Delta$          | $\Delta$ \$25.00 |
| 6/14     | ARNOLDO GARZA $\Delta$       | 8595 $\Delta$ |            | X $\Delta$ | BURN PERMIT $\Delta$             | 179385 $\Delta$          | $\Delta$ \$25.00 |

|          |                     |      |   |   |                        |        |          |
|----------|---------------------|------|---|---|------------------------|--------|----------|
| 09/16/14 | ENRIQUE CASAS       | 8596 | X |   | BURN PERMIT            | 179385 | \$25.00  |
| 09/17/14 | ANDRES SANCHEZ      | 8597 | X |   | BUSINESS OCCUPANCY     | 179481 | \$75.00  |
| 09/17/14 | PATRICIA PENA       | 8598 | X |   | BUSINESS OCCUPANCY     | 179481 | \$75.00  |
| 09/17/14 | MIGUEL HERNANDEZ    | 8599 | X |   | BURN PERMIT            | 179481 | \$25.00  |
| 09/17/14 | CARLOS VILLANUEVA   | 8600 | X |   | BUSINESS OCCUPANCY     | 179481 | \$75.00  |
| 09/17/14 | GLORIA RODRIGUEZ    | 8601 | X |   | BUSINESS OCCUPANCY     | 179481 | \$75.00  |
| 09/17/14 | YOLANDA PINEDA      | 8602 | X |   | BURN PERMIT            | 179481 | \$25.00  |
| 09/17/14 | LUCY SARMIENTO      | 8603 | X |   | BURN PERMIT            | 179481 | \$25.00  |
| 09/17/14 | MIGUEL PENA         | 8604 | X |   | BURN PERMIT            | 179481 | \$25.00  |
| 09/17/14 | JESSICA LEE BORREGO | 8605 | X |   | BUSINESS OCCUPANCY     | 179481 | \$75.00  |
| 09/17/14 | GORGONIO MORENO     | 8606 | X |   | BURN PERMIT            | 179481 | \$25.00  |
| 09/17/14 | LUZ E HERRERA       | 8607 | X |   | BURN PERMIT            | 179481 | \$25.00  |
| 09/17/14 | RICHARD KOTZUR      | 8608 |   | X | COMMERCIAL BURN PERMIT | 179481 | \$100.00 |
| 09/17/14 | MIKE CLORE          | 8609 |   | X | COMMERCIAL BURN PERMIT | 179481 | \$100.00 |
| 09/17/14 | ELISA G FLORES      | 8610 | X |   | BUSINESS OCCUPANCY     | 179481 | \$75.00  |
| 09/17/14 | SONIA GARCIA        | 8611 |   | X | BUSINESS OCCUPANCY     | 179481 | \$75.00  |
| 09/17/14 | RAMON RUIZ          | 8612 |   | X | BURN PERMIT            | 179481 | \$25.00  |
| 09/17/14 | ROSENDO ARREOLA     | 8613 | X |   | BURN PERMIT            | 179481 | \$25.00  |
| 09/17/14 | LUZ E RIOS          | 8614 |   | X | DAY CARE INSP          | 179481 | \$75.00  |
| 09/17/14 | SANTA MEDINA        | 8615 | X |   | BURN PERMIT            | 179481 | \$25.00  |
| 09/17/14 | MARIA E MENDOZA     | 8616 | X |   | BUSINESS OCCUPANCY     | 179481 | \$75.00  |
| 09/17/14 | ELIZABETH MORONTA   | 8617 |   | X | BUSINESS OCCUPANCY     | 179481 | \$75.00  |
| 09/17/14 | ROSA E GOMEZ        | 8618 | X |   | BURN PERMIT            | 179481 | \$25.00  |

1,225.00

|          |                     |        |   |   |  |                                   |          |            |
|----------|---------------------|--------|---|---|--|-----------------------------------|----------|------------|
| 09/17/14 | FRANCISCO SILVA     | 8619   | X |   |  | BURN PERMIT                       | 179481   | \$25.00    |
| 09/17/14 | LUIS TREVINO        | 8620   | X |   |  | BURN PERMIT                       | 179481   | \$25.00    |
| 09/17/14 | GLORIA VELA         | 8621   |   | X |  | BURN PERMIT                       | 179481   | \$25.00    |
| 09/17/14 | JOSE VILLARREAL     | 8622   |   | X |  | BUSINESS OCCUPANCY                | 179481   | \$75.00    |
| 09/17/14 | GULEBALDO CANTU     | 8623   |   | X |  | BUSINESS OCCUPANCY                | 179481   | \$75.00    |
| 09/17/14 | AMADOR OLIVAREZ     | 8624   | X |   |  | BURN PERMIT                       | 179481   | \$25.00    |
| 09/17/14 | ARMANDO HINOJOSA    | 8625   |   | X |  | BUILDING PERMIT                   | 179481   | \$200.00   |
| 09/17/14 | RAFAEL HERNANDEZ JR | 8626   |   | X |  | BUSINESS OCCUPANCY                | 179481   | \$75.00    |
| 09/17/14 | OSCAR G TREVINO     | 8627   | X |   |  | BUSINESS OCCUPANCY                | 179481   | \$75.00    |
| 09/17/14 | RAMIRO RAMIREZ      | 8628   | X |   |  | BURN PERMIT                       | 179481   | \$25.00    |
| 09/17/14 | MARTHA WONG         | 8629   |   | X |  | BUSINESS OCCUPANCY                | 179481   | \$75.00    |
| 09/17/14 | RUBEN GARCIA        | 8630   |   | X |  | BUSINESS OCCUPANCY                | 179481   | \$75.00    |
| 09/17/14 | HOMERO C CARDENAS   | 8631   | X |   |  | BURN PERMIT                       | 179481   | \$25.00    |
| 09/17/14 | MARY TYSDAL         | 8632   |   | X |  | BURN PERMIT                       | 179481   | \$25.00    |
| 09/17/14 | LUIS ORTEGA         | 8633 A |   | X |  | FIRE ALARM SYSTEM<br>A PERMIT     | 179481 A | \$100.00 A |
| 09/17/14 | JOSE A GARA FLORES  | 8634   | X |   |  | BUSINESS OCCUPANCY                | 179481   | \$75.00    |
| 09/18/14 | BALDEMAR GARCIA     | 8635   |   | X |  | BUSINESS OCCUPANCY                | 179482   | \$75.00    |
| 09/18/14 | JUAN MENDOZA        | 8636   |   | X |  | BURN PERMIT                       | 179482   | \$25.00    |
| 09/19/14 | VIDAL RODRIGUEZ     | 8637   | X |   |  | BURN PERMIT                       | 179483   | \$25.00    |
| 09/19/14 | RAMIRO PEREZ        | 8638 A |   | X |  | COPY OF INVESTIGATION<br>REPORT A | 179483   | \$25.00    |
| 09/19/14 | SYLVIA D CASTILLO   | 8639   |   | X |  | DAY CARE INSP                     | 179483   | \$75.00    |
| 09/19/14 | IRMA S AGUEROS      | 8640   | X |   |  | BURN PERMIT                       | 179483   | \$25.00    |
| 09/22/14 | YVETTE GUERRA       | 8641   | X |   |  | BURN PERMIT                       | 179625   | \$25.00    |

|          |                              |               |            |            |                                                                    |                 |                   |
|----------|------------------------------|---------------|------------|------------|--------------------------------------------------------------------|-----------------|-------------------|
| 09/17/14 | FRANCISCO SILVA $\Delta$     | 8619 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$                                               | 179481 $\Delta$ | $\Delta$ \$25.00  |
| 09/17/14 | LUIS TREVINO $\Delta$        | 8620 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$                                               | 179481 $\Delta$ | $\Delta$ \$25.00  |
| 09/17/14 | GLORIA VELA $\Delta$         | 8621 $\Delta$ |            | X $\Delta$ | BURN PERMIT $\Delta$                                               | 179481 $\Delta$ | $\Delta$ \$25.00  |
| 09/17/14 | JOSE VILLARREAL $\Delta$     | 8622 $\Delta$ |            | X $\Delta$ | BUSINESS OCCUPANCY $\Delta$                                        | 179481 $\Delta$ | $\Delta$ \$75.00  |
| 09/17/14 | GULEBALDO CANTU $\Delta$     | 8623 $\Delta$ |            | X $\Delta$ | BUSINESS OCCUPANCY $\Delta$                                        | 179481 $\Delta$ | $\Delta$ \$75.00  |
| 09/17/14 | AMADOR OLIVAREZ $\Delta$     | 8624 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$                                               | 179481 $\Delta$ | $\Delta$ \$25.00  |
| 09/17/14 | ARMANDO HINOJOSA $\Delta$    | 8625 $\Delta$ |            | X $\Delta$ | BUILDING PERMIT $\Delta$                                           | 179481 $\Delta$ | $\Delta$ \$200.00 |
| 09/17/14 | RAFAEL HERNANDEZ JR $\Delta$ | 8626 $\Delta$ |            | X $\Delta$ | BUSINESS OCCUPANCY $\Delta$                                        | 179481 $\Delta$ | $\Delta$ \$75.00  |
| 09/17/14 | OSCAR G TREVINO $\Delta$     | 8627 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY $\Delta$                                        | 179481 $\Delta$ | $\Delta$ \$75.00  |
| 09/17/14 | RAMIRO RAMIREZ $\Delta$      | 8628 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$                                               | 179481 $\Delta$ | $\Delta$ \$25.00  |
| 09/17/14 | MARTHA WONG $\Delta$         | 8629 $\Delta$ |            | X $\Delta$ | BUSINESS OCCUPANCY $\Delta$                                        | 179481 $\Delta$ | $\Delta$ \$75.00  |
| 09/17/14 | RUBEN GARCIA $\Delta$        | 8630 $\Delta$ |            | X $\Delta$ | BUSINESS OCCUPANCY $\Delta$                                        | 179481 $\Delta$ | $\Delta$ \$75.00  |
| 09/17/14 | HOMERO C CARDENAS $\Delta$   | 8631 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$                                               | 179481 $\Delta$ | $\Delta$ \$25.00  |
| 09/17/14 | MARY TYSDAL $\Delta$         | 8632 $\Delta$ |            | X $\Delta$ | BURN PERMIT $\Delta$                                               | 179481 $\Delta$ | $\Delta$ \$25.00  |
| 09/17/14 | LUIS ORTEGA $\Delta$         | 8633 $\Delta$ |            | X $\Delta$ | <del>SPRINKLER SYSTEM</del><br>Fire Alarm PERMIT $\Delta$          | 179481 $\Delta$ | $\Delta$ \$100.00 |
| 09/17/14 | JOSE A GARA FLORES $\Delta$  | 8634 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY $\Delta$                                        | 179481 $\Delta$ | $\Delta$ \$75.00  |
| 09/18/14 | BALDEMAR GARCIA $\Delta$     | 8635 $\Delta$ |            | X $\Delta$ | BUSINESS OCCUPANCY $\Delta$                                        | 179482 $\Delta$ | $\Delta$ \$75.00  |
| 09/18/14 | JUAN MENDOZA $\Delta$        | 8636 $\Delta$ |            | X $\Delta$ | BURN PERMIT $\Delta$                                               | 179482 $\Delta$ | $\Delta$ \$25.00  |
| 09/19/14 | VIDAL RODRIGUEZ $\Delta$     | 8637 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$                                               | 179483 $\Delta$ | $\Delta$ \$25.00  |
| 09/19/14 | RAMIRO PEREZ $\Delta$        | 8638 $\Delta$ |            | X $\Delta$ | Copy of Investigation<br><del>BURN PERMIT</del><br>Report $\Delta$ | 179483 $\Delta$ | $\Delta$ \$25.00  |
| 09/19/14 | SYLVIA D CASTILLO $\Delta$   | 8639 $\Delta$ |            | X $\Delta$ | DAY CARE INSP $\Delta$                                             | 179483 $\Delta$ | $\Delta$ \$75.00  |
| 09/19/14 | IRMA S AGUEROS $\Delta$      | 8640 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$                                               | 179483 $\Delta$ | $\Delta$ \$25.00  |
| 09/22/14 | YVETTE GUERRA $\Delta$       | 8641 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$                                               | 179625 $\Delta$ | $\Delta$ \$25.00  |

1,275.00

|          |                         |        |     |     |  |                                             |          |            |
|----------|-------------------------|--------|-----|-----|--|---------------------------------------------|----------|------------|
| 09/22/14 | RAMIRO AGADO ✓          | 8642 ✓ |     | X ✓ |  | BURN PERMIT ✓                               | 179625 ✓ | ✓ \$25.00  |
| 09/23/14 | ELSA STATE BANK ✓       | 8643 ✓ |     | X ✓ |  | BUSINESS OCCUPANCY ✓                        | 179626 ✓ | ✓ \$75.00  |
| 09/23/14 | JAVIER GONZALEZ ✓       | 8644 ✓ | X ✓ |     |  | BURN PERMIT ✓                               | 179626 ✓ | ✓ \$25.00  |
| 09/23/14 | JOSE G ROQUE ✓          | 8645 ✓ | X ✓ |     |  | BURN PERMIT ✓                               | 179626 ✓ | ✓ \$25.00  |
| 09/23/14 | AIDA V IBARRA ✓         | 8646 ✓ | X ✓ |     |  | BURN PERMIT ✓                               | 179626 ✓ | ✓ \$25.00  |
| 09/23/14 | COTY L HARGETT ✓        | 8647 ✓ | X ✓ |     |  | BURN PERMIT ✓                               | 179626 ✓ | ✓ \$25.00  |
| 09/23/14 | JOHN RIGNEY II ✓        | 8648 ✓ |     | X ✓ |  | BURN PERMIT ✓                               | 179626 ✓ | ✓ \$25.00  |
| 09/23/14 | ANTONIO MARTINEZ ✓      | 8649 ✓ | X ✓ |     |  | BURN PERMIT ✓                               | 179626 ✓ | ✓ \$25.00  |
| 09/24/14 | CESAR G CANTU ✓         | 8650 ✓ | X ✓ |     |  | BUSINESS OCCUPANCY ✓                        | 179627 ✓ | ✓ \$75.00  |
| 09/24/14 | MARIA G REYES ✓         | 8651 ✓ | X ✓ |     |  | BUSINESS OCCUPANCY ✓                        | 179627 ✓ | ✓ \$75.00  |
| 09/24/14 | JAMES D JOHNSON ✓       | 8652 ✓ | X ✓ |     |  | BURN PERMIT ✓                               | 179627 ✓ | ✓ \$25.00  |
| 09/24/14 | HIDALGO CO HEAD START ✓ | 8653 ✓ |     | X ✓ |  | BUSINESS OCCUPANCY ✓                        | 179627 ✓ | ✓ \$75.00  |
| 09/24/14 | CLAUDIA DE LA GARZA ✓   | 8654 ✓ | X ✓ |     |  | BUSINESS OCCUPANCY ✓                        | 179627 ✓ | ✓ \$75.00  |
| 09/24/14 | LORENZO RODRIGUEZ ✓     | 8655 ✓ |     | X ✓ |  | FIRE ALARM SYSTEM<br>PERMIT / PLAN REVIEW ✓ | 179627 ✓ | ✓ \$175.00 |
| 09/24/14 | GERARDO CAZARES ✓       | 8656 ✓ | X ✓ |     |  | BUSINESS OCCUPANCY ✓                        | 179627 ✓ | ✓ \$75.00  |
| 09/24/14 | FRANCISCO J DIAZ ✓      | 8657 ✓ | X ✓ |     |  | BURN PERMIT (2) ✓                           | 179627 ✓ | ✓ \$50.00  |
| 09/24/14 | LORRENZO RODRIGUEZ ✓    | 8658 ✓ |     | X ✓ |  | FIRE ALARM SYSTEM<br>PERMIT / PLAN REVIEW ✓ | 179627 ✓ | ✓ \$175.00 |
| 09/24/14 | JUAN GARZA ✓            | 8659 ✓ |     | X ✓ |  | BUSINESS OCCUPANCY ✓                        | 179627 ✓ | ✓ \$75.00  |
| 09/24/14 | JUAN REYES JR ✓         | 8660 ✓ | X ✓ |     |  | BURN PERMIT ✓                               | 179627 ✓ | ✓ \$25.00  |
| 09/24/14 | ABEL RAMIREZ JR ✓       | 8661 ✓ | X ✓ |     |  | BURN PERMIT ✓                               | 179627 ✓ | ✓ \$25.00  |
| 09/24/14 | REYNALDO GARZA ✓        | 8662 ✓ |     | X ✓ |  | BURN PERMIT ✓                               | 179627 ✓ | ✓ \$25.00  |
| 09/24/14 | ABELARDO TREVINO ✓      | 8663 ✓ | X ✓ |     |  | BURN PERMIT ✓                               | 179627 ✓ | ✓ \$25.00  |
| 09/24/14 | RIGOBERTO GARCIA III ✓  | 8664 ✓ | X ✓ |     |  | BURN PERMIT ✓                               | 179627 ✓ | ✓ \$25.00  |

1,250.00

XI

|          |                             |        |     |     |                                                           |          |            |
|----------|-----------------------------|--------|-----|-----|-----------------------------------------------------------|----------|------------|
| 09/24/14 | PRAXEDIS SOLIZ JR ✓         | 8665 ✓ | X ✓ |     | BURN PERMIT ✓                                             | 179627 ✓ | ✓ \$25.00  |
| 09/24/14 | SAN JUANITA BELTRAL ✓       | 8666 ✓ | X ✓ |     | BURN PERMIT/BUSINESS<br>OCCUPANCY ✓                       | 179627 ✓ | ✓ \$100.00 |
| 09/24/14 | JUAN BAUTISTA ✓             | 8667 ✓ | X ✓ |     | BURN PERMIT ✓                                             | 179627 ✓ | ✓ \$25.00  |
| 09/24/14 | RAUL L LOPEZ ✓              | 8668 ✓ | X ✓ |     | BUILDING PERMIT ✓                                         | 179627 ✓ | ✓ \$200.00 |
| 09/24/14 | ROGELIO DIAZ JR ✓           | 8669 ✓ | X ✓ |     | BURN PERMIT ✓                                             | 179627 ✓ | ✓ \$25.00  |
| 09/24/14 | SAN CARLOS COMM<br>CENTER ✓ | 8670 ✓ |     | X ✓ | SPRINKLER SYSTEM<br>PERMIT / PRELIMINARY<br>PLAN REVIEW ✓ | 179627 ✓ | ✓ \$225.00 |
| 09/24/14 | HELEN NASH ✓                | 8671 ✓ |     | X ✓ | BURN PERMIT ✓                                             | 179627 ✓ | ✓ \$25.00  |
| 09/24/14 | JOSE G LOPEZ ✓              | 8672 ✓ | X ✓ |     | BURN PERMIT / BUSINESS<br>OCCUPANCY ✓                     | 179627 ✓ | ✓ \$100.00 |
| 09/24/14 | FELIBERTO H PEREZ ✓         | 8673 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓                                      | 179627 ✓ | ✓ \$75.00  |
| 09/24/14 | MAGDALENA MARTINEZ ✓        | 8674 ✓ | X ✓ |     | BURN PERMIT ✓                                             | 179627 ✓ | ✓ \$25.00  |
| 09/24/14 | JEFFREY W DICKERSON ✓       | 8675 ✓ | X ✓ |     | BURN PERMIT ✓                                             | 179627 ✓ | ✓ \$25.00  |
| 09/24/14 | NOELIA MELENDEZ ✓           | 8676 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓                                      | 179627 ✓ | ✓ \$75.00  |
| 09/24/14 | JESUS SANCHEZ ✓             | 8677 ✓ | X ✓ |     | BURN PERMIT ✓                                             | 179627 ✓ | ✓ \$25.00  |
| 09/24/14 | HORACIO LOZANO ✓            | 8678 ✓ | X ✓ |     | BURN PERMIT ✓                                             | 179627 ✓ | ✓ \$25.00  |
| 09/24/14 | ELISANDRO SERRATO ✓         | 8679 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓                                      | 179627 ✓ | ✓ \$75.00  |
| 09/24/14 | JESUS RAMIREZ ✓             | 8680 ✓ | X ✓ |     | BURN PERMIT ✓                                             | 179627 ✓ | ✓ \$25.00  |
| 09/24/14 | GLORIA RODRIGUEZ ✓          | 8681 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓                                      | 179627 ✓ | ✓ \$75.00  |
| 09/24/14 | JOSE A TORRES ✓             | 8682 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓                                      | 179627 ✓ | ✓ \$75.00  |
| 09/24/14 | ENRIQUE CORTEZ ✓            | 8683 ✓ |     | X ✓ | BUSINESS OCCUPANCY ✓                                      | 179627 ✓ | ✓ \$75.00  |
| 09/24/14 | JOSEPH U EROMOSELE ✓        | 8684 ✓ |     | X ✓ | BUSINESS OCCUPANCY ✓                                      | 179627 ✓ | ✓ \$75.00  |
| 09/24/14 | SUZANNE M HERZING ✓         | 8685 ✓ |     | X ✓ | BURN PERMIT ✓                                             | 179627 ✓ | ✓ \$25.00  |
| 09/24/14 | MARIA T SALINAS ✓           | 8686 ✓ | X ✓ |     | BURN PERMIT ✓                                             | 179627 ✓ | ✓ \$25.00  |
| 09/24/14 | HECTOR VELIZ ✓              | 8687 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓                                      | 179627 ✓ | ✓ \$75.00  |

|          |                      |      |   |   |   |                                   |        |          |
|----------|----------------------|------|---|---|---|-----------------------------------|--------|----------|
| 09/24/14 | ARNULFO CONSTENTINOS | 8688 | X |   |   | BURN PERMIT                       | 179627 | \$25.00  |
| 09/24/14 | JESUS CONSTANTINO    | 8689 | X |   |   | BURN PERMIT                       | 179627 | \$25.00  |
| 09/24/14 | ROSALBA R AVILA      | 8690 |   |   | X | BUSINESS OCCUPANCY                | 179627 | \$75.00  |
| 09/24/14 | CELIA REYNA          | 8691 | X |   |   | BURN PERMIT                       | 179627 | \$25.00  |
| 09/24/14 | MATEO M LEAL         | 8692 |   | X |   | BUSINESS OCCUPANCY                | 179627 | \$75.00  |
| 09/24/14 | RUBEN DURAN          | 8693 |   | X |   | BUSINESS OCCUPANCY                | 179627 | \$75.00  |
| 09/24/14 | LETICIA MARTINEZ     | 8694 |   | X |   | BUSINESS OCCUPANCY                | 179627 | \$75.00  |
| 09/24/14 | RAUL ARCE            | 8695 | X |   |   | BURN PERMIT                       | 179627 | \$25.00  |
| 09/25/14 | BULL DOG FIRE SAFETY | 8696 |   | X |   | FIRE PROTECTION<br>SYSTEMS PERMIT | 179724 | \$150.00 |
| 09/25/14 | BULL DOG FIRE SAFETY | 8697 |   | X |   | FIRE PROTECTION<br>SYSTEMS PERMIT | 179724 | \$150.00 |
| 09/25/14 | MANUEL DE RUEDA      | 8698 | X |   |   | BURN PERMIT                       | 179724 | \$25.00  |
| 09/25/14 | JOSE G ARANDA        | 8699 | X |   |   | BURN PERMIT                       | 179724 | \$25.00  |
| 09/25/14 | RAUL V CANTU         | 8700 |   | X |   | BURN PERMIT                       | 179724 | \$25.00  |
| 09/25/14 | MICHAEL RIOS         | 8701 | X |   |   | BURN PERMIT                       | 179724 | \$25.00  |
| 09/25/14 | MICHELLE Y BONILLA   | 8702 | X |   |   | BURN PERMIT                       | 179724 | \$25.00  |
| 09/26/14 | LORENA GOMEZ         | 8703 | X |   |   | BURN PERMIT                       | 179723 | \$25.00  |
| 09/26/14 | JERRY ESTOPY         | 8704 | X |   |   | BURN PERMIT                       | 179723 | \$25.00  |
| 09/26/14 | BERTHA RENDON        | 8705 | X |   |   | BURN PERMIT                       | 179723 | \$25.00  |
| 09/26/14 | FRANCISCO GONZALEZ   | 8706 |   | X |   | BURN PERMIT                       | 179723 | \$25.00  |
|          | DOMINGO GONZALEZ     | 8707 |   | X |   | BUSINESS OCCUPANCY                | 179723 | \$75.00  |
| 09/26/14 | JOSE BARRIENTOS      | 8708 | X |   |   | BURN PERMIT                       | 179723 | \$25.00  |
| 09/26/14 | JOSE A SALINAS       | 8709 |   | X |   | BURN PERMIT                       | 179723 | \$25.00  |
| 09/26/14 | RICK MALDONADO       | 8710 | X |   |   | BURN PERMIT                       | 179723 | \$25.00  |

Revised

|          |                      |              |   |   |                                |        |          |
|----------|----------------------|--------------|---|---|--------------------------------|--------|----------|
| 09/24/14 | ARNULFO CONSTENTINOS | 8688         | X |   | BURN PERMIT                    | 179627 | \$25.00  |
| 09/24/14 | JESUS CONSTANTINO    | 8689         | X |   | BURN PERMIT                    | 179627 | \$25.00  |
| 09/24/14 | ROSALBA R AVILA      | 8690         |   | X | BUSINESS OCCUPANCY             | 179627 | \$75.00  |
| 09/24/14 | CELIA REYNA          | 8691         | X |   | BURN PERMIT                    | 179627 | \$25.00  |
| 09/24/14 | MATEO M LEAL         | 8692         |   | X | BUSINESS OCCUPANCY             | 179627 | \$75.00  |
| 09/24/14 | RUBEN DURAN          | 8693         |   | X | BUSINESS OCCUPANCY             | 179627 | \$75.00  |
| 09/24/14 | LETICIA MARTINEZ     | 8694         |   | X | BUSINESS OCCUPANCY             | 179627 | \$75.00  |
| 09/24/14 | RAUL ARCE            | 8695         | X |   | BURN PERMIT                    | 179627 | \$25.00  |
| 09/25/14 | BULL DOG FIRE SAFETY | 8696         |   | X | FIRE PROTECTION SYSTEMS PERMIT | 179724 | \$150.00 |
| 09/25/14 | BULL DOG FIRE SAFETY | 8697         |   | X | FIRE PROTECTION SYSTEMS PERMIT | 179724 | \$150.00 |
| 09/25/14 | MANUEL DE RUEDA      | 8698         | X |   | BURN PERMIT                    | 179724 | \$25.00  |
| 09/25/14 | JOSE G ARANDA        | 8699         | X |   | BURN PERMIT                    | 179724 | \$25.00  |
| 09/25/14 | RAUL V CANTU         | 8700         |   | X | BURN PERMIT                    | 179724 | \$25.00  |
| 09/25/14 | MICHAEL RIOS         | 8701         | X |   | BURN PERMIT                    | 179724 | \$25.00  |
| 09/25/14 | MICHELLE Y BONILLA   | 8702         | X |   | BURN PERMIT                    | 179724 | \$25.00  |
| 09/26/14 | LORENA GOMEZ         | 8703         | X |   | BURN PERMIT                    | 179723 | \$25.00  |
| 09/26/14 | JERRY ESTOPY         | 8704         | X |   | BURN PERMIT                    | 179723 | \$25.00  |
| 09/26/14 | BERTHA RENDON        | 8705         | X |   | BURN PERMIT                    | 179723 | \$25.00  |
| 09/26/14 | FRANCISCO GONZALEZ   | 8706         |   | X | BURN PERMIT                    | 179723 | \$25.00  |
| 09/26/14 | JOSE BARRIENTOS      | 8708<br>8707 | X |   | BURN PERMIT                    | 179723 | \$25.00  |
| 09/26/14 | DOMINGO GONZALEZ     | 8707<br>8708 |   | X | BUSINESS OCCUPANCY             | 179723 | \$75.00  |
| 09/26/14 | JOSE A SALINAS       | 8709         |   | X | BURN PERMIT                    | 179723 | \$25.00  |
| 09/26/14 | RICK MALDONADO       | 8710         | X |   | BURN PERMIT                    | 179723 | \$25.00  |

|          |                            |               |            |            |  |                      |                    |                    |
|----------|----------------------------|---------------|------------|------------|--|----------------------|--------------------|--------------------|
| 09/26/14 | HECTOR MALDONADO $\Delta$  | 8711 $\Delta$ | X $\Delta$ |            |  | BURN PERMIT $\Delta$ | 179723 $\Delta$    | \$25.00 $\Delta$   |
| 09/29/14 | MARTIN MONTEAGUDO $\Delta$ | 8712 $\Delta$ |            | X $\Delta$ |  | BURN PERMIT $\Delta$ | 179725 $\Delta$    | \$25.00 $\Delta$   |
| 09/29/14 | EVELIA S GARZA $\Delta$    | 8713 $\Delta$ | X $\Delta$ |            |  | BURN PERMIT $\Delta$ | 179725 $\Delta$    | \$25.00 $\Delta$   |
| 09/30/14 | HARRY C COLWELL $\Delta$   | 8714 $\Delta$ | X $\Delta$ |            |  | BURN PERMIT $\Delta$ | 179846 $\Delta$    | \$25.00 $\Delta$   |
| 09/30/14 | VOID $\Delta$              | 8715 $\Delta$ |            |            |  | VOID $\Delta$        | 179846 $\Delta$    | \$0.00 $\Delta$    |
| 09/30/14 | ARMANDO GARCIA $\Delta$    | 8716 $\Delta$ | X $\Delta$ |            |  | BURN PERMIT $\Delta$ | 179846 $\Delta$    | \$25.00 $\Delta$   |
|          |                            |               |            |            |  |                      | <b>Grand Total</b> | <b>\$20,412.84</b> |

This report has been personally reviewed by me and I certify the above to be true and correct to the best of my knowledge.

Approved by:   
Fire Marshal

10/7/14  
Date

Prepared by: Elizabeth Castro  
Administrative Assistant

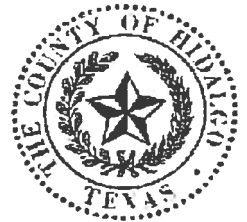
10/7/14  
Date

Print Name: Juan Martinez

Print Name: Elizabeth Castro

This report is due in the Office of the County Auditor on or before the fifth (5th) business day after the end of the month.

County Auditor's Form: ARS-FM  
001  
Revised 10/04



HIDALGO COUNTY AUDITOR'S OFFICE  
APPROVED BY: Bmo  
DATE: 10/24/14

RECEIVED BY  
COUNTY AUDITOR  
2014 OCT 7 PM 3 07

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# COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

November 7, 2014

Mr. Juan Martinez  
Hidalgo County Fire Marshal  
1124 N. M Road  
Edinburg, Texas 78539

Ref: Review of *Monthly Report* and Supporting Documentation  
For the month of September 2014

Dear Mr. Martinez:

We conducted a limited scope review of the *Monthly Report* and all supporting documentation for the month of September 2014 pursuant to Local Government Code §115.002 (a) and §115.002 (b). The objective of the review was to determine if fees collected were properly accounted and reported.

## **Scope and Methodology:**

The scope of our review was limited to collections reported by the Fire Marshal's Office on the *Monthly Report* for the month of September 2014. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

The purpose of this report is to furnish management independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

## **Methodology:**

In planning and performing our review, we reviewed applicable statutes and fee schedules. The following procedures were performed:

- Reviewed the submittal dates of the *Monthly Reports* and applicable supporting documentation to the County Auditor's Office to determine if the reports and applicable supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Reports* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Reports* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified receipts issued followed a sequential order.
- Verified that procedures for voided receipts were properly followed.
- Reviewed *Daily Remittance* to determine whether fees collected were properly accounted and deposited with the County Treasurer on a daily basis.
- Verified that the collections per the *Monthly Reports* agreed to total receipts issued and the deposits made with the County Treasurer.
- Reviewed receipts, *Daily Remittance*, and *Monthly Reports* to verify proper completion.

## **HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TIJERINA  
JUDGE, 32<sup>ND</sup> D C

RODOLFO DELGADO  
JUDGE, 33<sup>RD</sup> D C

J. R. BOBBY FLORES  
JUDGE, 139<sup>TH</sup> D C

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D C

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D C

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D C

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D C  
OVERSEER

LETICIA LOPEZ  
JUDGE, 385<sup>TH</sup> D C

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D C

ISRAEL RAMON, JR.  
JUDGE, 438<sup>TH</sup> D C

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D C

**Conclusion:**

Total collections for the month of September were \$20,412.84. Based on the results of our review, we have concluded that generally fees collected were properly accounted and reported.

If you should have any questions, please do not hesitate to call Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, or Arcy B. Duran, CPA, Director of Audit, at ext. 4645.

Respectfully,

  
Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer

---

**HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 369<sup>TH</sup> D.C.

ADA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

# HIDALGO COUNTY FIRE MARSHAL MONTHLY REPORT FOR THE MONTH OF OCTOBER

p pbc

|          | APPLICANT             | RECEIPT | Cash | Check | MO | TYPE OF                       | TREASURER | AMOUNTS DUE TO |
|----------|-----------------------|---------|------|-------|----|-------------------------------|-----------|----------------|
| DATE     | NAME                  | NUMBER  |      |       |    | SERVICE                       | RECEIPT   | COUNTY         |
| 10/01/14 | DEYANIRA S GONZALEZ   | 8717    |      | X     |    | DAY CARE INSP                 | 179847    | \$75.00        |
| 10/01/14 | EAGLE INSURANCE       | 8718    |      | X     |    | BUSINESS OCCUPANCY            | 179847    | \$75.00        |
| 10/01/14 | ROLANDO SALINAS       | 8719    | X    |       |    | BUSINESS OCCUPANCY            | 179847    | \$75.00        |
| 10/01/14 | JORGE L GONZALEZ      | 8720    | X    |       |    | BURN PERMIT                   | 179847    | \$25.00        |
| 10/01/14 | ALEJO TEJADA          | 8721    |      | X     |    | FIRE ALARM SYSTEM PERMIT      | 179847    | \$100.00       |
| 10/01/14 | JAMES BENIYAM         | 8722    |      | X     |    | BUSINESS OCCUPANCY            | 179847    | \$75.00        |
| 10/01/14 | DIAMIANITA A MARTINEZ | 8723    |      | X     |    | BURN PERMIT                   | 179847    | \$25.00        |
| 10/01/14 | BLANCA ESCOBAR        | 8724    | X    |       |    | BURN PERMIT                   | 179847    | \$25.00        |
| 10/01/14 | IRMA REYES            | 8725    |      | X     |    | BURN PERMIT                   | 179847    | \$25.00        |
| 10/01/14 | LUIS GONZALEZ         | 8726    | X    |       |    | BURN PERMIT                   | 179847    | \$25.00        |
| 10/01/14 | JIM PUTNEY            | 8727    | X    |       |    | COPY OF INVESTIGATION REPPORT | 179847    | \$25.00        |
| 10/01/14 | ALFONSO RODRIGUEZ     | 8728    | X    |       |    | BURN PERMIT                   | 179847    | \$25.00        |
| 10/01/14 | FRANCISCO RAMIREZ     | 8729    | X    |       |    | BUSINESS OCCUPANCY            | 179847    | \$75.00        |
| 10/01/14 | ALFONSO ABREGO        | 8730    | X    |       |    | BUSINESS OCCUPANCY            | 179847    | \$75.00        |
| 10/01/14 | RODNEY WOMACK         | 8731    |      | X     |    | COMMERICAL BURN PERMIT        | 179847    | \$100.00       |
| 10/01/14 | ELIZABETH E CASTILLO  | 8732    |      | X     |    | DAY CARE INSP                 | 179847    | \$75.00        |
| 10/01/14 | FERNANDO LUNA         | 8733    | X    |       |    | BURN PERMIT                   | 179847    | \$25.00        |
| 10/01/14 | LEANDRO GARCIA        | 8734    | X    |       |    | BURN PERMIT                   | 179847    | \$25.00        |
| 10/01/14 | FRANCISCO RAMIREZ     | 8735    | X    |       |    | BURN PERMIT                   | 179847    | \$25.00        |
| 10/01/14 | ALEJANDRA RANGEL      | 8736    |      | X     |    | BUSINESS OCCUPANCY            | 179847    | \$75.00        |

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|          |                                      |                   |                |                |                                          |                     |                       |
|----------|--------------------------------------|-------------------|----------------|----------------|------------------------------------------|---------------------|-----------------------|
| 10/01/14 | PAULA BRIDGES <del>4</del>           | 8737 <del>4</del> |                | X <del>4</del> | BUSINESS OCCUPANCY <del>4</del>          | 179847 <del>4</del> | \$75.00 <del>4</del>  |
| 10/01/14 | PAULA BRIDGES <del>4</del>           | 8738 <del>4</del> |                | X <del>4</del> | BUSINESS OCCUPANCY <del>4</del>          | 179847 <del>4</del> | \$75.00 <del>4</del>  |
| 10/01/14 | CLEMENTINA URREA <del>4</del>        | 8739 <del>4</del> | X <del>4</del> |                | BUILDING PERMIT/BURN PERMIT <del>4</del> | 179847 <del>4</del> | \$225.00 <del>4</del> |
| 10/01/14 | JESUS MONTEMAYOR <del>4</del>        | 8740 <del>4</del> | X <del>4</del> |                | BUSINESS OCCUPANCY <del>4</del>          | 179847 <del>4</del> | \$75.00 <del>4</del>  |
| 10/01/14 | TOMAS SALINAS <del>4</del>           | 8741 <del>4</del> | X <del>4</del> |                | BURN PERMIT <del>4</del>                 | 179847 <del>4</del> | \$25.00 <del>4</del>  |
| 10/01/14 | DAVID FLORES <del>4</del>            | 8742 <del>4</del> |                | X <del>4</del> | BURN PERMIT <del>4</del>                 | 179847 <del>4</del> | \$25.00 <del>4</del>  |
| 10/01/14 | YESENIA GARZA <del>4</del>           | 8743 <del>4</del> | X <del>4</del> |                | BUSINESS OCCUPANCY <del>4</del>          | 179847 <del>4</del> | \$75.00 <del>4</del>  |
| 10/01/14 | FRANCES G MONTALVO <del>4</del>      | 8744 <del>4</del> | X <del>4</del> |                | BURN PERMIT <del>4</del>                 | 179847 <del>4</del> | \$25.00 <del>4</del>  |
| 10/01/14 | JORGE TAMEZ <del>4</del>             | 8745 <del>4</del> | X <del>4</del> |                | BUSINESS OCCUPANCY <del>4</del>          | 179847 <del>4</del> | \$75.00 <del>4</del>  |
| 10/01/14 | ELIBORIO PEREZ <del>4</del>          | 8746 <del>4</del> |                | X <del>4</del> | BURN PERMIT <del>4</del>                 | 179847 <del>4</del> | \$25.00 <del>4</del>  |
| 10/01/14 | GERONIMO CASTANEDA <del>4</del>      | 8747 <del>4</del> | X <del>4</del> |                | BURN PERMIT <del>4</del>                 | 179847 <del>4</del> | \$25.00 <del>4</del>  |
| 10/01/14 | ESPERANZA GARZA <del>4</del>         | 8748 <del>4</del> | X <del>4</del> |                | BUSINESS OCCUPANCY <del>4</del>          | 179847 <del>4</del> | \$75.00 <del>4</del>  |
| 10/01/14 | VERONICA SANCHEZ <del>4</del>        | 8749 <del>4</del> |                | X <del>4</del> | BUSINESS OCCUPANCY <del>4</del>          | 179847 <del>4</del> | \$75.00 <del>4</del>  |
| 10/01/14 | MARIA A SEGURA <del>4</del>          | 8750 <del>4</del> |                | X <del>4</del> | BUSINESS OCCUPANCY <del>4</del>          | 179847 <del>4</del> | \$75.00 <del>4</del>  |
| 10/01/14 | EDUARDO MAURICIO <del>4</del>        | 8751 <del>4</del> | X <del>4</del> |                | BURN PERMIT <del>4</del>                 | 179847 <del>4</del> | \$25.00 <del>4</del>  |
| 10/01/14 | MIGUEL GUTIERREZ <del>4</del>        | 8752 <del>4</del> | X <del>4</del> |                | BURN PERMIT <del>4</del>                 | 179847 <del>4</del> | \$25.00 <del>4</del>  |
| 10/01/14 | ADYRE LUMBRERAS <del>4</del>         | 8753 <del>4</del> | X <del>4</del> |                | BUSINESS OCCUPANCY <del>4</del>          | 179847 <del>4</del> | \$75.00 <del>4</del>  |
| 10/01/14 | ROXANNA RIBERA <del>4</del>          | 8754 <del>4</del> |                | X <del>4</del> | BUSINESS OCCUPANCY <del>4</del>          | 179847 <del>4</del> | \$75.00 <del>4</del>  |
| 10/01/14 | KARLA MORENO <del>4</del>            | 8755 <del>4</del> | X <del>4</del> |                | BUSINESS OCCUPANCY <del>4</del>          | 179847 <del>4</del> | \$75.00 <del>4</del>  |
| 10/01/14 | JOSE VALDEZ <del>4</del>             | 8756 <del>4</del> | X <del>4</del> |                | BURN PERMIT <del>4</del>                 | 179847 <del>4</del> | \$25.00 <del>4</del>  |
| 10/01/14 | ARTURO GONZALEZ <del>4</del>         | 8757 <del>4</del> | X <del>4</del> |                | BUSINESS OCCUPANCY <del>4</del>          | 179847 <del>4</del> | \$75.00 <del>4</del>  |
| 10/01/14 | CHARLES LITTLE <del>4</del>          | 8758 <del>4</del> |                | X <del>4</del> | BUSINESS OCCUPANCY <del>4</del>          | 179847 <del>4</del> | \$75.00 <del>4</del>  |
| 10/01/14 | MAYTE S CARLOS ESCOBEDO <del>4</del> | 8759 <del>4</del> | X <del>4</del> |                | BUSINESS OCCUPANCY <del>4</del>          | 179847 <del>4</del> | \$75.00 <del>4</del>  |
| 10/01/14 | ASG SECURITY <del>4</del>            | 8760 <del>4</del> |                | X <del>4</del> | FIRE ALARM SYSTEM PERMIT <del>4</del>    | 179847 <del>4</del> | \$100.00 <del>4</del> |

|          |                                |               |            |            |  |                                         |                 |                   |
|----------|--------------------------------|---------------|------------|------------|--|-----------------------------------------|-----------------|-------------------|
| 10/01/14 | GEORGE LUKHAM $\Delta$         | $\Delta$ 8761 |            | $\Delta$   |  | BUILDING PERMIT                         | 179847 $\Delta$ | \$200.00 $\Delta$ |
| 10/01/14 | OVIDIO L TREVINO $\Delta$      | $\Delta$ 8762 | X $\Delta$ |            |  | BURN PERMIT $\Delta$                    | 179847 $\Delta$ | \$25.00 $\Delta$  |
| 10/01/14 | LJV FIRE SECURITY $\Delta$     | $\Delta$ 8763 |            | X $\Delta$ |  | FIRE PROTECTION SYSTEMS PERMIT $\Delta$ | 179847 $\Delta$ | \$150.00 $\Delta$ |
| 10/02/14 | HECTOR LARA $\Delta$           | $\Delta$ 8764 |            | X $\Delta$ |  | BURN PERMIT $\Delta$                    | 180001 $\Delta$ | \$25.00 $\Delta$  |
| 10/02/14 | NOEL LOPEZ $\Delta$            | $\Delta$ 8765 | X $\Delta$ |            |  | BURN PERMIT $\Delta$                    | 180001 $\Delta$ | \$25.00 $\Delta$  |
| 10/03/14 | CRISTIAN I LOERA $\Delta$      | $\Delta$ 8766 | X $\Delta$ |            |  | DAY CARE INSP $\Delta$                  | 180002 $\Delta$ | \$75.00 $\Delta$  |
| 10/03/14 | HERMILA OCHOA $\Delta$         | $\Delta$ 8767 |            | X $\Delta$ |  | BURN PERMIT $\Delta$                    | 180002 $\Delta$ | \$25.00 $\Delta$  |
| 10/03/14 | CHRIS GALLEGOS $\Delta$        | $\Delta$ 8768 | X $\Delta$ |            |  | BURN PERMIT $\Delta$                    | 180002 $\Delta$ | \$25.00 $\Delta$  |
| 10/06/14 | BRIAN JONES $\Delta$           | $\Delta$ 8769 | X $\Delta$ |            |  | BURN PERMIT $\Delta$                    | 180003 $\Delta$ | \$25.00 $\Delta$  |
| 10/07/14 | DAVID EDRINGTON $\Delta$       | $\Delta$ 8770 | X $\Delta$ |            |  | BURN PERMIT $\Delta$                    | 180047 $\Delta$ | \$25.00 $\Delta$  |
| 10/07/14 | AMALIA MORIN $\Delta$          | $\Delta$ 8771 |            | X $\Delta$ |  | BURN PERMIT $\Delta$                    | 180047 $\Delta$ | \$25.00 $\Delta$  |
| 10/07/14 | JESUS MONTEZ $\Delta$          | $\Delta$ 8772 | X $\Delta$ |            |  | COPY OF INVESTIGATION REPPORT $\Delta$  | 180047 $\Delta$ | \$25.00 $\Delta$  |
| 10/07/14 | FERNANDO CORONADO $\Delta$     | $\Delta$ 8773 | X $\Delta$ |            |  | BURN PERMIT $\Delta$                    | 180047 $\Delta$ | \$25.00 $\Delta$  |
| 10/08/14 | SAN JUANA SERNA $\Delta$       | $\Delta$ 8774 |            | X $\Delta$ |  | BURN PERMIT $\Delta$                    | 180048 $\Delta$ | \$25.00 $\Delta$  |
| 10/08/14 | GLEN S MORGAN $\Delta$         | $\Delta$ 8775 |            | X $\Delta$ |  | BUSINESS OCCUPANCY $\Delta$             | 180048 $\Delta$ | \$75.00 $\Delta$  |
| 10/08/14 | JULIO GONZALEZ $\Delta$        | $\Delta$ 8776 | X $\Delta$ |            |  | BURN PERMIT $\Delta$                    | 180048 $\Delta$ | \$25.00 $\Delta$  |
| 10/08/14 | JOSE F VERA $\Delta$           | $\Delta$ 8777 |            | X $\Delta$ |  | BURN PERMIT $\Delta$                    | 180048 $\Delta$ | \$25.00 $\Delta$  |
| 10/08/14 | CECILIA R TREVINO $\Delta$     | $\Delta$ 8778 | X $\Delta$ |            |  | BURN PERMIT $\Delta$                    | 180048 $\Delta$ | \$25.00 $\Delta$  |
| 10/08/14 | MARIA BREAUX $\Delta$          | $\Delta$ 8779 | X $\Delta$ |            |  | BURN PERMIT $\Delta$                    | 180048 $\Delta$ | \$25.00 $\Delta$  |
| 10/08/14 | GERARDO PENA $\Delta$          | $\Delta$ 8780 | X $\Delta$ |            |  | BURN PERMIT/BUSINESS OCCUPANCY $\Delta$ | 180048 $\Delta$ | \$100.00 $\Delta$ |
| 10/08/14 | ARACELI DE LOS SANTOS $\Delta$ | $\Delta$ 8781 | X $\Delta$ |            |  | BURN PERMIT $\Delta$                    | 180048 $\Delta$ | \$25.00 $\Delta$  |
| 10/08/14 | YOLANDA VELASQUEZ $\Delta$     | $\Delta$ 8782 | X $\Delta$ |            |  | BURN PERMIT $\Delta$                    | 180048 $\Delta$ | \$25.00 $\Delta$  |
| 10/08/14 | MARIA N DUBERNEY $\Delta$      | $\Delta$ 8783 | X $\Delta$ |            |  | BURN PERMIT $\Delta$                    | 180048 $\Delta$ | \$25.00 $\Delta$  |
| 10/08/14 | AMERICO RODRIGUEZ $\Delta$     | $\Delta$ 8784 | X $\Delta$ |            |  | BUSINESS OCCUPANCY $\Delta$             | 180048 $\Delta$ | \$75.00 $\Delta$  |

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|          |                     |        |     |     |                            |          |            |
|----------|---------------------|--------|-----|-----|----------------------------|----------|------------|
| 10/08/14 | AMROSIO RAMIREZ ✓   | 8785 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓       | 180048 ✓ | \$75.00 ✓  |
| 10/08/14 | ROBERT GARCIA ✓     | 8786 ✓ | X ✓ |     | BURN PERMIT ✓              | 180048 ✓ | \$25.00 ✓  |
| 10/08/14 | MAYRA REYNA ✓       | 8787 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓       | 180048 ✓ | \$75.00 ✓  |
| 10/08/14 | RICARDO GARZA ✓     | 8788 ✓ | X ✓ |     | BURN PERMIT ✓              | 180048 ✓ | \$25.00 ✓  |
| 10/08/14 | HOMERO SAUCEDA ✓    | 8789 ✓ | X ✓ |     | BURN PERMIT ✓              | 180048 ✓ | \$25.00 ✓  |
| 10/08/14 | FLORENTINO PECINA ✓ | 8790 ✓ | X ✓ |     | BURN PERMIT ✓              | 180048 ✓ | \$25.00 ✓  |
| 10/08/14 | ARCHIE PEREZ ✓      | 8791 ✓ | X ✓ |     | BURN PERMIT ✓              | 180048 ✓ | \$25.00 ✓  |
| 10/08/14 | PEDRO VILLARREAL ✓  | 8792 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓       | 180048 ✓ | \$75.00 ✓  |
| 10/08/14 | MAYRA ARRIAGA ✓     | 8793 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓       | 180048 ✓ | \$75.00 ✓  |
| 10/08/14 | SUPERIOR ALARMS ✓   | 8794 ✓ |     | X ✓ | FIRE ALARM SYSTEM PERMIT ✓ | 180048 ✓ | \$100.00 ✓ |
| 10/08/14 | JUAN FALCON ✓       | 8795 ✓ | X ✓ |     | BURN PERMIT ✓              | 180048 ✓ | \$25.00 ✓  |
| 10/08/14 | ORALIA GUERRA ✓     | 8796 ✓ | X ✓ |     | BURN PERMIT ✓              | 180048 ✓ | \$25.00 ✓  |
| 10/08/14 | ESTELA HERNANDEZ ✓  | 8797 ✓ |     | X ✓ | BURN PERMIT ✓              | 180048 ✓ | \$25.00 ✓  |
| 10/08/14 | DOROTEO MARTINEZ ✓  | 8798 ✓ | X ✓ |     | BURN PERMIT ✓              | 180048 ✓ | \$25.00 ✓  |
| 10/08/14 | LUIS LEAL ✓         | 8799 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓       | 180048 ✓ | \$75.00 ✓  |
| 10/08/14 | ISAAC SOTO ✓        | 8800 ✓ | X ✓ |     | BURN PERMIT ✓              | 180048 ✓ | \$25.00 ✓  |
| 10/08/14 | DAVID CUATE ✓       | 8801 ✓ | X ✓ |     | BURN PERMIT ✓              | 180048 ✓ | \$25.00 ✓  |
| 10/08/14 | HECTOR LEAL JR ✓    | 8802 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓       | 180048 ✓ | \$75.00 ✓  |
| 10/08/14 | RAUL CASTILLO ✓     | 8803 ✓ |     | X ✓ | BUSINESS OCCUPANCY ✓       | 180048 ✓ | \$75.00 ✓  |
| 10/08/14 | DOMINGA SALINAS ✓   | 8804 ✓ |     | X ✓ | BUSINESS OCCUPANCY ✓       | 180048 ✓ | \$75.00 ✓  |
| 10/08/14 | LUCIA TELLO ✓       | 8805 ✓ |     | X ✓ | BUSINESS OCCUPANCY ✓       | 180048 ✓ | \$75.00 ✓  |
| 10/08/14 | STRIPES #2212 ✓     | 8806 ✓ |     | X ✓ | BUSINESS OCCUPANCY ✓       | 180048 ✓ | \$75.00 ✓  |
| 10/08/14 | ELIBERTO TREVINO ✓  | 8807 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓       | 180048 ✓ | \$75.00 ✓  |
| 10/08/14 | MARTHA CASTILLO ✓   | 8808 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓       | 180048 ✓ | \$75.00 ✓  |

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|          |                    |      |   |   |                    |        |          |
|----------|--------------------|------|---|---|--------------------|--------|----------|
| 10/08/14 | ALEJANDRO AROLEJO  | 8809 | X |   | BURN PERMIT        | 180048 | \$25.00  |
| 10/08/14 | ARMIN QUINTANILLA  | 8810 | X |   | BURN PERMIT        | 180048 | \$25.00  |
| 10/08/14 | RENE R RAMIREZ     | 8811 | X |   | BURN PERMIT        | 180048 | \$25.00  |
| 10/08/14 | JUANA MARIA TORRES | 8812 | X |   | BURN PERMIT        | 180048 | \$25.00  |
| 10/08/14 | BILLY MACK TAYLOR  | 8813 |   | X | BURN PERMIT (2)    | 180048 | \$50.00  |
| 10/08/14 | JOSE L GONZALEZ    | 8814 | X |   | BUSINESS OCCUPANCY | 180048 | \$75.00  |
| 10/08/14 | ROBERTO ABREGO     | 8815 |   | X | BURN PERMIT        | 180048 | \$25.00  |
| 10/08/14 | RICARDO VELA       | 8816 | X |   | BUSINESS OCCUPANCY | 180048 | \$75.00  |
| 10/08/14 | CRISTINA BERMUDIS  | 8817 | X |   | BUSINESS OCCUPANCY | 180048 | \$75.00  |
| 10/08/14 | CLARA A MARMADUKE  | 8818 | X |   | BURN PERMIT        | 180048 | \$25.00  |
| 10/08/14 | MELECIO M SANDOVAL | 8819 | X |   | BUSINESS OCCUPANCY | 180048 | \$75.00  |
| 10/08/14 | MONICA URESTI      | 8820 | X |   | BUSINESS OCCUPANCY | 180048 | \$75.00  |
| 10/08/14 | ANITA C MORIN      | 8821 | X |   | BUSINESS OCCUPANCY | 180048 | \$75.00  |
| 10/08/14 | DEBRA GONZALEZ     | 8822 | X |   | DAY CARE INSP      | 180048 | \$75.00  |
| 10/08/14 | SERGIO MALDONADO   | 8823 | X |   | BURN PERMIT        | 180048 | \$25.00  |
| 10/09/14 | ARTURO E OJEDA     | 8824 | X |   | BURN PERMIT        | 180090 | \$25.00  |
| 10/09/14 | ADOLFO SOLIS       | 8825 | X |   | BUSINESS OCCUPANCY | 180090 | \$75.00  |
| 10/09/14 | EVA IBARRA         | 8826 | X |   | BURN PERMIT        | 180090 | \$25.00  |
| 10/09/14 | ROGELIO MENDOZA    | 8827 | X |   | BURN PERMIT        | 180090 | \$25.00  |
| 10/09/14 | RHONDA L MCCLAIN   | 8828 | X |   | BURN PERMIT        | 180090 | \$25.00  |
| 10/09/14 | CARLOS CANTU       | 8829 | X |   | BURN PERMIT        | 180090 | \$25.00  |
| 10/10/14 | JOE D SCOGGINS     | 8830 | X |   | BUILDING PERMIT    | 180149 | \$200.00 |
| 10/10/14 | MARIA ENRIQUEZ     | 8831 |   | X | BURN PERMIT        | 180149 | \$25.00  |
| 10/10/14 | MARY ALICE SANCHEZ | 8832 | X |   | BURN PERMIT        | 180149 | \$25.00  |

|          |                                   |                   |                |                |  |                                     |                     |                       |
|----------|-----------------------------------|-------------------|----------------|----------------|--|-------------------------------------|---------------------|-----------------------|
| 10/10/14 | MARIA SEKULA <del>A</del>         | 8833 <del>A</del> | X <del>A</del> |                |  | BURN PERMIT <del>A</del>            | 180149 <del>A</del> | \$25.00 <del>A</del>  |
| 10/10/14 | IGNACIO ESPINOZA <del>A</del>     | 8834 <del>A</del> | X <del>A</del> |                |  | BURN PERMIT <del>A</del>            | 180149 <del>A</del> | \$25.00 <del>A</del>  |
| 10/10/14 | ELADIO FLORES <del>A</del>        | 8835 <del>A</del> | X <del>A</del> |                |  | BURN PERMIT <del>A</del>            | 180149 <del>A</del> | \$25.00 <del>A</del>  |
| 10/10/14 | GILBERT VILLARREAL <del>A</del>   | 8836 <del>A</del> |                | X <del>A</del> |  | BURN PERMIT <del>A</del>            | 180149 <del>A</del> | \$25.00 <del>A</del>  |
| 10/10/14 | ARTURO IBARRA <del>A</del>        | 8837 <del>A</del> |                | X <del>A</del> |  | BUSINESS OCCUPANCY <del>A</del>     | 180149 <del>A</del> | \$75.00 <del>A</del>  |
| 10/10/14 | ARTURO IBARRA <del>A</del>        | 8838 <del>A</del> | X <del>A</del> |                |  | BURN PERMIT <del>A</del>            | 180149 <del>A</del> | \$25.00 <del>A</del>  |
| 10/13/14 | CONNIE REYES <del>A</del>         | 8839 <del>A</del> |                | X <del>A</del> |  | DAY CARE INSP <del>A</del>          | 180152 <del>A</del> | \$75.00 <del>A</del>  |
| 10/13/14 | DANIEL VASQUEZ <del>A</del>       | 8840 <del>A</del> | X <del>A</del> |                |  | BURN PERMIT <del>A</del>            | 180152 <del>A</del> | \$25.00 <del>A</del>  |
| 10/13/14 | OLGA ROCHA <del>A</del>           | 8841 <del>A</del> | X <del>A</del> |                |  | BUSINESS OCCUPANCY <del>A</del>     | 180152 <del>A</del> | \$75.00 <del>A</del>  |
| 10/13/14 | FRANCISCO BARRIENTES <del>A</del> | 8842 <del>A</del> | X <del>A</del> |                |  | BURN PERMIT <del>A</del>            | 180152 <del>A</del> | \$25.00 <del>A</del>  |
| 10/13/14 | ROBERTO PRADO <del>A</del>        | 8843 <del>A</del> | X <del>A</del> |                |  | BURN PERMIT <del>A</del>            | 180152 <del>A</del> | \$25.00 <del>A</del>  |
| 10/13/14 | LAURA SANCHEZ <del>A</del>        | 8844 <del>A</del> | X <del>A</del> |                |  | BURN PERMIT <del>A</del>            | 180152 <del>A</del> | \$25.00 <del>A</del>  |
| 10/13/14 | HOMERO G MATAMOROS <del>A</del>   | 8845 <del>A</del> | X <del>A</del> |                |  | BURN PERMIT <del>A</del>            | 180152 <del>A</del> | \$25.00 <del>A</del>  |
| 10/13/14 | ELIZABETH TERRAN <del>A</del>     | 8846 <del>A</del> | X <del>A</del> |                |  | BURN PERMIT <del>A</del>            | 180152 <del>A</del> | \$25.00 <del>A</del>  |
| 10/14/14 | FELIPE ESCOBEDO <del>A</del>      | 8847 <del>A</del> |                | X <del>A</del> |  | BURN PERMIT <del>A</del>            | 180266 <del>A</del> | \$25.00 <del>A</del>  |
| 10/14/14 | JESUS J JIMENEZ <del>A</del>      | 8848 <del>A</del> | X <del>A</del> |                |  | BURN PERMIT <del>A</del>            | 180266 <del>A</del> | \$25.00 <del>A</del>  |
| 10/14/14 | FLORENTINO GOMEZ JR <del>A</del>  | 8849 <del>A</del> | X <del>A</del> |                |  | BURN PERMIT <del>A</del>            | 180266 <del>A</del> | \$25.00 <del>A</del>  |
| 10/14/14 | IGNACIO PUNTE JR <del>A</del>     | 8850 <del>A</del> | X <del>A</del> |                |  | BURN PERMIT <del>A</del>            | 180266 <del>A</del> | \$25.00 <del>A</del>  |
| 10/15/14 | MARTIN V HUERTA <del>A</del>      | 8851 <del>A</del> |                | X <del>A</del> |  | BURN PERMIT <del>A</del>            | 180268 <del>A</del> | \$25.00 <del>A</del>  |
| 10/15/14 | EXIQUIO VASQUEZ <del>A</del>      | 8852 <del>A</del> |                | X <del>A</del> |  | BURN PERMIT <del>A</del>            | 180268 <del>A</del> | \$25.00 <del>A</del>  |
| 10/15/14 | JUAN SALAZAR <del>A</del>         | 8853 <del>A</del> | X <del>A</del> |                |  | BURN PERMIT (2) <del>A</del>        | 180268 <del>A</del> | \$50.00 <del>A</del>  |
| 10/15/14 | HERON SOTO <del>A</del>           | 8854 <del>A</del> | X <del>A</del> |                |  | BURN PERMIT <del>A</del>            | 180268 <del>A</del> | \$25.00 <del>A</del>  |
| 10/15/14 | ROBERTO EMILIO RAMOS <del>A</del> | 8855 <del>A</del> |                | X <del>A</del> |  | COMMERICAL BURN PERMIT <del>A</del> | 180268 <del>A</del> | \$100.00 <del>A</del> |
| 10/15/14 | MARIO RUIZ <del>A</del>           | 8856 <del>A</del> | X <del>A</del> |                |  | BURN PERMIT <del>A</del>            | 180268 <del>A</del> | \$25.00 <del>A</del>  |

|          |                             |        |     |     |                                  |          |            |
|----------|-----------------------------|--------|-----|-----|----------------------------------|----------|------------|
| 10/15/14 | VIOLETA FLORES ✓            | 8857 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓             | 180268 ✓ | \$75.00 ✓  |
| 10/15/14 | SATURINO CODINA ✓           | 8858 ✓ | X ✓ |     | BURN PERMIT ✓                    | 180268 ✓ | \$25.00 ✓  |
| 10/15/14 | JOSE LUIS LOPEZ ✓           | 8859 ✓ | X ✓ |     | BURN PERMIT ✓                    | 180268 ✓ | \$25.00 ✓  |
| 10/15/14 | DORA PEREZ ✓                | 8860 ✓ | X ✓ |     | BURN PERMIT ✓                    | 180268 ✓ | \$25.00 ✓  |
| 10/15/14 | MARIA ELMA PENA ✓           | 8861 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓             | 180268 ✓ | \$75.00 ✓  |
| 10/15/14 | ENEDINA VALENCIA ✓          | 8862 ✓ | X ✓ |     | BURN PERMIT ✓                    | 180268 ✓ | \$25.00 ✓  |
| 10/15/14 | LEONEL CESAR GARZA ✓        | 8863 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓             | 180268 ✓ | \$75.00 ✓  |
| 10/15/14 | ENRIQUE GARCIA ✓            | 8864 ✓ | X ✓ |     | BURN PERMIT ✓                    | 180268 ✓ | \$25.00 ✓  |
| 10/15/14 | JULIO CESAR GUERRA ✓        | 8865 ✓ | X ✓ |     | BURN PERMIT ✓                    | 180268 ✓ | \$25.00 ✓  |
| 10/15/14 | CLAUDIA BENAVIDES ✓         | 8866 ✓ |     | X ✓ | BUSINESS OCCUPANCY ✓             | 180268 ✓ | \$75.00 ✓  |
| 10/15/14 | JOSE VELASQUEZ ✓            | 8867 ✓ | X ✓ |     | BURN PERMIT ✓                    | 180268 ✓ | \$25.00 ✓  |
| 10/15/14 | SOFIA ARIZPE ✓              | 8868 ✓ | X ✓ |     | BURN PERMIT ✓                    | 180268 ✓ | \$25.00 ✓  |
| 10/15/14 | IDANIA PEREZ ✓              | 8869 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓             | 180268 ✓ | \$75.00 ✓  |
| 10/15/14 | ROSA MOLINA ✓               | 8870 ✓ | X ✓ |     | BURN PERMIT ✓                    | 180268 ✓ | \$25.00 ✓  |
| 10/15/14 | LUIS MIGUEL ARRECHIGA ✓     | 8871 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓             | 180268 ✓ | \$75.00 ✓  |
| 10/15/14 | JUAN G TREVINO ✓            | 8872 ✓ | X ✓ |     | BURN PERMIT ✓                    | 180268 ✓ | \$25.00 ✓  |
| 10/15/14 | INTEGRITY FIRE PROTECTION ✓ | 8873 ✓ |     | X ✓ | FIRE PROTECTION SYSTEMS PERMIT ✓ | 180268 ✓ | \$150.00 ✓ |
| 10/15/14 | JOSE L GUERRERO ✓           | 8874 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓             | 180268 ✓ | \$75.00 ✓  |
| 10/15/14 | CARLOS GARZA ✓              | 8875 ✓ |     | X ✓ | BURN PERMIT ✓                    | 180268 ✓ | \$25.00 ✓  |
| 10/15/14 | ALBERTO ALVAREZ ✓           | 8876 ✓ | X ✓ |     | BUSINESS OCCUPANCY ✓             | 180268 ✓ | \$75.00 ✓  |
| 10/15/14 | FRANCISCO HINOJOSA ✓        | 8877 ✓ |     | X ✓ | BURN PERMIT ✓                    | 180268 ✓ | \$25.00 ✓  |
| 10/15/14 | SAN JUANA CANTU GUERRERO ✓  | 8878 ✓ | X ✓ |     | BURN PERMIT ✓                    | 180268 ✓ | \$25.00 ✓  |
| 10/15/14 | JESUS MUNIZ ✓               | 8879 ✓ | X ✓ |     | BURN PERMIT ✓                    | 180268 ✓ | \$25.00 ✓  |
| 10/15/14 | TEODORA GONZALEZ ✓          | 8880 ✓ | X ✓ |     | BURN PERMIT ✓                    | 180268 ✓ | \$25.00 ✓  |

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|          |                                    |               |            |            |                             |                 |                  |
|----------|------------------------------------|---------------|------------|------------|-----------------------------|-----------------|------------------|
| 10/15/14 | BACILIA VALDEZ $\Delta$            | 8881 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY          | 180268          | \$75.00 $\Delta$ |
| 10/15/14 | FIDEL AVILA $\Delta$               | 8882 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$        | 180268 $\Delta$ | \$25.00 $\Delta$ |
| 10/15/14 | VOID $\Delta$                      | 8883 $\Delta$ |            |            | VOID $\Delta$               | 180268 $\Delta$ | \$0.00 $\Delta$  |
| 10/15/14 | DELFINO ARMIJO $\Delta$            | 8884 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY $\Delta$ | 180268 $\Delta$ | \$75.00 $\Delta$ |
| 10/15/14 | ENRIQUE HINOJOSA $\Delta$          | 8885 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$        | 180268 $\Delta$ | \$25.00 $\Delta$ |
| 10/15/14 | SEBASTIAN R TRISTAN $\Delta$       | 8886 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$        | 180268 $\Delta$ | \$25.00 $\Delta$ |
| 10/15/14 | GRISELDA SANDOVAL $\Delta$         | 8887 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$        | 180268 $\Delta$ | \$25.00 $\Delta$ |
| 10/15/14 | BILL EDWARD OVERSTREET $\Delta$    | 8888 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$        | 180268 $\Delta$ | \$25.00 $\Delta$ |
| 10/15/14 | REBECCA CONTRERAS $\Delta$         | 8889 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY $\Delta$ | 180268 $\Delta$ | \$75.00 $\Delta$ |
| 10/15/14 | MIRNA VELASQUEZ $\Delta$           | 8890 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY $\Delta$ | 180268 $\Delta$ | \$75.00 $\Delta$ |
| 10/15/14 | ALEJANDRO CRUZ $\Delta$            | 8891 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY $\Delta$ | 180268 $\Delta$ | \$75.00 $\Delta$ |
| 10/15/14 | GUADALUPE GUTIERREZ $\Delta$       | 8892 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$        | 180268 $\Delta$ | \$25.00 $\Delta$ |
| 10/15/14 | KEVIN PIMENTAL $\Delta$            | 8893 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY $\Delta$ | 180268 $\Delta$ | \$75.00 $\Delta$ |
| 10/15/14 | GORDON VERLEY $\Delta$             | 8894 $\Delta$ |            | X $\Delta$ | BUSINESS OCCUPANCY $\Delta$ | 180268 $\Delta$ | \$75.00 $\Delta$ |
| 10/15/14 | JUDITH HARDY $\Delta$              | 8895 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$        | 180268 $\Delta$ | \$25.00 $\Delta$ |
| 10/15/14 | IRENE PHILLIPS $\Delta$            | 8896 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$        | 180268 $\Delta$ | \$25.00 $\Delta$ |
| 10/15/14 | NOE GARCIA $\Delta$                | 8897 $\Delta$ |            | X $\Delta$ | BUSINESS OCCUPANCY $\Delta$ | 180268 $\Delta$ | \$75.00 $\Delta$ |
| 10/15/14 | ESPERANZA FALCON DE GARZA $\Delta$ | 8898 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY $\Delta$ | 180268 $\Delta$ | \$75.00 $\Delta$ |
| 10/15/14 | ESPERANZA FALCON DE GARZA $\Delta$ | 8899 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY $\Delta$ | 180268 $\Delta$ | \$75.00 $\Delta$ |
| 10/15/14 | EDUARDO ALANIZ JR $\Delta$         | 8900 $\Delta$ |            | X $\Delta$ | BURN PERMIT $\Delta$        | 180268 $\Delta$ | \$25.00 $\Delta$ |
| 10/15/14 | JAMES RODRIGUEZ $\Delta$           | 8901 $\Delta$ | X $\Delta$ |            | BURN PERMIT $\Delta$        | 180268 $\Delta$ | \$25.00 $\Delta$ |
| 10/15/14 | MARIO A TREVINO $\Delta$           | 8902 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY $\Delta$ | 180268 $\Delta$ | \$75.00 $\Delta$ |
| 10/15/14 | JOSE RIOS $\Delta$                 | 8903 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY $\Delta$ | 180268 $\Delta$ | \$75.00 $\Delta$ |
| 10/15/14 | ISABEL BAUTISTA $\Delta$           | 8904 $\Delta$ | X $\Delta$ |            | BUSINESS OCCUPANCY $\Delta$ | 180268 $\Delta$ | \$75.00 $\Delta$ |

|          |                                         |                   |                |                |                                            |                     |                         |       |
|----------|-----------------------------------------|-------------------|----------------|----------------|--------------------------------------------|---------------------|-------------------------|-------|
| 10/15/14 | ALEJANDRO MOLINA <del>A</del>           | 8905 <del>A</del> |                | X <del>A</del> | FIRE ALARM SYSTEM PERMIT <del>A</del>      | 180268 <del>A</del> | \$100.00 <del>A</del>   |       |
| 10/15/14 | GONZALEZ CASTILLO LAW FIRM <del>A</del> | 8906 <del>A</del> | X <del>A</del> |                | COPY OF INVESTIGATION REPPORT <del>A</del> | 180268 <del>A</del> | \$25.00 <del>A</del>    |       |
| 10/15/14 | RICARDO MEDRANO <del>A</del>            | 8907 <del>A</del> | X <del>A</del> |                | BURN PERMIT <del>A</del>                   | 180268 <del>A</del> | \$25.00 <del>A</del>    |       |
| 10/16/14 | RODOLFO TREVINO <del>A</del>            | 8908 <del>A</del> | X <del>A</del> |                | BURN PERMIT <del>A</del>                   | 180267 <del>A</del> | \$25.00 <del>A</del>    |       |
| 10/16/14 | JUAN A CARRANZA <del>A</del>            | 8909 <del>A</del> | X <del>A</del> |                | BURN PERMIT <del>A</del>                   | 180267 <del>A</del> | \$25.00 <del>A</del>    |       |
| 10/16/14 | MARGARITO TRUJILLO <del>A</del>         | 8910 <del>A</del> | X <del>A</del> |                | BURN PERMIT <del>A</del>                   | 180267 <del>A</del> | \$25.00 <del>A</del>    |       |
| 10/16/14 | MIGUEL A ROMO <del>A</del>              | 8911 <del>A</del> | X <del>A</del> |                | BUSINESS OCCUPANCY <del>A</del>            | 180267 <del>A</del> | \$75.00 <del>A</del>    |       |
| 10/16/14 | TIBURCIO C VASQUEZ <del>A</del>         | 8912 <del>A</del> | X <del>A</del> |                | BURN PERMIT <del>A</del>                   | 180267 <del>A</del> | \$25.00 <del>A</del>    |       |
| 10/16/14 | JULIA GARCIA <del>A</del>               | 8913 <del>A</del> |                | X <del>A</del> | BUSINESS OCCUPANCY <del>A</del>            | 180267 <del>A</del> | \$75.00 <del>A</del>    | Revi: |
| 10/16/14 | JULIA GARCIA <del>A</del>               | 8914 <del>A</del> |                | X <del>A</del> | BUSINESS OCCUPANCY <del>A</del>            | 180267 <del>A</del> | \$75.00 <del>A</del>    |       |
| 10/16/14 | BOBBI J TAYLOR <del>A</del>             | 8915 <del>A</del> |                | X <del>A</del> | BURN PERMIT <del>A</del>                   | 180267 <del>A</del> | \$25.00 <del>A</del>    |       |
| 10/16/14 | ANAMIA ORTIZ <del>A</del>               | 8916 <del>A</del> |                | X <del>A</del> | BUSINESS OCCUPANCY <del>A</del>            | 180267 <del>A</del> | \$75.00 <del>A</del>    | Revi: |
| 10/16/14 | JAMES WATT <del>A</del>                 | 8917 <del>A</del> | X <del>A</del> |                | BURN PERMIT <del>A</del>                   | 180267 <del>A</del> | \$25.00 <del>A</del>    |       |
| 10/17/14 | LUCIA TORRES <del>A</del>               | 8918 <del>A</del> |                | X <del>A</del> | BURN PERMIT <del>A</del>                   | 180389 <del>A</del> | \$25.00 <del>A</del>    |       |
| 10/17/14 | GLORIA MITRE <del>A</del>               | 8919 <del>A</del> |                | X <del>A</del> | DAY CARE INSP <del>A</del>                 | 180389 <del>A</del> | \$75.00 <del>A</del>    |       |
| 10/17/14 | MARTIN TEJADA JIMENEZ <del>A</del>      | 8920 <del>A</del> | X <del>A</del> |                | BURN PERMIT <del>A</del>                   | 180389 <del>A</del> | \$25.00 <del>A</del>    |       |
| 10/17/14 | FRED RIVERA <del>A</del>                | 8921 <del>A</del> |                | X <del>A</del> | BURN PERMIT <del>A</del>                   | 180389 <del>A</del> | \$25.00 <del>A</del>    |       |
| 10/20/14 | JOSE SANTOS CUADRA <del>A</del>         | 8922 <del>A</del> | X <del>A</del> |                | BURN PERMIT <del>A</del>                   | 180390 <del>A</del> | \$25.00 <del>A</del>    |       |
| 10/20/14 | NOE GARCIA <del>A</del>                 | 8923 <del>A</del> | X <del>A</del> |                | BUSINESS OCCUPANCY <del>A</del>            | 180390 <del>A</del> | \$75.00 <del>A</del>    |       |
| 10/20/14 | WILLIAM HARALSON <del>A</del>           | 8924 <del>A</del> |                | X <del>A</del> | BURN PERMIT <del>A</del>                   | 180390 <del>A</del> | \$25.00 <del>A</del>    |       |
| 10/20/14 | JESSICA MENDIOLA <del>A</del>           | 8925 <del>A</del> | X <del>A</del> |                | BURN PERMIT <del>A</del>                   | 180390 <del>A</del> | \$25.00 <del>A</del>    |       |
| 10/20/14 | SAN JUANA SALINAS <del>A</del>          | 8926 <del>A</del> | X <del>A</del> |                | COPY OF INVESTIGATION REPPORT <del>A</del> | 180390 <del>A</del> | \$25.00 <del>A</del>    |       |
| 10/20/14 | JBC GENERAL CONTRACTORS <del>A</del>    | 8927 <del>A</del> |                | X <del>A</del> | BUILDING PERMIT <del>A</del>               | 180390 <del>A</del> | \$1,205.00 <del>A</del> |       |
| 10/20/14 | DELBERT H COY <del>A</del>              | 8928 <del>A</del> | X <del>A</del> |                | COMMERCIAL BURN PERMIT <del>A</del>        | 180390 <del>A</del> | \$100.00 <del>A</del>   |       |

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|          |                     |      |   |   |                        |        |          |
|----------|---------------------|------|---|---|------------------------|--------|----------|
| 10/21/14 | JUAN JOSE CUEVES    | 8929 | X |   | BUSINESS OCCUPANCY     | 180452 | \$75.00  |
| 10/21/14 | STEVEN KELLER       | 8930 |   | X | BURN PERMIT            | 180452 | \$25.00  |
| 10/21/14 | GUADALUPE RUIZ      | 8931 | X |   | BURN PERMIT            | 180452 | \$25.00  |
| 10/21/14 | HUMBERTO GARCIA JR  | 8932 |   | X | COMMERCIAL BURN PERMIT | 180452 | \$100.00 |
| 10/22/14 | MARIA GOMEZ ALMANZA | 8933 |   | X | BUSINESS OCCUPANCY     | 180453 | \$75.00  |
| 10/22/14 | PEDRO GAMBOA        | 8934 | X |   | BUILDING PERMIT        | 180453 | \$200.00 |
| 10/22/14 | MARGARET R KENE     | 8935 | X |   | BURN PERMIT            | 180453 | \$25.00  |
| 10/22/14 | DIANA COMPEAN       | 8936 | X |   | BURN PERMIT            | 180453 | \$25.00  |
| 10/22/14 | IGNACIO MARTINEZ    | 8937 | X |   | BURN PERMIT            | 180453 | \$25.00  |
| 10/22/14 | YESENIA N AGUELLO   | 8938 | X |   | BUSINESS OCCUPANCY     | 180453 | \$75.00  |
| 10/22/14 | ABIEL ANDRE SERNA   | 8939 | X |   | BUSINESS OCCUPANCY     | 180453 | \$75.00  |
| 10/22/14 | MELISSA HERNANDEZ   | 8940 |   | X | DAY CARE INSP          | 180453 | \$75.00  |
| 10/22/14 | GUSTAVO MORENO JR   | 8941 | X |   | BURN PERMIT            | 180453 | \$25.00  |
| 10/22/14 | ANTONIO MORENO      | 8942 | X |   | BUSINESS OCCUPANCY     | 180453 | \$75.00  |
| 10/22/14 | JAVIER GONZALEZ     | 8943 | X |   | BURN PERMIT            | 180453 | \$25.00  |
| 10/22/14 | ECISD               | 8944 |   | X | BUILDING PERMIT        | 180453 | \$200.00 |
| 10/22/14 | AHULIBAMA LOPEZ     | 8945 |   | X | BUSINESS OCCUPANCY     | 180453 | \$75.00  |
| 10/22/14 | AHULIBAMA LOPEZ     | 8946 |   | X | BUSINESS OCCUPANCY     | 180453 | \$75.00  |
| 10/22/14 | RAMON MARTINEZ JR   | 8947 |   | X | BURN PERMIT            | 180453 | \$25.00  |
| 10/22/14 | JOSE A LOZANO       | 8948 | X |   | BURN PERMIT            | 180453 | \$25.00  |
| 10/22/14 | JOSE LUIS ARJONA    | 8949 | X |   | BUSINESS OCCUPANCY     | 180453 | \$75.00  |
| 10/22/14 | JAMAL AMRO          | 8950 | X |   | BURN PERMIT            | 180453 | \$25.00  |
| 10/22/14 | JOSE LUIS SANCHEZ   | 8951 | X |   | BUSINESS OCCUPANCY     | 180453 | \$75.00  |
| 10/22/14 | SAUL MARIN          | 8952 | X |   | BUSINESS OCCUPANCY     | 180453 | \$75.00  |

|          |                                          |                   |                |                |                |                                 |                     |                       |
|----------|------------------------------------------|-------------------|----------------|----------------|----------------|---------------------------------|---------------------|-----------------------|
| 10/22/14 | OCTAVIO DIAZ <del>X</del>                | 8953 <del>A</del> | <del>X</del>   |                |                | BUSINESS OCCUPANCY <del>A</del> | 180453 <del>A</del> | \$75.00 <del>A</del>  |
| 10/22/14 | REYNALDO VELA <del>X</del>               | 8954 <del>B</del> | X <del>A</del> |                |                | BURN PERMIT <del>B</del>        | 180453 <del>A</del> | \$25.00 <del>B</del>  |
| 10/22/14 | CLAUDIA SAUCEDA <del>X</del>             | 8955 <del>B</del> |                | X <del>A</del> |                | BUSINESS OCCUPANCY <del>B</del> | 180453 <del>A</del> | \$75.00 <del>A</del>  |
| 10/22/14 | VENICIA TIJERINA VILLARREAL <del>A</del> | 8956 <del>B</del> | X <del>A</del> |                |                | BUSINESS OCCUPANCY <del>B</del> | 180453 <del>A</del> | \$75.00 <del>B</del>  |
| 10/22/14 | JANET VILLARREAL <del>X</del>            | 8957 <del>A</del> | X <del>A</del> |                |                | BUSINESS OCCUPANCY <del>A</del> | 180453 <del>A</del> | \$75.00 <del>B</del>  |
| 10/22/14 | ISIDRO CARDENAS <del>A</del>             | 8958 <del>B</del> |                | X <del>A</del> |                | BURN PERMIT <del>B</del>        | 180453 <del>A</del> | \$25.00 <del>B</del>  |
| 10/22/14 | JUAN HERNANDEZ <del>A</del>              | 8959 <del>B</del> | X <del>A</del> |                |                | BUILDING PERMIT <del>A</del>    | 180453 <del>A</del> | \$200.00 <del>B</del> |
| 10/22/14 | JOSE E DE LEON <del>A</del>              | 8960 <del>A</del> |                | X <del>A</del> |                | BUSINESS OCCUPANCY <del>A</del> | 180453 <del>A</del> | \$75.00 <del>B</del>  |
| 10/22/14 | DIANA SALINAS <del>X</del>               | 8961 <del>B</del> | X <del>A</del> |                |                | BUSINESS OCCUPANCY <del>A</del> | 180453 <del>A</del> | \$75.00 <del>B</del>  |
| 10/22/14 | HECTOR J LUGO <del>A</del>               | 8962 <del>B</del> | X <del>A</del> |                |                | BUSINESS OCCUPANCY <del>A</del> | 180453 <del>A</del> | \$75.00 <del>B</del>  |
| 10/22/14 | VOID <del>A</del>                        | 8963 <del>B</del> |                |                |                | VOID <del>A</del>               | 180453 <del>A</del> | \$0.00 <del>B</del>   |
| 10/22/14 | AT&T <del>X</del>                        | 8964 <del>B</del> | X <del>A</del> |                |                | BUSINESS OCCUPANCY <del>B</del> | 180453 <del>B</del> | \$75.00 <del>A</del>  |
| 10/22/14 | AT&T <del>X</del>                        | 8965 <del>B</del> | X <del>A</del> |                |                | BUSINESS OCCUPANCY <del>B</del> | 180453 <del>A</del> | \$75.00 <del>A</del>  |
| 10/22/14 | JORGE VILLASENOR <del>X</del>            | 8966 <del>B</del> | X <del>A</del> |                |                | BURN PERMIT <del>A</del>        | 180453 <del>B</del> | \$25.00 <del>X</del>  |
| 10/22/14 | RAMONA OLIVAS NORIS <del>A</del>         | 8967 <del>B</del> | X <del>A</del> |                |                | BUSINESS OCCUPANCY <del>B</del> | 180453 <del>A</del> | \$75.00 <del>B</del>  |
| 10/22/14 | REYNALDO MONSIVAIS <del>X</del>          | 8968 <del>B</del> |                |                | X <del>A</del> | BURN PERMIT <del>B</del>        | 180453 <del>A</del> | \$25.00 <del>B</del>  |
| 10/22/14 | REBECCA OLIVAREZ <del>X</del>            | 8969 <del>A</del> | X <del>A</del> |                |                | BUSINESS OCCUPANCY <del>B</del> | 180453 <del>B</del> | \$75.00 <del>B</del>  |
| 10/22/14 | MARTIN CANTU <del>A</del>                | 8970 <del>B</del> |                | X <del>A</del> |                | BUSINESS OCCUPANCY <del>B</del> | 180453 <del>A</del> | \$75.00 <del>B</del>  |
| 10/22/14 | CHARLES N CARTER <del>X</del>            | 8971 <del>B</del> |                | X <del>A</del> |                | BUSINESS OCCUPANCY <del>B</del> | 180453 <del>X</del> | \$75.00 <del>A</del>  |
| 10/22/14 | MANUEL TREVINO <del>B</del>              | 8972 <del>A</del> | X <del>A</del> |                |                | BURN PERMIT <del>B</del>        | 180453 <del>B</del> | \$25.00 <del>A</del>  |
| 10/23/14 | ROSA PORTAL <del>X</del>                 | 8973 <del>B</del> | X <del>A</del> |                |                | BURN PERMIT <del>A</del>        | 180555 <del>X</del> | \$25.00 <del>B</del>  |
| 10/23/14 | EMERARDO VILLARREAL <del>A</del>         | 8974 <del>B</del> |                | X <del>A</del> |                | BURN PERMIT <del>A</del>        | 180555 <del>X</del> | \$25.00 <del>A</del>  |
| 10/23/14 | MARIO A FLORES <del>X</del>              | 8975 <del>B</del> | X <del>B</del> |                |                | BURN PERMIT (2) <del>B</del>    | 180555 <del>X</del> | \$50.00 <del>B</del>  |
| 10/23/14 | RAUL BALBERAS <del>A</del>               | 8976 <del>B</del> | X <del>X</del> |                |                | BURN PERMIT <del>B</del>        | 180555 <del>B</del> | \$25.00 <del>B</del>  |

|          |                         |      |   |   |                                                |        |          |
|----------|-------------------------|------|---|---|------------------------------------------------|--------|----------|
| 10/23/14 | SIXTO GUERRA            | 8977 |   | X | BUSINESS OCCUPANCY                             | 180555 | \$75.00  |
| 10/23/14 | SIXTO GUERRA            | 8978 | X |   | BURN PERMIT                                    | 180555 | \$25.00  |
| 10/23/14 | KARLE FARMS             | 8979 |   | X | COMMERICAL BURN PERMIT                         | 180555 | \$100.00 |
| 10/23/14 | ERIKA MUNOZ             | 8980 | X |   | BUILDING PERMIT                                | 180555 | \$200.00 |
| 10/23/14 | BRUCE SHIELDS           | 8981 |   | X | COMMERICAL BURN PERMIT/RESIDENTIAL BURN PERMIT | 180555 | \$125.00 |
| 10/23/14 | MACIAS SILVERO          | 8982 | X |   | BURN PERMIT                                    | 180555 | \$25.00  |
| 10/24/14 | ARTURO RAMIREZ          | 8983 |   | X | BUILDING PERMIT                                | 180556 | \$200.00 |
| 10/24/14 | WALTER MEJIA            | 8984 | X |   | BURN PERMIT                                    | 180556 | \$25.00  |
| 10/24/14 | VICTOR VALLADARES       | 8985 |   | X | BURN PERMIT                                    | 180556 | \$25.00  |
| 10/24/14 | DON HILTON              | 8986 | X |   | BURN PERMIT                                    | 180556 | \$25.00  |
| 10/24/14 | ELSA STATE BANK & TRUST | 8987 |   | X | BUSINESS OCCUPANCY                             | 180556 | \$75.00  |
| 10/24/14 | RED BIRD RESTAURANT     | 8988 |   | X | BUSINESS OCCUPANCY                             | 180556 | \$75.00  |
| 10/24/14 | MR. G. PROPANE          | 8989 |   | X | BUSINESS OCCUPANCY                             | 180556 | \$75.00  |
| 10/27/14 | O REILLY AUTO PARTS     | 8990 |   | X | BUSINESS OCCUPANCY                             | 180733 | \$50.00  |
| 10/27/14 | ASG SECURITY            | 8991 |   | X | FIRE ALARM SYSTEM PERMIT                       | 180733 | \$100.00 |
| 10/27/14 | MARIO A FLORES          | 8992 | X |   | BURN PERMIT                                    | 180733 | \$25.00  |
| 10/27/14 | JOE G CANTU             | 8993 | X |   | BURN PERMIT                                    | 180733 | \$25.00  |
| 10/27/14 | SHERRI BARNICK BENNACK  | 8994 | X |   | BURN PERMIT                                    | 180733 | \$25.00  |
| 10/27/14 | JESUS URBANO            | 8995 | X |   | BURN PERMIT                                    | 180733 | \$25.00  |
| 10/28/14 | VALENTA GONZALEZ        | 8996 | X |   | BURN PERMIT                                    | 180684 | \$25.00  |
| 10/28/14 | TONY FLORES             | 8997 | X |   | BURN PERMIT                                    | 180684 | \$25.00  |
| 10/29/14 | AZUCENA CARMEN SAENZ    | 8998 |   | X | BUSINESS OCCUPANCY                             | 180685 | \$75.00  |
| 10/29/14 | MIRIAM SOBERVILLA       | 8999 | X |   | BURN PERMIT                                    | 180685 | \$25.00  |
| 10/29/14 | DAVID CHAPA             | 9000 | X |   | BUILDING PERMIT                                | 180685 | \$200.00 |

|          |                       |      |   |   |                        |        |          |
|----------|-----------------------|------|---|---|------------------------|--------|----------|
| 10/29/14 | RODOLFO CARDONA       | 9001 | X |   | BURN PERMIT            | 180685 | \$25.00  |
| 10/29/14 | ROGELIO DELGADO       | 9002 | X |   | BURN PERMIT            | 180685 | \$25.00  |
| 10/29/14 | BARBARA ORILEY        | 9003 |   | X | BURN PERMIT            | 180685 | \$25.00  |
| 10/29/14 | GUADALUPE MARTINEZ    | 9004 | X |   | BUSINESS OCCUPANCY     | 180685 | \$75.00  |
| 10/29/14 | CARLOS DE LA CRUZ     | 9005 |   | X | BUILDING PERMIT        | 180685 | \$200.00 |
| 10/29/14 | ROBERTO RAMIREZ       | 9006 | X |   | BURN PERMIT            | 180685 | \$25.00  |
| 10/29/14 | JOSE PEREZ            | 9007 | X |   | BUSINESS OCCUPANCY     | 180685 | \$75.00  |
| 10/29/14 | JUAN CARDOZA          | 9008 | X |   | BURN PERMIT            | 180685 | \$25.00  |
| 10/29/14 | LUIS LUNA             | 9009 | X |   | BURN PERMIT            | 180685 | \$25.00  |
| 10/29/14 | JUAN SANDOVAL         | 9010 | X |   | BUSINESS OCCUPANCY     | 180685 | \$75.00  |
| 10/29/14 | ESTELLA GUERRA        | 9011 | X |   | BUSINESS OCCUPANCY     | 180685 | \$75.00  |
| 10/29/14 | ABIGAIL BOWIE         | 9012 | X |   | BURN PERMIT            | 180685 | \$25.00  |
| 10/29/14 | OLIVIA LOPEZ          | 9013 | X |   | BUSINESS OCCUPANCY     | 180685 | \$75.00  |
| 10/29/14 | JOSE DE LEON          | 9014 |   | X | BUSINESS OCCUPANCY     | 180685 | \$75.00  |
| 10/29/14 | ROBERT E GARCIA MATUK | 9015 | X |   | BUSINESS OCCUPANCY     | 180685 | \$75.00  |
| 10/29/14 | ANABEL BRISENO        | 9016 | X |   | BUSINESS OCCUPANCY     | 180685 | \$75.00  |
| 10/29/14 | CELSO LOERA           | 9017 | X |   | BUSINESS OCCUPANCY     | 180685 | \$75.00  |
| 10/29/14 | ROBERTO GARCIA        | 9018 | X |   | BURN PERMIT            | 180685 | \$25.00  |
| 10/29/14 | YOLANDA PEREZ         | 9019 | X |   | BURN PERMIT            | 180685 | \$25.00  |
| 10/29/14 | LISA HELLE            | 9020 |   | X | BURN PERMIT            | 180685 | \$25.00  |
| 10/29/14 | OSIRIS VILLARREAL     | 9021 | X |   | BUSINESS OCCUPANCY     | 180685 | \$75.00  |
| 10/29/14 | GRISELLE RODRIGUEZ    | 9022 | X |   | BUSINESS OCCUPANCY     | 180685 | \$75.00  |
| 10/29/14 | ROBERT EDWARD BELL    | 9023 | X |   | COMMERCIAL BURN PERMIT | 180685 | \$100.00 |
| 10/29/14 | LEONARDO QUINTERO     | 9024 | X |   | BURN PERMIT            | 180685 | \$25.00  |

|          |                                  |               |                 |                 |                                       |                 |                   |
|----------|----------------------------------|---------------|-----------------|-----------------|---------------------------------------|-----------------|-------------------|
| 10/29/14 | JOSUE A ESPARZA $\Delta$         | 9025 $\Delta$ |                 | $\times \Delta$ | BUSINESS OCCUPANCY $\Delta$           | 180685 $\Delta$ | \$75.00 $\Delta$  |
| 10/29/14 | JOSUE A ESPARZA $\Delta$         | 9026 $\Delta$ |                 | $\times \Delta$ | BUSINESS OCCUPANCY $\Delta$           | 180685 $\Delta$ | \$75.00 $\Delta$  |
| 10/29/14 | JOSUE A ESPARZA $\Delta$         | 9027 $\Delta$ |                 | $\times \Delta$ | BUSINESS OCCUPANCY $\Delta$           | 180685 $\Delta$ | \$75.00 $\Delta$  |
| 10/29/14 | ARTURO FLORES $\Delta$           | 9028 $\Delta$ |                 | $\times \Delta$ | BUSINESS OCCUPANCY $\Delta$           | 180685 $\Delta$ | \$75.00 $\Delta$  |
| 10/29/14 | JUVENTINO RODRIGUEZ $\Delta$     | 9029 $\Delta$ | $\times \Delta$ |                 | BUILDING PERMIT $\Delta$              | 180685 $\Delta$ | \$200.00 $\Delta$ |
| 10/29/14 | ELEONAI POSUDA $\Delta$          | 9030 $\Delta$ | $\times \Delta$ |                 | BUILDING PERMIT $\Delta$              | 180685 $\Delta$ | \$200.00 $\Delta$ |
| 10/29/14 | XAVIERA SOLIS $\Delta$           | 9031 $\Delta$ | $\times \Delta$ |                 | BUILDING PERMIT $\Delta$              | 180685 $\Delta$ | \$200.00 $\Delta$ |
| 10/29/14 | SONIA R GARZA $\Delta$           | 9032 $\Delta$ | $\times \Delta$ |                 | BURN PERMIT $\Delta$                  | 180685 $\Delta$ | \$25.00 $\Delta$  |
| 10/29/14 | ROSALVA GARCIA CORREA $\Delta$   | 9033 $\Delta$ |                 | $\times \Delta$ | BUSINESS OCCUPANCY $\Delta$           | 180685 $\Delta$ | \$75.00 $\Delta$  |
| 10/29/14 | NEW ERA FIRE PROTECTION $\Delta$ | 9034 $\Delta$ |                 | $\times \Delta$ | SPRINKLER SYSTEM PERMIT $\Delta$      | 180685 $\Delta$ | \$150.00 $\Delta$ |
| 10/30/14 | HECTOR E NUNEZ $\Delta$          | 9035 $\Delta$ |                 | $\times \Delta$ | BURN PERMIT $\Delta$                  | 180735 $\Delta$ | \$25.00 $\Delta$  |
| 10/31/14 | GEORGE SIMONS $\Delta$           | 9036 $\Delta$ | $\times \Delta$ |                 | BURN PERMIT $\Delta$                  | 180737 $\Delta$ | \$25.00 $\Delta$  |
| 10/31/14 | JOSE M VELA GONZALEZ $\Delta$    | 9037 $\Delta$ | $\times \Delta$ |                 | COPY OF INVESTIGATION REPORT $\Delta$ | 180737 $\Delta$ | \$25.00 $\Delta$  |
|          |                                  |               |                 |                 |                                       | Grand Total     | \$18,930.00       |

This report has been personally reviewed by me and I certify the above to be true and correct to the best of my knowledge.

Approved by:

*[Signature]*  
Fire Marshal

11/24/14  
Date

Prepared by:

*Elizabeth Castro*  
Administrative Assistant

11/24/14  
Date

Print Name:

Juan Martinez

Print Name:

Elizabeth Castro

This report is due in the Office of the County Auditor on or before the fifth (5th) business day after the end of the month.

County Auditor's Form: ARS-  
FM-001  
Revised 10/04



Revised

HIDALGO COUNTY AUDITOR'S OFFICE  
APPROVED BY: *[Signature]*  
DATE: 12/11/14

2014 NOV 24 PM 4 08

RECEIVED BY  
COUNTY AUDITOR

*X/m*

# COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 22, 2014

Mr. Juan Martinez  
Hidalgo County Fire Marshal  
1124 N. M Road  
Edinburg, Texas 78539

Ref: Review of *Monthly Report* and Supporting Documentation  
For the month of October 2014

Dear Mr. Martinez:

We conducted a limited scope review of the *Monthly Report* and all supporting documentation for the month of October 2014 pursuant to Local Government Code §115.002 (a) and §115.002 (b). The objective of the review was to determine if fees collected were properly accounted and reported.

#### Scope and Methodology:

The scope of our review was limited to collections reported by the Fire Marshal's Office on the *Monthly Report* for the month of October 2014. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

The purpose of this report is to furnish management independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

#### Methodology:

In planning and performing our review, we reviewed applicable statutes and fee schedules. The following procedures were performed:

- Reviewed the submittal dates of the *Monthly Reports* and applicable supporting documentation to the County Auditor's Office to determine if the reports and applicable supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Reports* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Reports* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified receipts issued followed a sequential order.
- Verified that procedures for voided receipts were properly followed.
- Reviewed *Daily Remittance* to determine whether fees collected were properly accounted and deposited with the County Treasurer on a daily basis.
- Verified that the collections per the *Monthly Reports* agreed to total receipts issued and the deposits made with the County Treasurer.
- Reviewed receipts, *Daily Remittance*, and *Monthly Reports* to verify proper completion.

#### HIDALGO COUNTY DISTRICT JUDGES

JAIME E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 266<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

ADA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

**Conclusion:**

Total collections for the month of October were \$18,930.00. Based on the results of our review, we have concluded that generally fees collected were properly accounted and reported.

If you should have any questions, please do not hesitate to call Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, or Arcy B. Duran, CPA, Director of Audit, at ext. 4645.

Respectfully,



Ray Eufracio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer



---

**HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TIJERINA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 53<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 135<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 205<sup>TH</sup> D.C.

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JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 448<sup>TH</sup> D.C.

# Constable Celestino Avila Jr. Monthly Report

For the Month Ending October 2014

| Date                        | Plaintiff          | Defendant                     | Receipt # | Cause #    | Type of Service | In/Out County | Court         | Treasurer # | Amount Due |
|-----------------------------|--------------------|-------------------------------|-----------|------------|-----------------|---------------|---------------|-------------|------------|
| Wednesday, October 01, 2014 | The State of Texas | Zenaida Salinas               | 011125-1  | T10-275912 | Warrant Fee     | In County     | Justice Clerk | 180893      | \$50.00    |
| Wednesday, October 01, 2014 | The State of Texas | Jose Vallina                  | 011126-1  | T12-201012 | Warrant Fee     | In County     | Justice Clerk | 180893      | \$50.00    |
| Thursday, October 02, 2014  | FIRST CITY LOAN    | CRISelda SOLIS                | 011127-1  | DC14-045JM | Justice Claims  | In County     | Justice Clerk | 180894      | \$70.00    |
| Thursday, October 02, 2014  | FIRST CITY LOAN    | CONCEPCION LOPEZ              | 011127-1  | DC14-044JM | Justice Claims  | In County     | Justice Clerk | 180894      | \$70.00    |
| Thursday, October 02, 2014  | FIRST CITY LOAN    | JOSE LUIS MENDOZA JR.         | 011127-1  | DC14-043JM | Justice Claims  | In County     | Justice Clerk | 180894      | \$70.00    |
| Wednesday, October 08, 2014 | Francisco Lerma    | Guadalupe Reyna               | 011128-1  | SC14-172JM | Small Claims    | In County     | Justice Clerk | 180895      | \$70.00    |
| Wednesday, October 08, 2014 | Max Fine Furniture | Mayra M. Salinas (Not Served) | 011129-1  | SC14-173JM | Small Claims    | In County     | Justice Clerk | 180895      | \$70.00    |
| Wednesday, October 08, 2014 | Max Fine Furniture | Rosalinda Guerra              | 011130-1  | SC14-174JM | Small Claims    | In County     | Justice Clerk | 180895      | \$70.00    |
| Wednesday, October 08, 2014 | Max Fine Furniture | Juan Zapata                   | 011131-1  | SC14-175JM | Small Claims    | In County     | Justice Clerk | 180895      | \$70.00    |
| Wednesday, October 08, 2014 | Max Fine Furniture | Ashley Romo                   | 011132-1  | SC14-176JM | Small Claims    | In County     | Justice Clerk | 180895      | \$70.00    |
| Wednesday, October 08, 2014 | Max Fine Furniture | Briana Guerra                 | 011133-1  | SC14-180JM | Small Claims    | In County     | Justice Clerk | 180895      | \$70.00    |

Wednesday, December 10, 2014

Page 1 of 3



This report has been personally reviewed by me and which I certify to be true and correct to the best of my knowledge  
 Approved by: [Signature]  
 Prepared by: [Signature]  
 Administrative Assistant 11



| Date                        | Plaintiff                      | Defendant                                          | Receipt # | Cause #      | Type of Service   | In/Out County | Court         | Treasurer # | Amount Due |
|-----------------------------|--------------------------------|----------------------------------------------------|-----------|--------------|-------------------|---------------|---------------|-------------|------------|
| Wednesday, October 08, 2014 | Max Fine Furniture             | Gloria Vargas                                      | 011134-1  | SC14-178JM   | Small Claims      | In County     | Justice Clerk | 180895      | \$70.00    |
| Wednesday, October 08, 2014 | Max Fine Furniture             | Celeste Ramirez                                    | 011135-1  | SC14-179JM   | Small Claims      | In County     | Justice Clerk | 180895      | \$70.00    |
| Wednesday, October 08, 2014 | Max Fine Furniture             | Briana Guerra                                      | 011136-1  | SC14-177JM   | Small Claims      | In County     | Justice Clerk | 180895      | \$70.00    |
| Friday, October 10, 2014    | VOIDED                         | VOIDED                                             | 011137-1  | CL-12-0863-D | Writ of Execution | In County     | Justice Clerk | 180896      | \$0.00     |
| Friday, October 10, 2014    | Reliant Energy Retail Services | Cavazos & Paz, River mart, River Front Supermarket | 011138-1  | CL-12-0863-D | Writ of Execution | In County     | County Clerk  | 180896      | \$200.00   |
| Friday, October 10, 2014    | Norberto Paul Nunez Villegas   | Manny Gonzalez                                     | 011139-1  | SC14-184JM   | Small Claims      | In County     | Justice Clerk | 180896      | \$70.00    |
| Tuesday, October 14, 2014   | The State of Texas             | Juan Hernandez                                     | 011140-1  | T13-2925112  | Warrant Feed      | In County     | Justice Clerk | 180897      | \$50.00    |
| Tuesday, October 14, 2014   | Rentals Donna Park One, LLC    | Josefina Garcia (order for sub)                    | 011141-1  | LC14-162JM   | FED               | In County     | Justice Clerk | 180897      | \$70.00    |
| Thursday, October 16, 2014  | Max Fine Furniture             | Janette Zambrano                                   | 011142-1  | SC14-187JM   | Small Claims      | In County     | Justice Clerk | 180898      | \$70.00    |
| Thursday, October 16, 2014  | Max Fine Furniture             | Liliana Reyes                                      | 011143-1  | SC14-186JM   | Small Claims      | In County     | Justice Clerk | 180898      | \$70.00    |
| Friday, October 17, 2014    | VOIDED                         | VOIDED                                             | 011144-1  | LC14-164JM   | FED               | In County     | Justice Clerk | 180899      | \$0.00     |

Wednesday, December 10, 2014

Page 2 of 3



This report has been personally reviewed by me and which I certify to be true and correct to the best of my knowledge.  
 Approved by: [Signature]  
 Prepared by: [Signature]  
 Administrative Assistant 11

| Date                        | Plaintiff                    | Defendant                                       | Receipt # | Cause #      | Type of Service | In/Out County  | Court         | Treasurer # | Amount Due        |
|-----------------------------|------------------------------|-------------------------------------------------|-----------|--------------|-----------------|----------------|---------------|-------------|-------------------|
| Friday, October 17, 2014    | George Vera                  | Rebecca Lopez (order for substitute)            | CI-2014-1 | LC14-164JM   | FED             | In County      | Justice Clerk | 180899      | \$70.00           |
| Monday, October 20, 2014    | LACKS VALLEY STORES          | RICARDO GOMEZ MARTINEZ                          | CI-2014-2 | C-1297-14-2  | Debt Claim      | Citadln County | Justice Clerk | 180900      | \$70.00           |
| Wednesday, October 22, 2014 | Ana Gallegos                 | Reynaldo Olguin (order for sub req on 12/03/14) | CI-2014-3 | SC14-194JM   | Small Claims    | In County      | Justice Clerk | 180901      | \$70.00           |
| Thursday, October 23, 2014  | Santa Fe Property Management | Ana Hernandez                                   | CI-2014-4 | LC14-166JM   | FED             | In County      | Justice Clerk | 180902      | \$70.00           |
| Monday, October 27, 2014    | Jose Isabel Andrade          | George Sanchez                                  | CI-2014-5 | SC14-198JM   | Small Claims    | In County      | Justice Clerk | 180903      | \$70.00           |
| Tuesday, October 28, 2014   | Gonzalez Furniture           | Felisa Saldivar                                 | CI-2014-6 | C-1753-14-21 | Debt Claim      | Citadln County | Justice Clerk | 180904      | \$70.00           |
| Thursday, October 30, 2014  | Santa Fe Property Mgmt       | Victor De Leon                                  | CI-2014-7 | LC14-167JM   | FED             | In County      | Justice Clerk | 180905      | \$70.00           |
| Thursday, October 30, 2014  | RAUL YERENA                  | MOISE MARTINEZ (Order for Substitute)           | CI-2014-8 | LC14-168JM   | FED             | In County      | Justice Clerk | 180905      | \$70.00           |
| <b>Grand Total</b>          |                              |                                                 |           |              |                 |                |               |             | <b>\$2,030.00</b> |

Revised

HIDALGO COUNTY AUDITOR'S OFFICE

APPROVED BY: *[Signature]*

DATE: 12/23/14

Wednesday, December 10, 2014

Page 3 of 3



This report has been personally reviewed by me and which I certify to be true and correct to the best of my knowledge

Approved by: *[Signature]*

Consul, District 1

Prepared by: *[Signature]*

Administrative Assistant 11

# COUNTY OF HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 22, 2014

The Honorable Celestino Avila  
Hidalgo County Constable, Precinct 1  
1902 Joe Stephens Blvd. Suite 303  
Weslaco, TX 78596

Re: Review of the *Monthly Fees Report* and Supporting Documentation  
For the month of October 2014

Dear Constable Avila:

We have conducted a limited scope review of the Constable Precinct 1 *Monthly Fees Report* and all supporting documentation for the month of October 2014 pursuant to Local Government Code § 115.002 (a), § 115.002 (b), and Code of Criminal Procedure Article 103.011. The objective of the review was to determine if fees collected were properly accounted and reported.

## Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Fees Report* for the month of October 2014. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

The purpose of this report is to furnish management independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

## Methodology:

In planning and performing our review, we reviewed applicable statutes and fee schedules. The following are some of the procedures performed:

- Reviewed the submittal dates of the *Monthly Fees Report* and applicable supporting documentation to the County Auditor's Office to determine if the report and applicable supporting documentation were received within five days after the last day of the month pursuant to Local Government Code § 114.001 (b).
- Verified the signature on the *Monthly Fees Report* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fees Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified receipts issued followed a sequential order.
- Verified that procedures for voided receipts were properly followed.
- Reviewed the *Cashier's Daily Close-Out Report/Daily Remittance Form* to determine whether fees collected were properly accounted and deposited with the County Treasurer in a timely manner.
- Verified that the collections per the *Monthly Fees Report* agreed to total receipts issued and the deposits made with the County Treasurer.

## HIDALGO COUNTY DISTRICT JUDGES

JAMIE E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

- Reviewed receipts, *Cashier's Daily Close-Out Report/Daily Remittance Forms*, and *Monthly Fees Report* to verify proper completion.

**Conclusion:**

Total collections for the month of October 2014 were \$2,030.00. Based on the results of our review, we have concluded that generally fees collected were properly accounted and reported.

If you should have any questions, please do not hesitate to contact Letty Chavez, Compliance Audit Supervisor at 318-2511 ext. 4651 or Arcy B. Duran, CPA, Director of Audit, at ext. 4645.

Respectfully,

  
Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer



**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERINA  
JUDGE, 52nd D.C.

RODOLFO DELGADO  
JUDGE, 53rd D.C.

J. R. "BOBBY" FLORES  
JUDGE, 138th D.C.

ROSE GUERRA REYNA  
JUDGE, 206th D.C.

JUAN R. PARTIDA  
JUDGE, 275th D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 112th D.C.

NOE GONZALEZ  
JUDGE, 178th D.C.

LETICIA LOPEZ  
JUDGE, 168th D.C.

AIDA SALINAS FLORES  
JUDGE, 168th D.C.

ISRAEL RAMON, JR.  
JUDGE, 178th D.C.

JESSE CONTRERAS  
JUDGE, 168th D.C.

# CONSTABLE, PCT. 3 LARRY GALLAR MONTHLY REPORT

For the Month Ending October

COPY

RECEIVED BY  
COUNTY AUDITOR

2014 NOV 5 PM 3 05

| DATE      | PLAINTIFF'S NAME      | DEFENDANT'S NAME                             | RECEIPT NUMBER | CAUSE NUMBER | TYPE OF SERVICE                          | OUT OF COUNTY (OCY) IN-COUNTY (IC) | OC IC | Justice Clerk | County Clerk | Dist. Clerk | Other | Treasurer Receipt | AMOUNTS DUE TO COUNTY   |
|-----------|-----------------------|----------------------------------------------|----------------|--------------|------------------------------------------|------------------------------------|-------|---------------|--------------|-------------|-------|-------------------|-------------------------|
| 10/6/2014 | JESSICA ALKERS, ET AL | EDGAR MORENO                                 | C3-2014-188    | 2014DCV2841  | CITATION (EL PASO COUNTY)                | X                                  |       |               |              |             |       | 180037            | 4 70.00                 |
| 10/7/2014 | SHARYLAND ISD         | NIZA HARARI SASSON DE DAYAN                  | C3-2014-189    | T-843-06-F   | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | EDINBURG CISD         | ARTURO GOMEZ                                 | C3-2014-190    | T-1028-06-B  | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | EDCOUCH-ELSA          | MARIA TERESA BERNAL                          | C3-2014-191    | T-1167-09-A  | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | PROGRESO ISD          | SERGIO IZAGUIRRE, ET AL                      | C3-2014-192    | T-1376-09-C  | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | HIDALGO COUNTY        | THE KNOWN & UNKNOWN HEIRS OF PETRA MARTINEZ  | C3-2014-193    | T-2885-09-B  | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | EDCOUCH-ELSA          | JORGE CANTU                                  | C3-2014-194    | T-261-10-F   | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | VOID                  | VOID                                         | C3-2014-195    | VOID         | VOID                                     |                                    |       |               |              |             |       |                   | VOID                    |
| 10/7/2014 | MISSION CISD          | NEWVO ALTON CO. INC ET AL                    | C3-2014-196    | T-573-10-E   | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | WESLACO ISD           | JESUS JIMENEZ                                | C3-2014-197    | T-681-10-C   | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | MISSION CISD          | JUAN PEREZ DE LA FUENTE                      | C3-2014-198    | T-1029-10-G  | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | WESLACO ISD           | THE KNOWN & UNKNOWN HEIRS OF ALVIN SMITH     | C3-2014-199    | T-1494-10-A  | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | WESLACO ISD           | THE KNOWN & UNKNOWN HEIRS OF ALVIN SMITH     | C3-2014-200    | T-1494-10-A  | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | WESLACO ISD           | THE KNOWN & UNKNOWN HEIRS OF ALVIN SMITH     | C3-2014-201    | T-1494-10-A  | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | SHARYLAND ISD         | STONEOAK DEVELOPMENT LTD ET AL               | C3-2014-202    | T-951-11-J   | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | PSIA ISD              | THE KNOWN & UNKNOWN HEIRS OF BERNARDO GARZA  | C3-2014-203    | T-1267-11-H  | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | EDINBURG CISD         | JOSE LUIS CASTILLO ET AL                     | C3-2014-204    | T-1391-11-J  | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | HIDALGO COUNTY        | THE KNOWN & UNKNOWN HEIRS OF BEATRIZ RAMIREZ | C3-2014-205    | T-1565-11-G  | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | EDINBURG CISD         | LAMBER KOPECKI (DECEASED) ET AL              | C3-2014-206    | T-0798-12-H  | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | MISSION CISD          | SAN JUANITA ALCANTAR                         | C3-2014-207    | T-1071-12-H  | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | MERCEDES ISD          | MODESTO GONZALEZ                             | C3-2014-208    | T-1898-12-D  | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | MERCEDES ISD          | ELIAS A. LEDESMA                             | C3-2014-209    | T-2008-12-E  | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
| 10/7/2014 | WESLACO ISD           | ESTEBAN HERNANDEZ                            | C3-2014-210    | T-2233-12-F  | LEVY, DEED, & NOTICE, PKG. ORDER OF SALE | X                                  |       |               |              |             |       | 180037            | 4 270.00                |
|           |                       |                                              |                |              |                                          |                                    |       |               |              |             |       |                   | Page Total \$ 5,740.00  |
|           |                       |                                              |                |              |                                          |                                    |       |               |              |             |       |                   | Grand Total \$ 5,740.00 |



This report has been personally reviewed by me and which I certify to be true and correct to the best of my knowledge.

Approved by

Larry Gallar  
Constable,  
Precinct 3

Prepared by

R. V. R.

For the Month Ending October

| DATE        | PLAINTIFF'S NAME        | DEFENDANT'S NAME                             | RECEIPT NUMBER | CAUSE NUMBER     | TYPE OF SERVICE<br>OUT OF COUNTY (OCV)<br>IN-COUNTY (IC) | JURY          |              |                |       | TAX       |       |               |              | TREASURER RECEIPT | AMOUNTS DUE TO COUNTY |
|-------------|-------------------------|----------------------------------------------|----------------|------------------|----------------------------------------------------------|---------------|--------------|----------------|-------|-----------|-------|---------------|--------------|-------------------|-----------------------|
|             |                         |                                              |                |                  |                                                          | Justice Clerk | County Clerk | District Clerk | Other | Cost Sale | Other | Justice Clerk | County Clerk |                   |                       |
| 10/8/2014   | VALLEY VIEW ISD         | THELMA JIMENEZ                               | C3-2014-211    | T-2412-12-A      | LEVY, DEED, & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |       |           |       |               |              | 180132            | \$ 270.00             |
| 10/8/2014   | PSJA ISD                | MARIA D. MILLER                              | C3-2014-212    | T-2634-12-D      | LEVY, DEED, & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |       |           |       |               |              | 180132            | \$ 270.00             |
| 10/8/2014   | MISSION CISD            | FIDEL GONZALEZ GUJARDO                       | C3-2014-213    | T-0008-13-F      | LEVY, DEED, & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |       |           |       |               |              | 180132            | \$ 270.00             |
| 10/8/2014   | MERCEDES ISD            | JUANITA CAVAZOS AYALA                        | C3-2014-214    | T-0228-13-E      | LEVY, DEED, & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |       |           |       |               |              | 180132            | \$ 270.00             |
| 10/8/2014   | HIDALGO COUNTY          | IMELDA FLOREZ YBARRA                         | C3-2014-215    | T-0340-13-D      | LEVY, DEED, & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |       |           |       |               |              | 180132            | \$ 270.00             |
| 10/8/2014   | EDINBURG CISD           | MAURICIO ATILANO, ET AL                      | C3-2014-216    | T-0463-13-G      | LEVY, DEED, & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |       |           |       |               |              | 180132            | \$ 270.00             |
| 10/8/2014   | LA VILLA ISD            | GUADALUPE RAMIREZ                            | C3-2014-217    | T-0862-13-A      | LEVY, DEED, & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |       |           |       |               |              | 180132            | \$ 270.00             |
| 10/8/2014   | HIDALGO COUNTY          | BENEFICIAL FINANCIAL                         | C3-2014-218    | T-1423-13-J      | LEVY, DEED, & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |       |           |       |               |              | 180132            | \$ 270.00             |
| 10/8/2014   | HIDALGO COUNTY          | MARGARITA VILLAGOMEZ                         | C3-2014-219    | T-1499-13-A      | LEVY, DEED, & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |       |           |       |               |              | 180132            | \$ 270.00             |
| 10/13/2014  | WESLACO ISD, ET AL      | GLORIA CASTILLO DBA<br>EARLY LEARNING CENTER | C3-2014-220    | T-401-10-B       | TAX WARRANT                                              |               |              | X              |       |           |       |               |              | 180679            | \$ 200.00             |
| 10/14/2014  | CAMERON COUNTY, ET AL   | JUAN MANUEL REYNA                            | C3-2014-221    | 2014-DCL-03158-C | CITATION (CAMERON CO)                                    |               |              | X              |       |           |       |               |              | 180680            | \$ 70.00              |
| 10/14/2014  | WAUSHARA COUNTY EMS     | MARTIN GUERRA                                | C3-2014-222    | I-45C368         | CITATION (WAUSHARA CO<br>WISCONSIN)                      |               |              | X              |       |           |       |               |              | 180680            | \$ 70.00              |
| 10/14/2014  | LONE STAR NATIONAL BANK | RAMCO, INC                                   | C3-2014-223    | C-3688-13-I      | WRIT OF EXECUTION                                        |               |              | X              |       |           |       |               |              | 180680            | \$ 200.00             |
| 10/24/2014  | MERCEDES ISD            | REVINA CASTANEDA SOLIS                       | C3-2014-224    | T-1156-09-F      | LEVY, DEED, & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |       |           |       |               |              | 180681            | \$ 270.00             |
| 10/24/2014  | EDINBURG CISD           | PHILLIP S. ROMERO                            | C3-2014-225    | T-2634-09-D      | LEVY, DEED, & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |       |           |       |               |              | 180681            | \$ 270.00             |
| Page Total  |                         |                                              |                |                  |                                                          |               |              |                |       |           |       |               |              |                   | \$ 3,510.00           |
| Grand Total |                         |                                              |                |                  |                                                          |               |              |                |       |           |       |               |              |                   |                       |



This report has been personally reviewed by me and which I certify to be true and correct to the best of my knowledge.

Approved by

*Hayato Gallardo*  
Constable,  
Precinct 3

Prepared by

*RLV.R*

X1a

# RRY GALLARDO MONTHLY REPORT

For the Month Ending October

| DATE                                                      | PLAINTIFF'S NAME | DEFENDANT'S NAME                           | RECEIPT NUMBER | CAUSE NUMBER | TYPE OF SERVICE OUT OF COUNTY (OCV) IN-COUNTY (IC) | Justice Clerk | County Clerk | District Clerk | Const Sale | TREASURER RECEIPT | AMOUNTS DUE TO COUNTY |
|-----------------------------------------------------------|------------------|--------------------------------------------|----------------|--------------|----------------------------------------------------|---------------|--------------|----------------|------------|-------------------|-----------------------|
| 10/24/2014                                                | MERCEDES ISD     | IRMA G. CASTANEDA                          | C3-2014-226    | T-1362-10-F  | LEVY, DEED, & NOTICE PKG. ORDER OF SALE            | X             |              |                |            | 180681            | \$ 270.00             |
| 10/24/2014                                                | WESLACO ISD      | THE KNOWN & UNKNOWN HEIRS OF JUAN RAMOS    | C3-2014-227    | T-190-11-F   | LEVY, DEED, & NOTICE PKG. ORDER OF SALE            | X             |              |                |            | 180681            | \$ 270.00             |
| 10/24/2014                                                | MERCEDES ISD     | GUADALUPE LOPEZ, JR. ET AL                 | C3-2014-228    | T-490-11-C   | LEVY, DEED, & NOTICE PKG. ORDER OF SALE            | X             |              |                |            | 180681            | \$ 270.00             |
| 10/24/2014                                                | PROGRESO ISD     | ROSE MARIE GONZALEZ                        | C3-2014-229    | T-1704-11-F  | LEVY, DEED, & NOTICE PKG. ORDER OF SALE            | X             |              |                |            | 180681            | \$ 810.00             |
| 10/24/2014                                                | EDCOUCH ELSA ISD | THE KNOWN & UNKNOWN HEIRS OF JUAN GONZALEZ | C3-2014-230    | T-1726-11-I  | LEVY, DEED, & NOTICE PKG. ORDER OF SALE            | X             |              |                |            | 180681            | \$ 270.00             |
| 10/24/2014                                                | EDINBURG CISD    | CASTLE RIDGE ESTATES SUBD.                 | C3-2014-231    | T-1868-11-J  | LEVY, DEED, & NOTICE PKG. ORDER OF SALE            | X             |              |                |            | 180681            | \$ 270.00             |
| 10/24/2014                                                | VALLEY VIEW ISD  | ANTONIO FRIAS, JR. ET AL                   | C3-2014-232    | T-1878-11-F  | LEVY, DEED, & NOTICE PKG. ORDER OF SALE            | X             |              |                |            | 180681            | \$ 270.00             |
| 10/24/2014                                                | EDINBURG CISD    | JESUS CEPEDA                               | C3-2014-233    | T-2027-11-H  | LEVY, DEED, & NOTICE PKG. ORDER OF SALE            | X             |              |                |            | 180681            | \$ 270.00             |
| 10/24/2014                                                | EDINBURG CISD    | THE KNOWN HEIRS OF FRANK V. GARZA          | C3-2014-234    | T-0287-12-E  | LEVY, DEED, & NOTICE PKG. ORDER OF SALE            | X             |              |                |            | 180681            | \$ 270.00             |
| 10/24/2014                                                | LA VILLA ISD     | GERARDO RANGEL, ET AL                      | C3-2014-235    | T-0482-12-I  | LEVY, DEED, & NOTICE PKG. ORDER OF SALE            | X             |              |                |            | 180681            | \$ 270.00             |
| 10/24/2014                                                | EDINBURG CISD    | EVA BERUMEN, ET AL                         | C3-2014-236    | T-0731-12-A  | LEVY, DEED, & NOTICE PKG. ORDER OF SALE            | X             |              |                |            | 180681            | \$ 270.00             |
| 10/24/2014                                                | HIDALGO ISD      | REYMUNDO V. MUNOZ                          | C3-2014-237    | T-0894-12-E  | LEVY, DEED, & NOTICE PKG. ORDER OF SALE            | X             |              |                |            | 180681            | \$ 270.00             |
| 10/24/2014                                                | MISSION CISD     | DANIEL GARCIA                              | C3-2014-238    | T-1063-12-E  | LEVY, DEED, & NOTICE PKG. ORDER OF SALE            | X             |              |                |            | 180681            | \$ 270.00             |
| 10/24/2014                                                | MISSION CISD     | ISMAEL PALAFOX, ET AL                      | C3-2014-239    | T-1065-12-A  | LEVY, DEED, & NOTICE PKG. ORDER OF SALE            | X             |              |                |            | 180681            | \$ 270.00             |
| 10/24/2014                                                | EDCOUCH ELSA ISD | ROSA NELIA DE LA CRUZ                      | C3-2014-240    | T-1203-12-C  | LEVY, DEED, & NOTICE PKG. ORDER OF SALE            | X             |              |                |            | 180681            | \$ 270.00             |
| <div> <div>Page Total</div> <div>Grand Total</div> </div> |                  |                                            |                |              |                                                    |               |              |                |            |                   | \$ 4,590.00           |



This report has been personally reviewed by me and which I certify to be true and correct to the best of my knowledge.

Approved by

*Razaro Cellandor Jr.*  
Constable, Precinct 3

Prepared by

*REV. R*

916

# RRY GALLARDO MONTHLY REPORT

For the Month Ending October

| DATE                                         | PLAINTIFF'S NAME | DEFENDANT'S NAME                        | RECEIPT NUMBER | CAUSE NUMBER | TYPE OF SERVICE<br>OUT OF COUNTY (OC)<br>IN-COUNTY (IC) | Justice Clerk | County Clerk | District Clerk | Const. Sale | TREASURER RECEIPT | AMOUNTS DUE TO COUNTY |
|----------------------------------------------|------------------|-----------------------------------------|----------------|--------------|---------------------------------------------------------|---------------|--------------|----------------|-------------|-------------------|-----------------------|
| 10/24/2014                                   | PSJA ISD         | JAIME MARTINEZ, ET AL                   | C3-2014-241    | T-1256-12-C  | LEVY, DEED & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |             | 180681            | \$ 270.00             |
| 10/24/2014                                   | MONTE ALTO ISD   | GRACIELA GARCIA                         | C3-2014-242    | T-1589-12-F  | LEVY, DEED & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |             | 180681            | \$ 270.00             |
| 10/24/2014                                   | VALLEY VIEW ISD  | RAUDEL CORDOVA                          | C3-2014-243    | T-1699-12-H  | LEVY, DEED & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |             | 180681            | \$ 270.00             |
| 10/24/2014                                   | WESLACO ISD      | JOSE LUIS CASTELLANO                    | C3-2014-244    | T-1922-12-B  | LEVY, DEED & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |             | 180681            | \$ 270.00             |
| 10/24/2014                                   | MERCEDES ISD     | MAIRA ROSARIO PEREZ                     | C3-2014-245    | T-2009-12-E  | LEVY, DEED & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |             | 180681            | \$ 270.00             |
| 10/24/2014                                   | MERCEDES ISD     | THE HAMES RICHARD<br>CLOSNER FOUNDATION | C3-2014-246    | T-2061-12-A  | LEVY, DEED & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |             | 180681            | \$ 270.00             |
| 10/24/2014                                   | MISSION CISD     | ISAAC PEQUENO                           | C3-2014-247    | T-0197-13-H  | LEVY, DEED & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |             | 180681            | \$ 270.00             |
| 10/24/2014                                   | WESLACO ISD      | LORENZO ZAMORANO                        | C3-2014-248    | T-0403-13-H  | LEVY, DEED & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |             | 180681            | \$ 270.00             |
| 10/24/2014                                   | EDINBURG CISD    | SUSANA CHAVARRIA                        | C3-2014-249    | T-0458-13-B  | LEVY, DEED & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |             | 180681            | \$ 270.00             |
| 10/24/2014                                   | EDINBURG CISD    | THOMAS ALONZO                           | C3-2014-250    | T-0607-13-H  | LEVY, DEED & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |             | 180681            | \$ 1,350.00           |
| 10/24/2014                                   | VALLEY VIEW ISD  | JOSE C. MEDINA ET AL                    | C3-2014-251    | T-0649-13-D  | LEVY, DEED & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |             | 180681            | \$ 270.00             |
| 10/24/2014                                   | PSJA ISD         | MARCO ANTONIO MONTOYA                   | C3-2014-252    | T-0879-13-F  | LEVY, DEED & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |             | 180681            | \$ 270.00             |
| 10/24/2014                                   | MISSION CISD     | LEO E. GONZALEZ JR. ET AL               | C3-2014-253    | T-1397-13-D  | LEVY, DEED & NOTICE<br>PKG. ORDER OF SALE               |               |              | X              |             | 180681            | \$ 270.00             |
| 10/24/2014                                   | EDINBURG CISD    | THE CUBBY HOLE                          | C3-2014-254    | T-0602-14-A  | TAX WARRANT                                             |               |              | X              |             | 180681            | \$ 200.00             |
| 10/24/2014                                   | PSJA ISD         | GUAYIRA FAMILY CLINIC                   | C3-2014-255    | T-1635-14-D  | TAX WARRANT                                             |               |              | X              |             | 180681            | \$ 200.00             |
| <div>Page Total</div> <div>Grand Total</div> |                  |                                         |                |              |                                                         |               |              |                |             |                   | \$ 4,990.00           |



This report has been personally reviewed by me and which I certify to be true and correct to the best of my knowledge.

Approved by

Constable,  
Precinct 3

Prepared by

*Rev. R*

M/C

For the Month Ending October

*This report has been personally reviewed by me and which I certify to be true and correct to the best of my knowledge.*

Approved by

Unstable,  
Precinct 3

has EMD

Prepared by:

2012

Revised 12/5/14

Revised: 10/17

Assembly Auditor's Form AS-C-402

HIDALGO COUNTY AUDITOR'S OFFICE

APPROVED BY: Bono  
DATE: 12/5/14 222

Page 5 of 5

Ad

# COUNTY OF HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 22, 2014

The Honorable Lazaro Gallardo  
Hidalgo County Constable, Precinct 3  
730 N. Breyfogle Ste. B  
Mission, TX 78573

Re: Review of *Monthly Fees Report* and Supporting Documentation  
For the month of October 2014

Dear Constable Gallardo:

We have conducted a limited scope review of the Constable Precinct 3 *Monthly Fees Report* and all supporting documentation for the month of October 2014 pursuant to Local Government Code § 115.002 (a), §115.002 (b), and Code of Criminal Procedure Article 103.011. The objective of the review was to determine whether fees collected were properly accounted and reported.

#### Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Fees Report* for the month of October 2014. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

The purpose of this report is to furnish management independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

#### Methodology:

In planning and performing our review, we reviewed applicable statutes and fee schedules. The following procedures were performed:

- Reviewed the submittal dates of the *Monthly Fees Report* and applicable supporting documentation to the County Auditor's Office to determine if the reports and applicable supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Fees Report* to ensure that the reports were signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fees Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified receipts issued followed a sequential order.
- Verified that procedures for voided receipts were properly followed.
- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Forms* to determine whether fees collected were properly accounted and deposited with the County Treasurer in a timely manner.
- Verified that the collections per the *Monthly Fees Report* agreed to total receipts issued and the deposits made with the County Treasurer.
- Reviewed receipts, *Cashier's Daily Close-Out Reports/Daily Remittance Forms*, and *Monthly Fees Report* to verify proper completion.

#### HIDALGO COUNTY DISTRICT JUDGES

JAIME E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

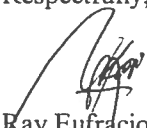
JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

**Conclusion:**

Total collections for the month of October 2014 were \$19,785.00. Based on the results of our review, we have concluded that fees collected were generally properly accounted and reported.

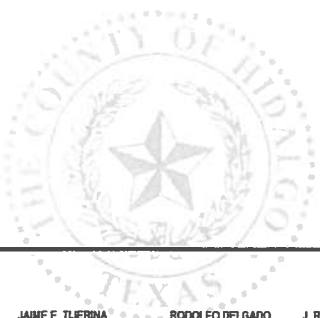
If you should have any questions, please do not hesitate to contact Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651 or Arcy B. Duran, CPA, Director of Audit, at ext. 4645.

Respectfully,



Ray Eufracio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer



---

**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIERNA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
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OVERSEER

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JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

HIDALGO COUNTY, TEXAS  
DELTA LAKE PARK, PRECINCT 1  
MONTHLY REPORT FOR THE MONTH ENDING  
October 2014

|    | DATE       | BEGINNING<br>RECEIPT<br>NUMBER | ENDING<br>RECEIPT<br>NUMBER | TOTAL<br>RECEIPTS<br>ISSUED | TOTAL<br>RECEIPT<br>AMOUNT | COUNTY TREASURER  |                    |                   | DEPOSIT<br>SLIP<br>NUMBER |      |
|----|------------|--------------------------------|-----------------------------|-----------------------------|----------------------------|-------------------|--------------------|-------------------|---------------------------|------|
|    |            |                                |                             |                             |                            | DEPOSIT<br>AMOUNT | DATE OF<br>DEPOSIT | RECEIPT<br>NUMBER |                           |      |
| 1  | 10/1/2014  |                                |                             |                             |                            |                   |                    |                   | 211                       |      |
| 2  | 10/2/2014  |                                |                             |                             | \$ -                       | \$ -              |                    |                   | 211                       | 0    |
| 3  | 10/3/2014  |                                |                             |                             |                            |                   |                    |                   | 211                       |      |
| 4  | 10/4/2014  |                                |                             |                             | \$ -                       | \$ -              |                    |                   | 211                       | 0    |
| 5  | 10/5/2014  | 310223                         | 310254                      | 32                          | \$ 64.00                   | \$ 64.00          | 10/7/2014          | 1802374           | 211                       | 2413 |
| 6  | 10/6/2014  |                                |                             |                             |                            |                   |                    |                   | 211                       |      |
| 7  | 10/7/2014  |                                |                             |                             |                            |                   |                    |                   | 211                       |      |
| 8  | 10/8/2014  |                                |                             |                             |                            |                   |                    |                   | 211                       |      |
| 9  | 10/9/2014  |                                |                             |                             | \$ -                       | \$ -              |                    |                   | 211                       |      |
| 10 | 10/10/2014 |                                |                             |                             |                            |                   |                    |                   | 211                       |      |
| 11 | 10/11/2014 |                                |                             |                             | \$ -                       | \$ -              |                    |                   | 211                       | 0    |
| 12 | 10/12/2014 | 310255                         | 310272                      | 18                          | \$ 36.00                   | \$ 36.00          | 10/16/2014         | 1802384           | 211                       | 2414 |
| 13 | 10/13/2014 |                                |                             |                             |                            |                   |                    |                   | 211                       |      |
| 14 | 10/14/2014 |                                |                             |                             |                            |                   |                    |                   | 211                       |      |
| 15 | 10/15/2014 |                                |                             |                             |                            |                   |                    |                   | 211                       |      |
| 16 | 10/16/2014 |                                |                             |                             | \$ -                       | \$ -              |                    |                   | 211                       | 0    |
| 17 | 10/17/2014 |                                |                             |                             | \$ -                       | \$ -              |                    |                   | 211                       |      |
| 18 | 10/18/2014 |                                |                             |                             | \$ -                       | \$ -              |                    |                   | 211                       | 0    |
| 19 | 10/19/2014 | 310273                         | 310308                      | 36                          | \$ 72.00                   | \$ 72.00          | 10/23/2014         | 1804734           | 211                       | 2415 |
| 20 | 10/20/2014 |                                |                             |                             |                            |                   |                    |                   | 211                       |      |
|    | 10/21/2014 |                                |                             |                             | \$ -                       |                   |                    |                   | 211                       |      |
| 22 | 10/22/2014 |                                |                             |                             |                            |                   |                    |                   | 211                       |      |
| 23 | 10/23/2014 |                                |                             |                             | \$ -                       | \$ -              |                    |                   | 211                       | 0    |
| 24 | 10/24/2014 |                                |                             |                             |                            |                   |                    |                   | 211                       |      |
| 25 | 10/25/2014 |                                |                             |                             | \$ -                       | \$ -              |                    |                   | 211                       | 0    |
| 26 | 10/26/2014 | 310308                         | 310347                      | 39                          | \$ 78.00                   | \$ 78.00          | 10/27/2014         | 1806334           | 211                       | 2416 |
| 27 | 10/27/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0    |
| 28 | 10/28/2014 |                                |                             |                             |                            |                   |                    |                   | 211                       |      |
| 29 | 10/29/2014 |                                |                             |                             |                            |                   |                    |                   | 211                       |      |
| 30 | 10/30/2014 |                                |                             |                             | \$ -                       | \$ -              |                    |                   | 211                       | 0    |
| 31 | 10/31/2014 |                                |                             |                             | \$ -                       |                   |                    |                   | 211                       |      |
|    |            |                                |                             |                             | 125                        | \$ 250.00         |                    |                   | \$250.00                  |      |

TOTAL RECEIPTS AND FUNDS COLLECTED:

125

x

\$2.00

\$

250.00

TOTAL AMOUNT DUE TO GENERAL FUND-----1100-347-40-121-000-0-000-----

\$ 250.00

LESS: TOTAL AMOUNTS REMITTED TO GENERAL FUND-----

\$ 250.00

TOTAL FUNDS DUE TO THE COUNTY TREASURER-----

\$ -

PREPARED BY: Patricia Balli

DATE: 11/3/14

THIS REPORT HAS BEEN PERSONALLY REVIEWED BY ME AND I CERTIFY IT TO BE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

*A.C. Cuellar, Jr.*

A.C. CUELLAR, JR.

COMMISSIONER PRCT NO. 1

HIDALGO COUNTY AUDITOR'S OFFICE

APPROVED BY: *[Signature]*

DATE: 11/12/14

11-3-14

DATE

THIS REPORT IS DUE IN THE OFFICE OF THE COUNTY AUDITOR BEFORE THE FIFTH (5TH) WORKING DAY OF THE FOLLOWING MONTH.

HIDALGO COUNTY, TEXAS  
DELTA LAKE PARK, PRECINCT 1  
MONTHLY REPORT FOR THE MONTH ENDING  
November 2014

*pbc*

| DATE          | BEGINNING<br>RECEIPT<br>NUMBER | ENDING<br>RECEIPT<br>NUMBER | TOTAL<br>RECEIPTS<br>ISSUED | TOTAL<br>RECEIPT<br>AMOUNT | COUNTY TREASURER  |                    |                   | DEPOSIT<br>SLIP<br>NUMBER |        |
|---------------|--------------------------------|-----------------------------|-----------------------------|----------------------------|-------------------|--------------------|-------------------|---------------------------|--------|
|               |                                |                             |                             |                            | DEPOSIT<br>AMOUNT | DATE OF<br>DEPOSIT | RECEIPT<br>NUMBER |                           |        |
| 1 11/1/2014   |                                |                             |                             | \$ -                       |                   |                    |                   | 211                       | 0      |
| 2 11/2/2014   | 310348                         | 310395                      | 48                          | \$ 96.00                   | \$ 96.00          | 11/7/14            | 180909            | 211                       | 0 2417 |
| 3 11/3/2014   |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 4 11/4/2014   |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 5 11/5/2014   |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 6 11/6/2014   |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 7 11/7/2014   |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 8 11/8/2014   |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 9 11/9/2014   | 310396                         | 310427                      | 32                          | \$ 64.00                   | \$ 64.00          | 11/12/2014         | 181254            | 211                       | 2418   |
| 10 11/10/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 11 11/11/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 12 11/12/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 13 11/13/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 14 11/14/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 15 11/15/2014 |                                |                             |                             |                            |                   |                    |                   | 211                       |        |
| 16 11/16/2014 | 310428                         | 310448                      | 21                          | \$ 42.00                   | \$ 42.00          | 11/18/2014         | 181261            | 211                       | 2419   |
| 17 11/17/2014 |                                |                             |                             |                            | \$ 44.00          |                    |                   | 211                       | 0      |
| 18 11/18/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 19 11/19/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 20 11/20/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 21 11/21/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 22 11/22/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 23 11/23/2014 | 310449                         | 310479                      | 31                          | \$ 62.00                   | \$ 62.00          | 11/25/2014         | 181900            | 211                       | 2420   |
| 24 11/24/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 25 11/25/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 26 11/26/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 27 11/27/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 28 11/28/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 29 11/29/2014 |                                |                             |                             |                            | \$ -              |                    |                   | 211                       | 0      |
| 30 11/30/2014 | 310480                         | 310511                      | 32                          | \$ 64.00                   | \$ 64.00          | 12/2/2014          | 181902            | 211                       | 2421   |
| 31            |                                |                             |                             | \$ 328.00                  | \$ 330.00         |                    |                   | 211                       | 0      |
|               |                                |                             |                             | \$ 232.00                  | \$ 232.00         |                    |                   |                           |        |

TOTAL RECEIPTS AND FUNDS COLLECTED: 164 x \$2.00 = \$ 328.00

|                                                                     |               |
|---------------------------------------------------------------------|---------------|
| TOTAL AMOUNT DUE TO GENERAL FUND-----1100-347-40-121-000-0-000----- | \$ 328 232.00 |
| LESS: TOTAL AMOUNTS REMITTED TO GENERAL FUND-----                   | \$ 330 232.00 |
| TOTAL FUNDS DUE TO THE COUNTY TREASURER-----                        | \$ -          |

PREPARED BY: *Patricia Ball* DATE: 12/15/14 *X 17b*

THIS REPORT HAS BEEN PERSONALLY REVIEWED BY ME AND I CERTIFY IT TO BE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.  
HIDALGO COUNTY AUDITOR'S OFFICE  
APPROVED BY: *[Signature]* DATE: 12/15/14

# COUNTY of HIDALGO

**HIDALGO COUNTY AUDITOR'S OFFICE**  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 22, 2014

Honorable A.C. Cuellar, Jr.  
Hidalgo County Commissioner Pct. No. 1  
1902 Joe Stephens Suite 101  
Weslaco, Texas 78596

Re: Review of Delta Lake *Monthly Fees Report* and Supporting Documentation  
For the months of October and November 2014

Dear Commissioner Cuellar:

We conducted a limited scope review of the Delta Lake *Monthly Fees Reports* and all supporting documentation for the months of October and November 2014 pursuant to Local Government Code §115.002 (a), and §115.002 (b). The objective of the review was to determine if fees collected were properly accounted and reported.

#### Scope:

The scope of our review was limited to collections reported on the *Monthly Fees Reports* for the months of October and November 2014. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

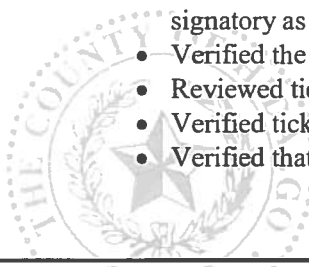
The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

The purpose of this report is to furnish management independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

#### Methodology:

In planning and performing our review, we reviewed applicable statutes and fee schedules. The following procedures were performed:

- Reviewed the submittal dates of the *Monthly Reports* and applicable supporting documentation to the County Auditor's Office to determine if the reports and applicable supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Reports* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Reports* by footing and cross-footing the report.
- Reviewed tickets issued to determine if proper fee amounts were collected and reported.
- Verified tickets issued followed a sequential order.
- Verified that procedures for voided tickets were properly followed.



#### HIDALGO COUNTY DISTRICT JUDGES

JAMIE E. TIJERINA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 53<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Forms (Close-Out Report)* to determine whether fees collected were properly accounted & deposited with the County Treasurer on a daily basis.
- Verified that the collections per the *Monthly Reports* agreed to total tickets issued and the deposits made with the County Treasurer.
- Verified the *Close-Out Report Forms* and *Monthly Fees Reports* were properly completed.

**Conclusion:**

Total collections for the months of October and November 2014 were \$250.00 and \$328.00, respectively. Based on the results of our review, we have concluded that fees collected were generally properly accounted and reported; however, the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observation.

**Observation No. 1:**

According to the Delta Lake Park staff, effective July 21, 2012, the park entrance fee from Monday through Saturday is waived. The park entrance fee is only collected on Sundays.

Local Government Code Sec. 316.001(4) states "the commissioners court of a county may set and collect fees for admission to a county park, if approved by a majority of the qualified voters of the county voting on the issue at a referendum election, which the commissioners court may order and hold for that purpose. Local Government Code Sec. 316.004 further states that "the commissioners court may set and collect the fees in different amounts or may waive the fees in consideration of the following factors: (1) the time of the day at which or the day of the week on which a facility or service is used; (2) the size of a group wishing to use a facility or service; (3) the special circumstances of certain classes of persons, including elderly persons and indigent persons; or (4) other factors that the court considers to justify a different fee or the waiver of a fee".

Commissioner's Court approval to waive the park entrance fee was not obtained.

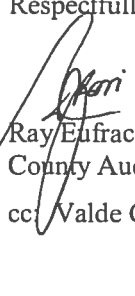
**Recommendation:**

Commissioners Court approval to waive the park entrance fee should be obtained.

Please provide a written management response to the observation noted above by January 9, 2015.

If you should have any questions or would like to schedule a meeting to discuss this report, please do not hesitate to call Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, or Arcy B. Duran, CPA, Director of Audit, at ext. 4645.

Respectfully,

  
Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer

**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERINA  
JUDGE, 52<sup>ND</sup> D.C.

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JUDGE, 93<sup>RD</sup> D.C.

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JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 445<sup>TH</sup> D.C.

HIDALGO COUNTY, TEXAS  
ANZALDUAS PARK, PRECINCT 3  
MONTHLY REPORT FOR THE MONTH ENDING  
October 2014

*PBC*

| DATE | BEGINNING<br>RECEIPT<br>NUMBER | ENDING<br>RECEIPT<br>NUMBER | TOTAL<br>RECEIPTS<br>ISSUED | TOTAL<br>RECEIPT<br>AMOUNT | COUNTY TREASURER  |                    |                   | DEPOSIT<br>SLIP<br>NUMBER |
|------|--------------------------------|-----------------------------|-----------------------------|----------------------------|-------------------|--------------------|-------------------|---------------------------|
|      |                                |                             |                             |                            | DEPOSIT<br>AMOUNT | DATE OF<br>DEPOSIT | RECEIPT<br>NUMBER |                           |
| 1    | 10/1/2014                      |                             |                             |                            |                   |                    |                   |                           |
| 2    | 10/2/2014                      |                             |                             |                            |                   |                    |                   | 231                       |
| 3    | 10/3/2014                      |                             |                             |                            |                   |                    |                   | 231                       |
| 4    | 10/4/2014                      | 370438                      | 23                          | \$ 92.00                   | \$ 92.00          | 10/4/2014          | 179977            | 231 008314                |
| 5    | 10/5/2014                      | 370461                      | 26                          | \$ 104.00                  | \$ 104.00         | 10/5/2014          | 179978            | 231 00832                 |
| 6    | 10/6/2014                      |                             |                             |                            |                   |                    |                   | 231                       |
| 7    | 10/7/2014                      |                             |                             |                            |                   |                    |                   | 231                       |
| 8    | 10/8/2014                      |                             |                             |                            |                   |                    |                   | 231                       |
| 9    | 10/9/2014                      |                             |                             |                            |                   |                    |                   | 231                       |
| 10   | 10/10/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 11   | 10/11/2014                     | 370487                      | 29                          | \$ 116.00                  | \$ 116.00         | 10/11/2014         | 180217            | 231 008334                |
| 12   | 10/12/2014                     | 370516                      | 27                          | \$ 108.00                  | \$ 108.00         | 10/12/2014         | 180218            | 231 00834                 |
| 13   | 10/13/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 14   | 10/14/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 15   | 10/15/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 16   | 10/16/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 17   | 10/17/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 18   | 10/18/2014                     | 370543                      | 33                          | \$ 132.00                  | \$ 132.00         | 10/18/2014         | 180359            | 231 008354                |
| 19   | 10/19/2014                     | 370576                      | 71                          | \$ 284.00                  | \$ 284.00         | 10/19/2014         | 180360            | 231 008364                |
| 20   | 10/20/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 21   | 10/21/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 22   | 10/22/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 23   | 10/23/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 24   | 10/24/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 25   | 10/25/2014                     | 370647                      | 2930                        | \$ 120.00                  | \$ 120.00         | 10/25/2014         | 180553            | 231 008374                |
| 26   | 10/26/2014                     | 370677                      | 37                          | \$ 148.00                  | \$ 148.00         | 10/28/2014         | 180554            | 231 008384                |
| 27   | 10/27/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 28   | 10/28/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 29   | 10/29/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 30   | 10/30/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 31   | 10/31/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
|      |                                |                             |                             |                            | 1,104.00          | \$1,104.00         |                   |                           |
|      |                                |                             |                             |                            | ^ 276 x           | \$4.00             |                   | \$1,104.00                |

LESS: TOTAL AMOUNTS REMITTED TO GENERAL FUND \_\_\_\_\_  
TOTAL FUNDS DUE TO THE COUNTY TREASURER \_\_\_\_\_

\$1,104.00 X  
\$1,104.00

PREPARED BY: Gerardo Flores

RTIFY IT TO BE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

*Gerardo Flores*

11/3/2014  
DATE

BEFORE THE FIFTH (5TH) WORKING DAY OF THE FOLLOWING MONTH.  
COUNTY AUDITOR'S FORM: RE-PCT.#3-001 REVISED: 9/5/05

HIDALGO COUNTY AUDITOR'S OFFICE  
APPROVED BY: *[Signature]*  
DATE: 11/6/14

XI

HIDALGO COUNTY, TEXAS  
ANZALDUAS PARK, PRECINCT 3  
MONTHLY REPORT FOR THE MONTH ENDING  
November 1 2014

| DATE | BEGINNING<br>RECEIPT<br>NUMBER | ENDING<br>RECEIPT<br>NUMBER | TOTAL<br>RECEIPTS<br>ISSUED | TOTAL<br>RECEIPT<br>AMOUNT | COUNTY TREASURER  |                    |                   | DEPOSIT<br>SLIP<br>NUMBER |
|------|--------------------------------|-----------------------------|-----------------------------|----------------------------|-------------------|--------------------|-------------------|---------------------------|
|      |                                |                             |                             |                            | DEPOSIT<br>AMOUNT | DATE OF<br>DEPOSIT | RECEIPT<br>NUMBER |                           |
| 1    | 11/1/2014                      | 370714                      | 370756                      | 43                         | \$ 172.00         | 11/1/2014          | 180989            | 231 00839                 |
| 2    | 11/2/2014                      | 370757                      | 370800                      | 44                         | \$ 176.00         | 11/2/2014          | 180990            | 231 00840                 |
| 3    | 11/3/2014                      |                             |                             |                            |                   |                    |                   | 231                       |
| 4    | 11/4/2014                      |                             |                             |                            |                   |                    |                   | 231                       |
| 5    | 11/5/2014                      |                             |                             |                            |                   |                    |                   | 231                       |
| 6    | 11/6/2014                      |                             |                             |                            |                   |                    |                   | 231                       |
| 7    | 11/7/2014                      |                             |                             |                            |                   |                    |                   | 231                       |
| 8    | 11/8/2014                      | 370801                      | 370843                      | 43                         | \$ 172.00         | 11/8/2014          | 181059            | 231 00844                 |
| 9    | 11/9/2014                      | 370844                      | 370893                      | 49                         | \$ 196.00         | 11/9/2014          | 181060            | 231 00842                 |
| 10   | 11/10/2014                     |                             | #370858 void<br>not sold    |                            |                   |                    |                   | 231                       |
| 11   | 11/11/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 12   | 11/12/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 13   | 11/13/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 14   | 11/14/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 15   | 11/15/2014                     | 370894                      | 370902                      | 9                          | \$ 36.00          | 11/15/2014         | 181255            | 231 00843                 |
| 16   | 11/16/2014                     | 370903                      | 370931                      | 29                         | \$ 116.00         | 11/16/2014         | 181256            | 231 00844                 |
| 17   | 11/17/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 18   | 11/18/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 19   | 11/19/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 20   | 11/20/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 21   | 11/21/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 22   | 11/22/2014                     | 370932                      | 370942                      | 11                         | \$ 44.00          | 11/22/2014         | 181542            | 231 00845                 |
| 23   | 11/23/2014                     | 370943                      | 370991                      | 49                         | \$ 196.00         | 11/23/2014         | 181543            | 231 00846                 |
| 24   | 11/24/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 25   | 11/25/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 26   | 11/26/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 27   | 11/27/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 28   | 11/28/2014                     |                             |                             |                            |                   |                    |                   | 231                       |
| 29   | 11/29/2014                     | 370992                      | 371048                      | 57                         | \$ 228.00         | 11/29/2014         | 181544            | 231 00847                 |
| 30   | 11/30/2014                     | 371049                      | 371076                      | 28                         | \$ 112.00         | 11/30/2014         | 181545            | 231 00848                 |
| 31   |                                |                             |                             |                            |                   |                    |                   | 231                       |

1,448.00

\$1,448.00

362 x \$4.00

\$1,448.00

LESS:

TOTAL AMOUNTS REMITTED TO GENERAL FUND-----

TOTAL FUNDS DUE TO THE COUNTY TREASURER-----

\$1,448.00

\$1,448.00

PREPARED BY: Gerardo Flores

RTIFY IT TO BE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE

HIDALGO COUNTY AUDITOR'S OFFICE

APPROVED BY: *[Signature]*

DATE: 12/10/14

12/2/2014

DATE

BEFORE THE FIFTH (5TH) WORKING DAY OF THE FOLLOWING MONTH

COUNTY AUDITOR'S FORM RE-PCT #3-001 REVISED:9/5/05

XI

# COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
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PHONE: (956) 318-2511  
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WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 22, 2014

The Honorable Jose M. Flores  
Hidalgo County Commissioner Pct. No. 3  
724 North Breyfogle Rd.  
Mission, Texas 78572

Re: Review of *Monthly Fees Report* and Supporting Documentation  
For the months of October and November 2014

Dear Commissioner Flores:

We conducted a review of the Anzalduas Park *Monthly Fees Reports* and all supporting documentation for the months of October 2014 and November 2014 in accordance with Local Government Code §115.002(a) and §115.002(b). The objective of the review was to determine whether collections were properly accounted and reported.

## Scope:

The scope of the review was limited to collections reported by your office on the *Monthly Fees Reports* for the months of October 2014 and November 2014. The review was not intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made. The responsibility for sound internal controls rests with management.

## Methodology:

In planning and performing the review, we reviewed applicable statutes and fee schedules. The following procedures were performed:

- Reviewed the submittal dates of the *Monthly Reports* and applicable supporting documentation to the County Auditor's Office to determine if the reports and applicable supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Reports* to ensure that the reports were signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Reports* by footing and cross-footing the reports.
- Reviewed tickets issued to determine if proper fee amounts were collected and reported.
- Verified tickets issued followed a sequential order.
- Verified that procedures for voided tickets were properly followed.
- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Forms* to determine whether fees collected were properly accounted and deposited with the County Treasurer on or before the fifth business day after the day on which the funds were received.
- Verified that the collections per the *Monthly Reports* agreed to total tickets issued and the deposits made with the County Treasurer.
- Reviewed receipts, *Cashier's Daily Close-Out Reports/Daily Remittance Forms*, and *Monthly Fees Reports* to verify proper completion.

## HIDALGO COUNTY DISTRICT JUDGES

JAMIE E. TLIERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

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ADA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 445<sup>TH</sup> D.C.

**Conclusion:**

Total collections for the months of October 2014 and November 2014 were \$1,104.00 and \$1,448.00, respectively. Based on the results of our review, we have concluded that fees collected were generally properly accounted and reported; however, the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

**Observation No. 1:**

A \$4.00 park entrance fee is collected from vehicles entering the Anzalduas Park on Saturdays and Sundays. A review of the County's financial records indicated that the fee has been collected since at least 1992.

Commissioners Court approved increase of the park entrance fee from \$2.00 to \$4.00 on March 23, 1993.

Commissioners Court may set and approve park entrance fees if approved by a majority of qualified voters through a referendum election; however, evidence that a referendum election was conducted has not been provided. According to the Anzalduas Park staff, they were not aware if and when a referendum election was held to approve the collection of the park entrance fee.

In addition, according to staff, the park entrance fee is waived under certain circumstances. For example, the park entrance fee is only collected on Saturdays and Sundays. The park entrance fee is also waived from vehicles entering the park after the Daily Close-Out Report and deposit cut-off time of 4:30 p.m. In addition, the park entrance fee is waived from County employees and law enforcement personnel upon presentation of a County or law enforcement identification card. Although Commissioners Court may waive the collection of the park entrance fee under certain circumstances, evidence of a Commissioners Court waiver policy was not provided. According to the Anzalduas Park staff, a waiver policy will be presented to Commissioners Court.

Local Government Code Sec. 316.001(4) states "the commissioners court of a county may set and collect fees for admission to a county park, if approved by a majority of the qualified voters of the county voting on the issue at a referendum election, which the commissioners court may order and hold for that purpose. Local Government Code Sec.316.004 further states that "the commissioners court may set and collect the fees in different amounts or may waive the fees in consideration of the following factors: (1) the time of the day at which or the day of the week on which a facility or service is used; (2) the size of a group wishing to use a facility or service; (3) the special circumstances of certain classes of persons, including elderly persons and indigent persons; or (4) other factors that the court considers to justify a different fee or the waiver of a fee."

The County Auditor's Office requires that all departments continue to collect and receipt after the established cut-off time. Any collections receipted after the cut-off time can be safeguarded overnight until they are deposited the next business day with the next business day's collections.

Failure to properly collect the park entrance fee may result in the loss of County funds.

**Recommendation:**

Management should ensure that that park entrance fees are properly collected. At a minimum, evidence that a referendum election was conducted and evidence authorizing the collection and waiver of the fee should be obtained.

**Observation No. 2:**

We noted during our review that several park entrance tickets were not initialed, signed or dated by the cashier responsible for issuing the park entrance ticket. According to staff, they will occasionally forget to initial and date the park entrance tickets.

In order to provide for an adequate audit trail, the County Auditor's Office requires that cashiers initial, sign and date each park entrance ticket issued.

Failure to ensure that park entrance tickets are initialed by the cashier responsible for issuing the park entrance ticket may result in the loss or misuse of County funds.

**Recommendation:**

Management should ensure that park entrance tickets are initialed, signed and dated by the cashier responsible for issuing the park entrance ticket.

**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERINA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 53<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 378<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

IDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 439<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

Please provide a written management response to the observation noted above by January 9, 2015.

If you should have any questions, please do not hesitate to call Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, or Arcy B. Duran, CPA, Director of Audit, at ext. 4645.

Respectfully,

  
Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer

---

**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
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JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

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JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 448<sup>TH</sup> D.C.

**RECEIVED BY**  
**CONSTABLE MARTIN CANTU MONTHLY REPORT**  
**For the Month Ending October 31, 2014**

2014 NOV 5 AM 11:45

| DATE       | PLAINTIFF'S NAME        | DEFENDANT'S NAME           | RECEIPT NUMBER | CAUSE NUMBER  | TYPE OF SERVICE<br>OUT OF COUNTY (OC)<br>IN-COUNTY (IC) | JUDICIAL DISTRICT |              |                |       |      | TREASURER RECEIPT | AMOUNTS       |            |
|------------|-------------------------|----------------------------|----------------|---------------|---------------------------------------------------------|-------------------|--------------|----------------|-------|------|-------------------|---------------|------------|
|            |                         |                            |                |               |                                                         | Justice Clerk     | County Clerk | District Clerk | Const | Sale |                   | DUE TO COUNTY |            |
| 10/1/2014  | Lacks Valley Stores     | Issac Molina or Alma Nunez | 9399-2         | SC-13-11928   | Small claims                                            | X                 |              |                |       |      | 179858            | \$70.00       |            |
| 10/3/2014  | Arron Lara Cantu        | Edgar Delgadillo           | 9400-2         | CL-09-1961-E  | Notice to take disposition X2                           |                   | X            |                |       |      | 180022            | \$140.00      |            |
| 10/7/2014  | Lacks Valley Stores     | Rolando & Idala Garcia     | 9401-2         | C-1243-14-21  | Small claims X2                                         | X                 |              |                |       |      | 180022            | \$140.00      |            |
| 10/7/2014  | Lacks Valley Stores     | Aileen Garcia              | 9402-2         | C-1757-13-21  | Small claims                                            | X                 |              |                |       |      | 180022            | \$70.00       |            |
| 10/8/2014  | Hidalgo Co. McAllen ISD | Rosa G. Salinas            | 9403-2         | T-2075-14-G   | Tax warrant                                             |                   |              | X              |       |      | 180058            | \$200.00      |            |
| 10/10/2014 | Hidalgo Co. McAllen ISD | Jonathan Martinez          | 9404-2         | T-2058-14-J   | Tax warrant                                             | X                 |              | X              |       |      | 180131            | \$200.00      |            |
| 10/14/2014 | PSJA                    | Jose R. Munoz              | 9405-2         | T-1514-10-A   | Levy & Return                                           | X                 |              | X              |       |      | 180198            | \$270.00      |            |
| 10/16/2014 | Jason Thomas            | Francisca Thomas           | 9406-2         | 2014-55555    | Temporary rest order                                    |                   |              | X              |       |      | 180288            | \$100.00      |            |
| 10/17/2014 | Soca Funding LLC        | Rodrigo Garcia             | 9407-2         | 2001-CI-07942 | Writ of Execution                                       | X                 |              | X              |       |      | 180326            | \$200.00      |            |
| 10/23/2014 | Lacks Valley Stores     | Rolando Garcia             | 9408-2         | C-1226-14-21  | Small claims                                            | X                 |              |                |       |      | 180567            | \$70.00       |            |
| 10/23/2014 | Lacks Valley Stores     | Idalia & Rolando Garcia    | 9409-2         | C-1191-14-21  | Small claims X2                                         | X                 |              |                |       |      | 180567            | \$140.00      |            |
| 10/23/2014 | Manuel De La Garza      | Manuel Gonzalez            | 9410-2         | CV62C0012518  | Small claims                                            | X                 |              |                |       |      | 180567            | \$70.00       |            |
| 10/23/2014 | Martin Rios             | Mariella Rivera            | 9411-2         | 2-1410-108    | notice                                                  |                   |              | X              |       |      | 180568            | \$70.00       |            |
| 10/24/2014 | McAllen ISD             | Issac Guerra (Cine EL Rev) | 9412-2         | T-2062-14-B   | Tax warrant                                             | X                 |              |                | X     |      | 180568            | \$200.00      |            |
| 10/24/2014 | Gonzalez Furniture Co.  | Jose C. Guerra             | 9413-2         | C-1752-14-21  | Small claims                                            | X                 |              |                |       |      | 180568            | \$70.00       |            |
|            |                         |                            |                |               |                                                         |                   |              |                |       |      |                   | Sub Total     | \$2,010.00 |
|            |                         |                            |                |               |                                                         |                   |              |                |       |      |                   | Grand Total   | \$2,010.00 |



This report has been personally reviewed by me and which I certify to be true and correct to the best of my knowledge.

Approved by: \_\_\_\_\_

Constable, Precinct 2

Prepared by: \_\_\_\_\_

For the Month Ending October 31, 2014 RECEIVED BY

COUNTY AUDITOR

|                    |                   |
|--------------------|-------------------|
| <i>Page Total</i>  | <b>A\$140.00</b>  |
| <i>Grand Total</i> | <b>\$2,150.00</b> |

Page 2 of 2

 $x \ln$

LB

November 30, 2014

RECEIVED BY

COUNTY AUDITOR

reviewed by me and which I certify to be true and correct.

Approved by:

Prepared by:

Revised 1/13

HIDALGO COUNTY AUDITORS OFFICE

APPROVED BY: Bob O'Boyle  
DATE: 12/19/14

APPROVED BY: \_\_\_\_\_  
DATE: 12/19/14

# COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 22, 2014

The Honorable Martin Cantu  
Hidalgo County Constable, Precinct 2  
300 W. Hall Acres, Ste. E  
Pharr, TX 78577

Ref: Review of *Monthly Fees Report* and Supporting Documentation  
For the months of October and November 2014

Dear Constable Cantu:

We have conducted a limited scope review of the Constable Precinct 2 *Monthly Fees Reports* and all supporting documentation for the months of October and November 2014 pursuant to Local Government Code § 115.002 (a), § 115.002 (b), and Code of Criminal Procedure Article 103.011. The objective of the review was to determine if fees collected were properly accounted and reported.

#### Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Fees Reports* for the months of October and November 2014. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

The purpose of this report is to furnish management independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

#### Methodology:

In planning and performing our review, we reviewed applicable statutes and fee schedules. The following are some of the procedures performed:

- Reviewed the submittal dates of the *Monthly Fees Reports* and applicable supporting documentation to the County Auditor's Office to determine if the reports and applicable supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signatures on the *Monthly Fees Reports* to ensure that the reports were signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fees Reports* by footing and cross-footing the reports.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified receipts issued followed a sequential order.
- Verified that procedures for voided receipts were properly followed.
- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Forms* to determine whether fees collected were properly accounted and deposited with the County Treasurer in a timely manner.
- Verified that the collections per the *Monthly Fees Reports* agreed to total receipts issued and the deposits made with the County Treasurer.
- Reviewed receipts, *Cashier's Daily Close-Out Reports/Daily Remittance Forms*, and *Monthly Fees Reports* to verify proper completion.

#### HIDALGO COUNTY DISTRICT JUDGES

JAMIE E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 396<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

**Conclusion:**

Total collections for the months of October and November 2014 were \$2,150.00 and \$490.00, respectively. Based on the results of our review, we have concluded that fees collected were generally properly accounted and reported.

If you should have any questions, please do not hesitate to contact Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651 or Arcy B. Duran, CPA, Director of Audit, at ext. 4645.

Respectfully,



Ray Eufrazio, CPA  
County Auditor

cc. Valde Guerra, Commissioners Court Executive Officer



**HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
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JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

CONSTABLE PRECINCT 4 MONTHLY REPORT RECEIVED BY

For the Month Ending October 2014

[illegible]

This report has been personally reviewed by me and I fully certify to be up and correct to the best of my knowledge.

Approved by

prepared by

David Nathan

County Auditor's Form VS-C-002

Revised 3-01

HIDALGO COUNTY AUDITOR'S OFFICE,

APPROVED BY: *Pano*

DATE: 12/1/14

Page 1 of 1



| For the Month Ending | November 2014 |
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Approved by:

Prepared by:

**Nayla Muñoz**

Constable, Precinct 4

HIDALGO COUNTY AUDITOR'S OFFICE

Revised: 3/01

County Auditor's Form AS-C-002

Page 1 of 1

XV

# COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 22, 2014

The Honorable Atanacio Gaitan Jr.  
Hidalgo County Constable, Precinct 4  
2814 S. Business Highway 281  
Edinburg, TX 78539

Re: Review of *Monthly Fees Report* and Supporting Documentation  
For the months of October and November 2014

Dear Constable Gaitan:

We have conducted a limited scope review of the Constable Precinct 4 *Monthly Fees Reports* and all supporting documentation for the months of October and November 2014 pursuant to Local Government Code § 115.002 (a), § 115.002 (b), and Code of Criminal Procedure Article 103.011. The objective of the review was to determine if fees collected were properly accounted and reported.

#### Scope:

The scope of our review was limited to collections reported by the Constable Precinct 4 Office on the *Monthly Fees Reports* for the months of October and November 2014. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

The purpose of this report is to furnish management independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

#### Methodology:

In planning and performing our review, we reviewed applicable statutes and fee schedules. The following procedures were performed:

- Reviewed the submittal dates of the *Monthly Fees Reports* and applicable supporting documentation to the County Auditor's Office to determine if the reports and applicable supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Fees Reports* to ensure that the reports were signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fees Reports* by footing and cross-footing the reports.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified receipts issued followed a sequential order.
- Verified that procedures for voided receipts were properly followed.
- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Forms* to determine whether fees collected were properly accounted and deposited with the County Treasurer in a timely manner.
- Verified that the collections per the *Monthly Fees Reports* agreed to total receipts issued and the deposits made with the County Treasurer.

#### HIDALGO COUNTY DISTRICT JUDGES

JAIME E. TJERINA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 438<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

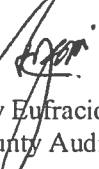
- Reviewed receipts, *Cashier's Daily Close-Out Reports/Daily Remittance Forms*, and *Monthly Fees Report* to verify proper completion.

**Conclusion:**

Total collections for the months of October and November 2014 were \$370.00 and \$280.00, respectively. Based on the results of our review, we have concluded that fees collected were generally properly accounted and reported.

If you should have any questions, please do not hesitate to contact Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651 or Arcy B. Duran, CPA, Director of Audit, at ext. 4645.

Respectfully,

  
Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer



---

**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TUERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

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JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 448<sup>TH</sup> D.C.

# COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE

Hidalgo County Administration Building

2808 South Business Highway 281

Edinburg, Texas 78539-6243

PHONE: (956) 318-2511

FAX: (956) 318-2577

WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 8, 2014

Oscar Cuellar, City Manager

City of Peñitas

P.O. Box 204

Peñitas, Texas 78576

Re: Tax Increment Reinvestment Zone No. 1, Peñitas, Texas  
Report No. 2014-21

Dear Mr. Cuellar:

We conducted a limited scope review of the interlocal agreement between the City of Peñitas, Hidalgo County, and Reinvestment Zone Number One, City of Peñitas, Texas (Peñitas TIRZ). The objectives of the review were to determine the accuracy the Peñitas TIRZ 2012-2013 and 2013-2014 payment amounts and compliance with Tax Code §311.016 and sections IV (B) (2), IV (C) (i), and IV (C) (ii) of the interlocal agreement regarding completion of the TIRZ's annual report, updated fact sheet, and annual audit of the TIRZ.

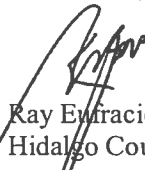
The scope of the review was limited to the Peñitas TIRZ property accounts as of January 31, 2014. Our review was not designated nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made. The responsibility for sound internal controls rests with management.

The results of the review revealed the following:

1. The County Auditor's Office determined that the amounts due to the Peñitas TIRZ for tax year 2012 and tax year 2013 are \$53,685.07 and \$63,394.26, respectively (see Exhibits A and B).
2. The annual report, annual audit report, fact sheet and copies of annual audits were submitted in compliance with Tax Code §311.016 and sections IV (B) (2), IV (C) (i), and IV (C) (ii) of the interlocal agreement.

If you have any questions, feel free to call Carlos Ramirez, Internal Auditor II, at 318-2511 ext. 4654, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,

  
Ray Enfracio, CPA  
Hidalgo County Auditor

cc: The Honorable Ramon Garcia, Hidalgo County Judge

## HIDALGO COUNTY DISTRICT JUDGES

JAMES E. TIERINA  
JUDGE, 32<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 33<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

aida salinas flores  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

**EXHIBIT A**

**2012-2013 Penitas TIRZ Payment**

| <b>Tax Increment Reinvestment Zone (TIRZ) Payment Calculation</b>                                                                                                                                                                                                      | <b>Alton TIRZ<br/>Calculation for Tax<br/>Year 2012</b>        | <b>Total</b>        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------|
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))<br>(Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)                                                                                  | \$ 12,449,967.00<br>0.0059                                     |                     |
| GHD Actual Tax Levy for all real property tax accounts located within the TIRZ                                                                                                                                                                                         | <b>\$ 73,454.81</b>                                            |                     |
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))<br>(Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)<br>Captured Appraised Value | \$ 12,449,967.00<br>\$ 1,356,701.00<br><b>\$ 11,093,266.00</b> |                     |
| Captured Appraised Value<br>(multiplied by) Contribution Rate ( Per agreement s/b the lesser of .52 or actual M&O) (.5107/100)<br>Tax Levy Due to TIRZ                                                                                                                 | \$ 11,093,266.00<br>0.004840<br><b>\$ 53,694.18</b>            |                     |
| TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office<br>(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ<br>Percent Collected of Actual Levy                  | \$ 73,089.73<br>\$ 73,454.81<br><b>99.5030%</b>                |                     |
| Tax Levy Due to TIRZ<br>(Multiplied by) Percent Collected of Actual Levy                                                                                                                                                                                               | \$ 53,694.18<br>99.5030%<br><b>\$ 53,427.32</b>                |                     |
| (Less) Administrative Cost<br>(Less) Adjustments **<br><b>2012-2013 TIRZ PAYMENT AMOUNT</b>                                                                                                                                                                            | <b>\$ 53,427.32</b>                                            | <b>\$ 53,427.32</b> |

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ

| <b>Tax Increment Reinvestment Zone (TIRZ) Payment Calculation</b>                                                                                                                                                                                                      | <b>County Auditor's<br/>Calculation for Tax<br/>Year 2012</b>  | <b>Total</b>        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------|
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))<br>(Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)                                                                                  | \$ 12,449,967.00<br>0.0059                                     |                     |
| GHD Actual Tax Levy for all real property tax accounts located within the TIRZ                                                                                                                                                                                         | <b>\$ 73,454.81</b>                                            |                     |
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))<br>(Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)<br>Captured Appraised Value | \$ 12,449,967.00<br>\$ 1,356,701.00<br><b>\$ 11,093,266.00</b> |                     |
| Captured Appraised Value<br>(multiplied by) Contribution Rate ( Per agreement s/b the lesser of .5107 or actual M&O) (.5107/100)<br>Tax Levy Due to TIRZ                                                                                                               | \$ 11,093,266.00<br>0.004840<br><b>\$ 53,691.41</b>            |                     |
| TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office<br>(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ<br>Percent Collected of Actual Levy                  | \$ 73,446.15<br>\$ 73,454.81<br><b>99.9882%</b>                |                     |
| Tax Levy Due to TIRZ<br>(Multiplied by) Percent Collected of Actual Levy                                                                                                                                                                                               | \$ 53,691.41<br>99.9882%<br><b>\$ 53,685.07</b>                |                     |
| (Less) Administrative Cost<br>(Less) Adjustments **<br><b>2012-2013 TIRZ PAYMENT AMOUNT</b>                                                                                                                                                                            | <b>\$ 53,685.07</b>                                            | <b>\$ 53,685.07</b> |

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ

**EXHIBIT A**

**2013-2014 Penitas TIRZ Payment**

| <b>Tax Increment Reinvestment Zone (TIRZ) Payment Calculation</b>                                                                                                                                                                          | <b>Alton TIRZ<br/>Calculation for Tax<br/>Year 2013</b> | <b>Total</b>        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|---------------------|
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))<br>(Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)                                                      | \$ 16,071,853.00<br>0.0059                              |                     |
| GHD Actual Tax Levy for all real property tax accounts located within the TIRZ                                                                                                                                                             | \$ 94,823.93                                            |                     |
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))<br>(Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD) | \$ 16,071,853.00<br>\$ 1,356,701.00                     |                     |
| <b>Captured Appraised Value</b>                                                                                                                                                                                                            | <b>\$ 14,715,152.00</b>                                 |                     |
| Captured Appraised Value<br>(multiplied by) Contribution Rate ( Per agreement s/b the lesser of .52 or actual M&O) (.5107/100)                                                                                                             | \$ 14,715,152.00<br>0.004840                            |                     |
| <b>Tax Levy Due to TIRZ</b>                                                                                                                                                                                                                | <b>\$ 71,225.01</b>                                     |                     |
| TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office<br>(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ                          | \$ 84,402.93<br>\$ 94,823.93                            |                     |
| <b>Percent Collected of Actual Levy</b>                                                                                                                                                                                                    | <b>89.0102%</b>                                         |                     |
| Tax Levy Due to TIRZ<br>(Multiplied by) Percent Collected of Actual Levy                                                                                                                                                                   | \$ 71,225.01<br>89.0102%                                |                     |
|                                                                                                                                                                                                                                            | \$ 63,397.50                                            | \$ 63,397.50        |
| (Less) Administrative Cost<br>(Less) Adjustments **                                                                                                                                                                                        |                                                         |                     |
| <b>2012-2013 TIRZ PAYMENT AMOUNT</b>                                                                                                                                                                                                       |                                                         | <b>\$ 63,397.50</b> |

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ

| <b>Tax Increment Reinvestment Zone (TIRZ) Payment Calculation</b>                                                                                                                                                                          | <b>County Auditor's<br/>Calculation for Tax<br/>Year 2013</b> | <b>Total</b>        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|---------------------|
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))<br>(Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)                                                      | \$ 16,071,853.00<br>0.0059                                    |                     |
| GHD Actual Tax Levy for all real property tax accounts located within the TIRZ                                                                                                                                                             | \$ 94,823.93                                                  |                     |
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))<br>(Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD) | \$ 16,071,853.00<br>\$ 1,356,701.00                           |                     |
| <b>Captured Appraised Value</b>                                                                                                                                                                                                            | <b>\$ 14,715,152.00</b>                                       |                     |
| Captured Appraised Value<br>(multiplied by) Contribution Rate ( Per agreement s/b the lesser of .5107 or actual M&O) (.5107/100)                                                                                                           | \$ 14,715,152.00<br>0.004840                                  |                     |
| <b>Tax Levy Due to TIRZ</b>                                                                                                                                                                                                                | <b>\$ 71,221.34</b>                                           |                     |
| TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office<br>(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ                          | \$ 84,402.93<br>\$ 94,823.93                                  |                     |
| <b>Percent Collected of Actual Levy</b>                                                                                                                                                                                                    | <b>89.0102%</b>                                               |                     |
| Tax Levy Due to TIRZ<br>(Multiplied by) Percent Collected of Actual Levy                                                                                                                                                                   | \$ 71,221.34<br>89.0102%                                      |                     |
|                                                                                                                                                                                                                                            | \$ 63,394.25                                                  | \$ 63,394.26        |
| (Less) Administrative Cost<br>(Less) Adjustments **                                                                                                                                                                                        |                                                               |                     |
| <b>2012-2013 TIRZ PAYMENT AMOUNT</b>                                                                                                                                                                                                       |                                                               | <b>\$ 63,394.26</b> |

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ

# COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 3, 2014

Luciano Ozuna Jr., City Manager  
City of Alamo  
420 N. Tower Rd.  
Alamo, Texas 78516

Re: Tax Increment Reinvestment Zone No. 1, Alamo, Texas  
Report No. 2014-23

Dear Mr. Ozuna:

We conducted a limited scope review of the interlocal agreement between the City of Alamo, Texas, Hidalgo County, Texas and Reinvestment Zone (TIRZ) Number One, City of Alamo, Texas. The objectives of the review were to determine the accuracy of the Alamo TIRZ 2013-2014 payment amount and submittal of the fact sheet, annual report, and annual financial review in compliance with Tax Code § 311.016 and sections IV (B) (2) and VII (J) of the interlocal agreement.

The scope of our review was limited to the Alamo TIRZ No. 1 tax accounts for tax years 2013 and prior. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made. The responsibility for sound internal controls rests with management.

The results of our review revealed the following:

1. The County Auditor's Office determined that the amount due to Alamo TIRZ No. 1 for collections that occurred from February 1, 2013 through January 31, 2014 for tax years 2013 and prior is \$32,648.64.
2. The fact sheet, annual reports, and annual financial review were submitted in compliance with Tax Code §311.016 and section IV (B) (2) and section VII (J) of the interlocal agreement.

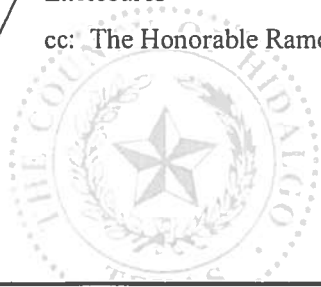
If you have any questions, feel free to call Carlos Ramirez, MSA, Internal Auditor II, at 318-2511 ext. 4654, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,

  
Ray Eufrazio, CPA  
Hidalgo County Auditor

Enclosures

cc: The Honorable Ramon Garcia, Hidalgo County Judge



## HIDALGO COUNTY DISTRICT JUDGES

JAIME E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

aida SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

**EXHIBIT A**

**2013-2014 Alamo TIRZ Payment**

| <b>Tax Increment Reinvestment Zone (TIRZ) Payment Calculation</b>                                                     | <b>County Auditor's<br/>Calculation for<br/>Tax Year 2009</b> | <b>County Auditor's<br/>Calculation for<br/>Tax Year 2010</b> | <b>County Auditor's<br/>Calculation for<br/>Tax Year 2011</b> | <b>County Auditor's<br/>Calculation for<br/>Tax Year 2012</b> | <b>County Auditor's<br/>Calculation for<br/>Tax Year 2013</b> | <b>Alamo TIRZ No. 1<br/>Calculation Tax Year<br/>2013</b> |
|-----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------------|
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))    | \$ 41,800,774.00                                              | \$ 42,210,678.00                                              | \$ 45,419,396.00                                              | \$ 44,917,878.00                                              | \$ 46,458,006.00                                              | \$ 47,480,960.00                                          |
| (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)                                                       | 0.0059                                                        | 0.0059                                                        | 0.0059                                                        | 0.0059                                                        | 0.0059                                                        | 0.0059                                                    |
| GHD Actual Tax Levy for all real property tax accounts located within the TIRZ                                        | \$ 246,624.57                                                 | \$ 249,043.00                                                 | \$ 267,974.44                                                 | \$ 265,015.48                                                 | \$ 274,102.24                                                 | \$ 280,137.66                                             |
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))    | \$ 41,800,774.00                                              | \$ 42,210,678.00                                              | \$ 45,419,396.00                                              | \$ 44,917,878.00                                              | \$ 46,458,006.00                                              | \$ 47,480,960.00                                          |
| (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)  | \$ 39,895,348.00                                              | \$ 39,895,348.00                                              | \$ 39,895,348.00                                              | \$ 39,895,348.00                                              | \$ 39,895,348.00                                              | \$ 39,895,348.00                                          |
| Captured Appraised Value                                                                                              | \$ 1,905,426.00                                               | \$ 2,315,330.00                                               | \$ 5,524,048.00                                               | \$ 5,022,530.00                                               | \$ 6,562,658.00                                               | \$ 7,585,612.00                                           |
| Captured Appraised Value                                                                                              | \$ 1,905,426.00                                               | \$ 2,315,330.00                                               | \$ 5,524,048.00                                               | \$ 5,022,530.00                                               | \$ 6,562,658.00                                               | \$ 7,585,612.00                                           |
| (Multiplied by) Contribution Rate (Per agreement s.b the lesser of .5127 or actual M&O) (.5127/100)                   | 0.005127                                                      | 0.005107                                                      | 0.005127                                                      | 0.005127                                                      | 0.005127                                                      | 0.005127                                                  |
| Tax Levy Due to TIRZ                                                                                                  | \$ 9,769.12                                                   | \$ 11,824.39                                                  | \$ 28,321.79                                                  | \$ 25,750.51                                                  | \$ 33,646.75                                                  | \$ 38,891.43                                              |
| TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office | \$ 474.51                                                     | \$ 1,285.40                                                   | \$ 2,333.78                                                   | \$ 29,523.87                                                  | \$ 248,241.27                                                 | \$ 219,125.52                                             |
| (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ                              | \$ 246,624.57                                                 | \$ 249,043.00                                                 | \$ 267,974.44                                                 | \$ 265,015.48                                                 | \$ 274,102.24                                                 | \$ 280,137.66                                             |
| Percent Collected of Actual Levy                                                                                      | 0.1924%                                                       | 0.5161%                                                       | 0.8709%                                                       | 11.1404%                                                      | 90.5652%                                                      | 78.2207%                                                  |
| Tax Levy Due to TIRZ                                                                                                  | \$ 9,769.12                                                   | \$ 11,824.39                                                  | \$ 28,321.79                                                  | \$ 25,750.51                                                  | \$ 33,646.75                                                  | \$ 38,891.43                                              |
| (Multiplied by) Percent Collected of Actual Levy                                                                      | 0.1924%                                                       | 0.5161%                                                       | 0.8709%                                                       | 11.1404%                                                      | 90.5652%                                                      | 78.2207%                                                  |
| (Less) Administrative Cost                                                                                            | \$ 18.80                                                      | \$ 61.03                                                      | \$ 246.65                                                     | \$ 2,868.71                                                   | \$ 30,472.25                                                  | \$ 30,413.10                                              |
| (Loss) Adjustments **                                                                                                 | \$ (18.80)                                                    | \$ -                                                          | \$ -                                                          | \$ -                                                          | \$ (1,000.00)                                                 | \$ (1,000.00)                                             |
| 2012-2013 TIRZ PAYMENT AMOUNT                                                                                         | \$ (0.00)                                                     | \$ 61.03                                                      | \$ 246.65                                                     | \$ 2,868.71                                                   | \$ 29,472.25                                                  | \$ 29,413.10                                              |
|                                                                                                                       |                                                               |                                                               |                                                               |                                                               | \$ 32,648.64                                                  |                                                           |
|                                                                                                                       |                                                               |                                                               |                                                               |                                                               | Difference                                                    |                                                           |
|                                                                                                                       |                                                               |                                                               |                                                               |                                                               | \$ 3,235.54                                                   |                                                           |

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

# COUNTY of HIDALGO

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FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 5, 2014

Joe Vera III, City Manager  
City of Hidalgo  
704 E. Texano Drive  
Hidalgo, Texas 78557

Re: Tax Increment Reinvestment Zone No. 1, Hidalgo, Texas  
Report No. 2013-23

Dear Mr. Vera:

We conducted a limited scope review of the interlocal agreement between the City of Hidalgo, Hidalgo County, and Reinvestment Zone Number One, City of Hidalgo, Texas (Hidalgo TIRZ). The objectives of the review were to determine the accuracy of the Hidalgo TIRZ 2012-2013 payment amount and compliance with Tax Code §311.016 and Sections IV (B) (7) and VI (K) of the interlocal agreement regarding completion of the TIRZ's annual report, updated fact sheet, and annual audit of the TIRZ.

The scope of our review was limited to the Hidalgo TIRZ property accounts as of January 31, 2013. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made. The responsibility for sound internal controls rests with management.

The results of the review revealed the following:

1. The County Auditor's Office determined that the amount due to the Hidalgo TIRZ for tax years 2012 and prior is \$243,555.83 (see Exhibit A).
2. The annual audit, fact sheet, and annual report were submitted in compliance with Tax Code §311.016 and sections IV (B) (7) and VI (K) of the interlocal agreement.

Please note that the County Auditor's Office has not received the documentation listed below. The information is needed to process the 2013-2014 Hidalgo TIRZ payment.

1. Updated fact Sheet - pursuant to Section IV (B)(7) of the interlocal agreement, the fact sheet must include:
  - a. A detail as to what portion of the Project has been completed to date;
  - b. A schedule of what portion of the Project is to be completed in the following year; and
  - c. A current roster of the TIRZ's board members, including the term of each board member, the entity that appointed the board member and the date for the annual meeting.
2. Annual Report - pursuant to Tax Code § 311.016 and Section VI (k) of the interlocal agreement, the annual report must include:
  - a. The amount and source of revenue in the tax increment fund established for the zone;
  - b. The amount and purpose of expenditures from the fund;
  - c. The amount of principal and interest due on outstanding bonded indebtedness;
  - d. The tax increment base and current captured appraised value retained by the zone; and
  - e. The captured appraised value shared by the municipality or county and other taxing units, the total amount of tax increments received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality or county.

## HIDALGO COUNTY DISTRICT JUDGES

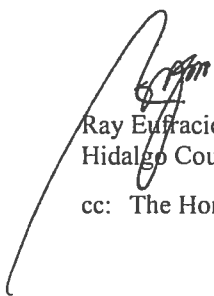
|                                                  |                                                 |                                                       |                                                    |                                                  |                                                        |                                                           |                                                |                                                     |                                                    |                                                  |
|--------------------------------------------------|-------------------------------------------------|-------------------------------------------------------|----------------------------------------------------|--------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------|------------------------------------------------|-----------------------------------------------------|----------------------------------------------------|--------------------------------------------------|
| JAMIE E. TUERINA<br>JUDGE, 92 <sup>ND</sup> D.C. | RODOLFO DELGADO<br>JUDGE, 93 <sup>RD</sup> D.C. | J. R. "BOBBY" FLORES<br>JUDGE, 139 <sup>TH</sup> D.C. | ROSE GUERRA REYNA<br>JUDGE, 206 <sup>TH</sup> D.C. | JUAN R. PARTIDA<br>JUDGE, 275 <sup>TH</sup> D.C. | MARIO E. RAMIREZ, JR.<br>JUDGE, 332 <sup>ND</sup> D.C. | NOE GONZALEZ<br>JUDGE, 378 <sup>TH</sup> D.C.<br>OVERSEER | LETICIA LOPEZ<br>JUDGE, 389 <sup>TH</sup> D.C. | ADA SALINAS FLORES<br>JUDGE, 398 <sup>TH</sup> D.C. | ISRAEL RAMON, JR.<br>JUDGE, 430 <sup>TH</sup> D.C. | JESSE CONTRERAS<br>JUDGE, 449 <sup>TH</sup> D.C. |
|--------------------------------------------------|-------------------------------------------------|-------------------------------------------------------|----------------------------------------------------|--------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------|------------------------------------------------|-----------------------------------------------------|----------------------------------------------------|--------------------------------------------------|

3. Annual Audit of the TIRZ - pursuant to Section VI (k) of the interlocal agreement.
4. A payment request along with supporting documentation (i.e., collection reports and TIRZ payment calculation worksheet) from the TIRZ. The TIRZ should request collection reports from the Hidalgo County Tax Assessor-Collector for the period of February 1, 2013 through January 31, 2014 in order to calculate the payment amount. The TIRZ payment should be calculated by utilizing the enclosed sample TIRZ payment calculation worksheet.

Once the County Auditor's Office receives the documentation listed above we will proceed to process the 2013-2014 payment.

If you have any questions, feel free to call Carlos Ramirez, Internal Auditor II, at 318-2511 ext. 4654, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA  
Hidalgo County Auditor

cc: The Honorable Ramon Garcia, Hidalgo County Judge

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**HIDALGO COUNTY DISTRICT JUDGES**

|                                                   |                                                 |                                                       |                                                    |                                                  |                                                        |                                                         |                                                |                                                       |                                                    |                                                  |
|---------------------------------------------------|-------------------------------------------------|-------------------------------------------------------|----------------------------------------------------|--------------------------------------------------|--------------------------------------------------------|---------------------------------------------------------|------------------------------------------------|-------------------------------------------------------|----------------------------------------------------|--------------------------------------------------|
| JAMIE E. TIJERINA<br>JUDGE, 92 <sup>ND</sup> D.C. | RODOLFO DELGADO<br>JUDGE, 93 <sup>RD</sup> D.C. | J. R. "BOBBY" FLORES<br>JUDGE, 139 <sup>TH</sup> D.C. | ROSE GUERRA REYNA<br>JUDGE, 206 <sup>TH</sup> D.C. | JUAN R. PARTIDA<br>JUDGE, 275 <sup>TH</sup> D.C. | MARIO E. RAMIREZ, JR.<br>JUDGE, 332 <sup>ND</sup> D.C. | NOE GONZALEZ<br>JUDGE, 376 <sup>TH</sup> D.C.<br>RIVERA | LETICIA LOPEZ<br>JUDGE, 389 <sup>TH</sup> D.C. | ANITA SALINAS FLORES<br>JUDGE, 398 <sup>TH</sup> D.C. | ISRAEL RAMON, JR.<br>JUDGE, 430 <sup>TH</sup> D.C. | JESSE CONTRERAS<br>JUDGE, 449 <sup>TH</sup> D.C. |
|---------------------------------------------------|-------------------------------------------------|-------------------------------------------------------|----------------------------------------------------|--------------------------------------------------|--------------------------------------------------------|---------------------------------------------------------|------------------------------------------------|-------------------------------------------------------|----------------------------------------------------|--------------------------------------------------|

EXHIBIT A

2012-2013 Hidalgo TIRZ Payment

| Tax Increment Reinvestment Zone (TIRZ) Payment Calculation                                                                   | Hidalgo TIRZ<br>Calculation for<br>Tax Year 2012 | Hidalgo TIRZ<br>Calculation for<br>Tax Year 2011 | Hidalgo TIRZ<br>Calculation for<br>Tax Year 2010 | Hidalgo TIRZ<br>Calculation for<br>Tax Year 2009 | Total         |
|------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|--------------------------------------------------|--------------------------------------------------|--------------------------------------------------|---------------|
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))           | \$ 61,401,927.00                                 | \$ -                                             | \$ -                                             | \$395,413,384.00                                 |               |
| (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)                                                              | 0.0059                                           | 0.0059                                           | 0.0059                                           | 0.0059                                           |               |
| GHD Actual Tax Levy for all real property tax accounts located within the TIRZ                                               | \$ 362,271.37                                    | \$ -                                             | \$ -                                             | \$ 2,086,938.99                                  |               |
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))           | \$ 61,401,927.00                                 | \$ -                                             | \$ -                                             | \$395,413,384.00                                 |               |
| (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)         | \$ 23,326,480.00                                 | \$ -                                             | \$ -                                             | \$ 29,141,938.00                                 |               |
| Captured Appraised Value                                                                                                     | \$ 37,575,437.00                                 | \$ -                                             | \$ -                                             | \$ 326,271,449.00                                |               |
| Captured Appraised Value (multiplied by) Contribution Rate (Per agreement s/b the lesser of .5095 or actual M&O) (.5095/100) | 0.005127                                         | 0.005095                                         | 0.005095                                         | 0.005095                                         |               |
| Tax Levy Due to TIRZ                                                                                                         | \$ 192,649.27                                    | \$ -                                             | \$ -                                             | \$ 1,662,353.03                                  |               |
| TIRZ Collections (for April 1 through March 31) as per Collections Reports provided by Hidalgo County Tax Office             | \$ 287,106.42                                    | \$ 27,111.72                                     | \$ 6,330.03                                      | \$ 3,042.57                                      |               |
| (divided by) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ                                  | \$ 362,271.37                                    | \$ -                                             | \$ -                                             | \$ 2,086,938.99                                  |               |
| Percent Collected of Actual Levy                                                                                             | 73.73%                                           | 0.0000%                                          | 0.0000%                                          | 0.1451%                                          |               |
| Tax Levy Due to TIRZ (multiplied by) Percent Collected of Actual Levy                                                        | \$ 192,649.27                                    | \$ 183,396.09                                    | \$ 23,087.53                                     | \$ 5,977.33                                      |               |
| (Less) Administrative Cost                                                                                                   | \$ 73,731.04                                     | \$ 81,400.00                                     | \$ 60,700.00                                     | \$ 40,300.00                                     |               |
| (Less) Adjustments **                                                                                                        | \$ 141,928.21                                    | \$ 115,675.20                                    | \$ 14,016.16                                     | \$ 2,408.86                                      |               |
| 2012-2013 TIRZ PAYMENT AMOUNT                                                                                                | \$ 140,962.51                                    | \$ 115,675.20                                    | \$ 14,016.16                                     | \$ 2,408.86                                      | \$ 273,062.73 |

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

| Tax Increment Reinvestment Zone (TIRZ) Payment Calculation                                                                   | County Auditor's<br>Calculation for<br>Tax Year 2012 | County Auditor's<br>Calculation for<br>Tax Year 2011 | County Auditor's<br>Calculation for<br>Tax Year 2010 | County Auditor's<br>Calculation for<br>Tax Year 2009 | Total         |
|------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|---------------|
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))           | \$ 61,401,927.00                                     | \$ 61,964,111.00                                     | \$ 60,391,785.00                                     | \$ 59,771,307.00                                     |               |
| (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)                                                              | 0.0059                                               | 0.0059                                               | 0.0059                                               | 0.0059                                               |               |
| GHD Actual Tax Levy for all real property tax accounts located within the TIRZ                                               | \$ 362,271.37                                        | \$ 365,588.25                                        | \$ 356,311.53                                        | \$ 352,850.71                                        |               |
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))           | \$ 61,401,927.00                                     | \$ 61,964,111.00                                     | \$ 60,391,785.00                                     | \$ 59,771,307.00                                     |               |
| (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)         | \$ 23,912,085.00                                     | \$ 23,912,085.00                                     | \$ 23,912,085.00                                     | \$ 23,912,085.00                                     |               |
| Captured Appraised Value                                                                                                     | \$ 37,489,842.00                                     | \$ 38,052,026.00                                     | \$ 36,479,700.00                                     | \$ 35,859,222.00                                     |               |
| Captured Appraised Value (multiplied by) Contribution Rate (Per agreement s/b the lesser of .5095 or actual M&O) (.5095/100) | 0.005200                                             | 0.005200                                             | 0.005107                                             | 0.005127                                             |               |
| Tax Levy Due to TIRZ                                                                                                         | \$ 194,847.18                                        | \$ 197,870.54                                        | \$ 186,301.83                                        | \$ 183,850.23                                        |               |
| TIRZ Collections (for April 1 through March 31) as per Collections Reports provided by Hidalgo County Tax Office             | \$ 301,577.44                                        | \$ 131,239.78                                        | \$ 17,220.32                                         | \$ 4,284.89                                          |               |
| (divided by) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ                                  | \$ 362,271.37                                        | \$ 365,588.25                                        | \$ 356,311.53                                        | \$ 352,850.71                                        |               |
| Percent Collected of Actual Levy                                                                                             | 83.2463%                                             | 35.8962%                                             | 4.8329%                                              | 1.2150%                                              |               |
| Tax Levy Due to TIRZ (multiplied by) Percent Collected of Actual Levy                                                        | \$ 194,847.18                                        | \$ 197,870.54                                        | \$ 186,301.83                                        | \$ 183,850.23                                        |               |
| (Less) Administrative Cost                                                                                                   | \$ 83,25%                                            | \$ 35,90%                                            | \$ 4.83%                                             | \$ 1.21%                                             |               |
| (Less) Adjustments **                                                                                                        | \$ 162,286.31                                        | \$ 71,031.96                                         | \$ 9,003.78                                          | \$ 2,233.78                                          |               |
| 2013-2014 TIRZ PAYMENT AMOUNT                                                                                                | \$ 161,286.31                                        | \$ 71,031.96                                         | \$ 9,003.78                                          | \$ 2,233.78                                          | \$ 243,555.83 |

\*\* Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

\$ 29,526.90

# COUNTY OF HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 22, 2014

The Honorable Rene Guerra  
Hidalgo County Criminal District Attorney  
Hidalgo County Courthouse  
100 N. Closner, 3<sup>rd</sup> Floor  
Edinburg, Texas 78539

Re: Audit of the Chapter 59 Asset Forfeiture Audit Report by Attorney Representing the State  
For the Fiscal Year Ended August 31, 2014  
Audit No. 2014-36

Dear Mr. Guerra:

We have completed an audit of the "Chapter 59 Asset Forfeiture Audit Report by Attorney Representing the State" (Asset Forfeiture Report) for the fiscal year ended August 31, 2014 pursuant to Code of Criminal Procedure § 59.06 (g)(1), Local Government Code § 115.001 and § 115.0035, and our annual audit plan. The objective of the audit was to determine if Chapter 59 seizures, forfeitures, receipts, and expenditures were properly accounted and reported.

## **Background:**

Code of Criminal Procedure (CCP) Chapter 59 "Forfeiture of Contraband" provides for the forfeiture of contraband seized by peace officers employed by law enforcement agencies of the state and its political subdivisions. Chapter 59 defines "contraband" as property of any nature (including real, personal, tangible, or intangible property) that is used or intended for use in the commission of certain enumerated felonies, Class A and Class B misdemeanors, or property that is gained, acquired, and/or used to facilitate the commission of certain enumerated felonies and misdemeanors.

For the fiscal year ended August 31, 2014, the District Attorney's Office had Chapter 59 seizures as follows: 2 vehicles and 21 pallets of Owens Corning Insulation and an unknown amount of bags of charcoal. In addition, the District Attorney's Office was awarded (forfeited) cash totaling \$ 997,675.70.

Pursuant to CCP § 59.03 (c), a peace officer having custody of property must provide to the District Attorney a sworn statement that contains a schedule of the property seized, an acknowledgment that the officer has seized the property, and a list of the officer's reasons for the seizure. In addition, "not later than 72 hours after the seizure, the peace officer shall: (1) place the property under seal; (2) remove the property to a place ordered by the court; or (3) require a law enforcement agency of the state or a political subdivision to take custody of the property and move it to a proper location."

Pursuant to CCP § 59.04 (a) & (b), the District Attorney must commence forfeiture proceedings by filing a notice of the seizure and intended forfeiture (petition) with the District Clerk's Office not later than the 30th day after the date of the seizure.

Pursuant to CCP § 59.05 (b) & (e), forfeiture proceedings are conducted in accordance with rules and principles governing civil cases. If the court finds that the state has proven by a preponderance of the evidence that all or part of the seized property is subject to forfeiture, the judge shall forfeit the property to the state. Pursuant to CCP § 59.06 (f), a final judgment of forfeiture perfects the state's title to the forfeited property.

Pursuant to CCP § 59.05 (f), the District Clerk is entitled to court costs in forfeitures to the state of an amount greater than \$2,500 as in other civil proceedings.

## **HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TUERINA  
JUDGE, 92<sup>nd</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>rd</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>th</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>th</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>th</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>nd</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>th</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>th</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>th</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>th</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>th</sup> D.C.

Pursuant to CCP § 59.06 (a), all forfeited property is administered by the District Attorney, acting as the agent of the state, in accordance with accepted accounting practices and with the provisions of any local agreement entered into between the District Attorney and law enforcement agencies (LEAs). If a local agreement has not been executed, the property shall be sold on the 75<sup>th</sup> day after the date of the final judgment of forfeiture at public auction under the direction of the county sheriff. Proceeds of the sale must be distributed in accordance with CCP § 59.06.

Pursuant to CCP § 59.06 (b), if a local agreement exists between the District Attorney and the LEA, the District Attorney may transfer the property to the LEA. Furthermore, CCP § 59.06 (c) states, if a local agreement exists between the District Attorney and LEAs, all money, securities, negotiable instruments, stocks or bonds, or things of value, or proceeds from the sale of those items shall be deposited, after the deduction of court costs which the District Clerk is entitled, into one or more of the following funds: (1) a special fund in the county treasury for the benefit of the District Attorney's Office, to be used by the District Attorney solely for the official purposes of his office; or (2) a special fund in the county treasury if distributed to a county LEA, to be used solely for law enforcement purposes, such as salaries and overtime pay for officers, officer training, specialized investigative equipment and supplies, and items used by officers in direct law enforcement duties.

Pursuant to CCP § 59.06 (b), the District Attorney's office entered into local agreements with the following LEAs: Cities of Alamo, Alton, Donna, Edinburg, Elsa, Hidalgo, La Joya, McAllen, Mercedes, Palmview, Penitas, Pharr, San Juan, Sullivan City, Weslaco, Mission, Edcouch, La Villa, and Palmhurst; Constable Precinct 1; Constable Precinct 2; Constable Precinct 3; Constable Precinct 4; Hidalgo County Sheriff's Office, Texas Department of Public Safety (DPS), Texas Alcoholic Beverage Commission; University of Texas Pan American PD, and HIDTA. In addition, the Hidalgo County District Attorney's Office entered into a special agreement with the Harris County Attorney and the Hidalgo County Sheriff's Office.

Pursuant to the local agreements, personal property not used for law enforcement purposes is to be sold and proceeds from the sale shall be paid 50% to the LEA and 50% to the District Attorney's Office, with the exception of HIDTA, which is paid 100% of the proceeds; and DPS, which is paid 70% of the proceeds and 30% is paid to the District Attorney. In addition, pursuant to the local agreements, the LEAs are responsible for paying all court costs, attorney ad-litem fees, depositions, title searches, title policies, confidential informants, and all costs related to forfeitures of real estate and personal property. Furthermore, money and property shall be considered forfeited to the State once a forfeiture judgment has become final and no motion for new trial or notice of appeal has been taken. Texas Rule of Appellate Procedure No. 26.1 states that a notice of appeal must be filed within 30 days after the judgment is signed, with a few enumerated exceptions.

Pursuant to CCP § 59.06 (c-3) notwithstanding subsection (a), with respect to forfeited property seized in connection with a violation of Chapter 481, Health and Safety Code (Texas Controlled Substances Act), by the Department of Public Safety, in a proceeding under Article 59.05 in which a default judgment is rendered in favor of the state, the District Attorney shall enter into a local agreement with the department that allows the District Attorney either to: (1) transfer forfeited property to the department to maintain, repair, use, and operate for official purposes in the manner provided by subsection (b); or (2) allocate proceeds from the sale of forfeited property described by subsection (c), after the deduction of court costs as described by that subsection, in the following proportions: (A) 40 percent to a special fund in the department to be used solely for law enforcement purposes; (B) 30 percent to a special fund in the county treasury for the benefit of the District Attorney's Office, to be used solely for the official purposes of the District Attorney's Office; and (C) 30 percent to the general revenue fund.

Pursuant to CCP § 59.06 (d) proceeds awarded to a law enforcement agency or District Attorney's Office may be spent after a detailed budget has been submitted to Commissioners Court. The budget may not list details that would endanger the security of an investigation or prosecution. Commissioners Court may not use the existence of an award to offset or decrease total salaries, expenses, and allowances that the District Attorney receives from the Commissioners Court at or after the time the proceeds are awarded.

Pursuant to CCP § 59.06 (d-1) the District Attorney may not use proceeds or property received under this chapter to: (1) contribute to a political campaign; (2) make a donation to any entity, except as provided by Subsection (d-2); (3) pay expenses related to the training or education of any member of the judiciary; (4) pay any travel expenses related to attendance at training or education seminars if the expenses violate generally

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**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERINA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 53<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
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JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 448<sup>TH</sup> D.C.

applicable restrictions established by the commissioners court; (5) purchase alcoholic beverages; (6) make any expenditure not approved by the commissioners court, if the District Attorney holds an elective office and: (A) the deadline for filing an application for a place on the ballot as a candidate for reelection to that office in the general primary election has passed and the person did not file an application for a place on that ballot; or (B) during the person's current term of office, the person was a candidate in a primary, general, or runoff election for reelection to that office and was not the prevailing candidate in that election; or (7) increase a salary, expense, or allowance for an employee of the District Attorney's Office who is budgeted by the commissioners court unless the commissioners court first approves the increase.

Transportation Code § 501.022 (a)(2) states "the owner of a motor vehicle registered in this state may not operate or permit the operation of the vehicle on a public highway until the owner obtains: (A) title and registration for the vehicle; or (B) obtains a receipt evidencing title for registration purposes only under Section 501.029." Transportation Code § 501.022 (b) states "a person may not operate a motor vehicle registered in this state on a public highway if the person knows or has reason to believe that the owner has not obtained a title for the vehicle." Transportation Code § 501.022 (c) states "the owner of a motor vehicle that is required to be titled and registered in this state must obtain a title to the vehicle before selling or disposing of the vehicle."

Transportation Code § 501.006 states that "on receipt of a verified request approved by the executive administrator of a law enforcement agency, the department may issue a title in the form requested by the executive administrator for a vehicle in an alias for the law enforcement agency's use in a covert criminal investigation."

#### **District Attorney's Procedures**

The District Attorney's Office requires LEAs to deposit seized currency into a certificate of deposit (CD) at the county depository under the name of the District Attorney's Office pending final disposition of the case. Seized personal property is maintained under the LEAs custody pending final disposition of the case. The LEA must provide the District Attorney's Office with a copy of the CD and receipt, if applicable, a sworn statement containing a schedule of the property seized, an acknowledgment that the officer seized the property, and a list of the officer's reasons for the seizure.

The District Attorney commences proceedings no later than the 30<sup>th</sup> day after the date of the seizure. The petitions are filed with the District Clerk pursuant to CCP § 59.04 (a) & (b). Once a judgment is rendered, the currency and/or personal property are distributed pursuant to the local agreement.

The District Attorney's Office determines whether forfeited personal property will be retained for official purpose of the District Attorney's Office or auctioned. If a vehicle is retained, the District Attorney submits an application for certificate of title, along with a copy of the final judgment, to the Texas Department of Motor Vehicles. Upon receipt, the original certificate of title is retained by the District Attorney's Office and insurance coverage is requested from the Executive Office Safety Division. The District Attorney's Office subsequently sends a copy of the certificate of title, final judgment, proof of insurance coverage, and an asset tag request to the Purchasing Department's Fixed Assets Division. If the vehicle is not placed in use, a transfer form is prepared and the vehicle is declared surplus. The vehicle is safeguarded by the County's contracted auctioneer until the vehicle is auctioned.

The Purchasing Department is responsible for disposing of county assets. The Purchasing Department receives the auction proceeds and prepares a "Purchasing Department/ Fixed Asset Division Auction Report" that details the amount of proceeds to be receipted to each fund. The proceeds are then deposited with the Hidalgo County Treasurer to the credit of the applicable funds, including the District Attorney's Forfeiture Fund. Pursuant to the local agreements, the auction proceeds should be apportioned to the District Attorney's Forfeiture Fund within 30 days of the sale.

#### **Scope and Methodology:**

The scope of our audit was limited to a review of all seized currency and personal property for which a law enforcement agent's affidavit was made available to the County Auditor's Office for review and all forfeited currency and personal property for which a final judgment was rendered for the fiscal year ended August 31, 2014.

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#### **HIDALGO COUNTY DISTRICT JUDGES**

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Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

In planning and performing our review, we conducted interviews with staff, sent confirmation letters to participating law enforcement agencies and financial institutions, reviewed applicable statutes, policies and procedures, and local agreements. The following procedures were performed:

1. Verified whether all Chapter 59 revenues recorded in *alio*, the County's financial accounting system, and required to be reported (i.e., cash forfeitures, proceeds received from the sale of forfeited property, and interest) were included on the Asset Forfeiture Report.
2. Verified whether all Chapter 59 expenditures recorded in *alio* were included on the Asset Forfeiture Report and made solely for official purposes of the District Attorney's Office.
3. Reviewed the salary schedule adopted by Commissioners Court and compared it to District Attorney's Forfeiture Fund "2014 Hourly Rate" report for calendar year 2014 to verify whether the actual salary paid to employees did not exceed the budgeted salary amounts.
4. Generated a "Cases disposed" report for the fiscal year ended August 31, 2014 for the District Attorney's Office from *Odyssey*, the County's justice information systems, to determine if all forfeitures were reported on the Asset Forfeiture Report.
5. Generated a "Cases filed" report for the fiscal year ended August 31, 2014 for the District Attorney's Office from *Odyssey* to determine if all seizures were reported on the Asset Forfeiture Report.
6. Reviewed cases, judgments, and checks issued by the District Attorney's Office to determine if forfeited funds were disbursed after the forfeited judgment became final (30 days after the judgment was signed) pursuant to the Texas Rule of Appellate Procedure No. 26.1.
7. Reviewed confirmation letter responses received from LEAs that participated with the District Attorney's Office in Chapter 59 seizures to determine whether the seized and forfeited vehicles, real property, other items, and/or currency confirmed by the LEAs agreed to those reported by District Attorney's Office on the Asset Forfeiture Report.
8. Reviewed *alio* revenue reports and the Purchasing Department's "Auction Report" for the District Attorney's Office to determine if auction proceeds generated from the sale of forfeited assets were apportioned to the District Attorney's Forfeiture Fund by the Hidalgo County's Purchasing Department within 30 days of the sale as required by the local agreement.
9. Selected 17 assets (16 vehicles and 1 computer monitor) forfeited to the District Attorney that were not auctioned for physical identification and to determine whether the assets were assigned an asset tag number and insurance coverage was obtained for the vehicles .
10. Reviewed the District Attorney's procedures for the accounting of auction proceeds resulting from the sale of forfeited personal property by LEAs. In addition, we reviewed *alio* revenue reports and confirmation letters received from LEAs regarding forfeited vehicles sold through auction to determine if the District Attorney's portion of the auction proceeds were sent to the County Treasurer's Office within 30 days of the auction.
11. Requested copies of the certificates of title from the Purchasing Department's Fixed Assets Division to determine if the 16 forfeited vehicles were titled to Hidalgo County as required by Transportation Code § 501.022 and § 501.006.
12. Reviewed the affidavits prepared by the seizing officers and the CD receipts to determine if the CDs for the seized cash were opened in the amount noted on the affidavits within 72 hours of the seizure. In addition, we verified whether the seized amounts noted on the petitions filed by the District Attorney's Office agreed to the CD amounts and the seizing officers' affidavits.
13. Compared the list of CDs held by the county depository related to Chapter 59 on behalf of the District Attorney's Office to the District Attorney's HB 65 financial statements as of August 31, 2014 to determine if all CDs were properly accounted by the District Attorney's Office. In

#### HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 449<sup>TH</sup> D.C.

addition, we reviewed the CDs related to Chapter 59 listed on the District Attorney's HB 65 financial statements as of August 31, 2014 and applicable case disposition information to determine if any funds were pending to be distributed to the proper parties.

14. Reviewed the "Due to others" accounts on the District Attorney's HB 65 financial statements as of August 31, 2014 to determine if a subsidiary ledger detailing to whom the funds were owed was maintained and if the funds were disbursed in a timely manner.
15. Reviewed schedules of filed cases generated from *Odyssey* to determine if petitions were filed by the District Attorney's Office no later than the 30<sup>th</sup> day after the date of the seizure pursuant to CCP § 59.04 (a) & (b).
16. Reviewed judgments, checks issued, "District Attorney Accounting Control Sheet," and county depository bank statements for the period under review to determine if court costs for forfeited amounts less than \$2,500.00 were not paid to the District Clerk's Office pursuant to CCP § 59.05 (f).

### **Conclusion:**

Based on the results of our audit, we have determined that generally Chapter 59 seizures, forfeitures, receipts, and expenditures were properly accounted and reported. More specifically, the following was noted:

1. All Chapter 59 revenues recorded in *alio* and required to be reported were included on the Asset Forfeiture Report.
2. All Chapter 59 expenditures recorded in *alio* were included on the Asset Forfeiture Report and made solely for official purposes of the District Attorney's Office.
3. Employees' actual salaries paid from the District Attorney's Forfeiture Fund complied with the salary schedule approved by Commissioners Court.
4. All forfeited assets listed on the "Cases disposed" report for the District Attorney's Office were included on the Asset Forfeiture Report.
5. All seized assets listed on the "Cases filed" report for the District Attorney's Office were included on the Asset Forfeiture Report.
6. All 51 cases in which forfeited funds were distributed during the period of review were disbursed after the forfeited judgment became final (30 days after the judgment was signed)
7. Confirmation letters were sent to 19 LEAs that were identified in the "Cases filed" and "Cases disposed" reports as having Chapter 59 seizures to determine whether the seized and forfeited vehicles, real property, other items, and/or currency confirmed by the LEAs agreed to those reported by the District Attorney's Office on the Asset Forfeiture Report. 5 LEAs responded to the confirmation request. Of the 5 LEAs:
  - o 1 LEA confirmed the same number of seized and forfeited vehicles as those reported by the District Attorney's Office on the Asset Forfeiture Report.
  - o 4 LEA's did not confirm the same number of seized and/or forfeited vehicles, real property, other items, and/or currency as those reported by the District Attorney's Office on the Asset Forfeiture Report. However, the items provided by the District Attorney's Office were included on the Asset Forfeiture Report since an affidavit from the LEA indicating that the items were seized was filed with the District Attorney and a signed judgment listing the forfeited items was recorded at the District Clerk's Office. The seized and forfeited items/currency confirmed by the LEAs are as follows:
    - 1 LEA confirmed the same number of forfeited vehicles and currency; however, the LEA did not confirm 8 vehicles and \$95,618.46 seized during the reporting period as noted in the LEA's affidavit maintained by the District Attorney's Office;
    - 1 LEA confirmed the same forfeited vehicles, real property, and currency; however, the LEA did not confirm 8 vehicles, 3 other items, and \$15,540.00 seized during the reporting period as noted in the LEA's affidavit maintained by the District Attorney's Office;
    - 1 LEA did not confirm 5 vehicles and 101 other items forfeited during the reporting period as noted in the signed judgments. In addition, the LEA did not confirm 7 vehicles and \$10,280.00 seized during the reporting period as noted in the LEA's affidavit maintained by the District Attorney's Office; and

### **HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIERINA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 135<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 204<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 388<sup>TH</sup> D.C.

ADA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 448<sup>TH</sup> D.C.

- 1 LEA did not confirm 2 vehicles and \$1,186.83 forfeited during the reporting period as noted in the signed judgments. In addition, the LEA did not confirm 3 vehicles and \$7,550.48 seized during the reporting period as noted in the LEA's affidavit maintained by the District Attorney's Office.

We attempted to determine the reason the LEAs did not confirm the seized and forfeited vehicles, real property, other items, and/or currency; however, we did not receive a response from the LEAs.

However, improvements could be made to the system of internal controls for the accounting and reporting of Chapter 59 seizures, forfeitures, receipts, and expenditures. More specifically, the following was noted:

8. The County conducted auctions on October 9, 2013, November 6, 2013, and April 9, 2014. The November 6, 2013 and April 9, 2014 auctions did not generate Chapter 59 proceeds for the District Attorney's Office. The October 9, 2013 auction generated \$6,040.00 in proceeds from the sale of assets; however, the funds were not apportioned to District Attorney's Forfeiture Fund within the 30 days of the sale as required by the local agreement. The funds were apportioned 83 days after the auction.
9. Of the 17 forfeited assets retained by the District Attorney's Office:
  - 16 forfeited assets were physically located.
    - 1 vehicle was assigned an asset tag and insurance coverage was obtained.
    - 14 vehicles did not have an asset tag and insurance coverage was not obtained. According to the Human Resource Coordinator, the assets will be sold through auction.
    - 1 computer monitor did not have an asset tag. According to the Human Resource Coordinator, the asset will be sold through auction.
  - 1 vehicle was not physically located (1999 Freightliner Tractor). The vehicle had not been assigned an asset tag and insurance coverage had not been obtained. Although, we located a freightliner tractor at the currently contracted auctioneer's place of business, we could not confirm whether it was the missing freightliner tractor since the VIN (vehicle identification number) did not agree to the VIN on the judgment. According to the District Attorney's Human Resource Coordinator, the VIN for the 1999 freightliner tractor listed on the judgment was incorrect.
10. The District Attorney's Office does not have any procedures in place to ensure that auction proceeds from the sale of personal property by LEAs are forwarded to the County Treasurer pursuant to the local agreements. 5 LEAs responded to the confirmation request; however, only 1 LEA (City of San Juan) confirmed that proceeds totaling \$8,145.00 had been received from the auction of forfeited personal property during the period of review. As of the date of this report, the portion belonging to the District Attorney totaling \$4,072.50 had not been forwarded to the County Treasurer. Pursuant to the local agreements, the auction proceeds should have been forwarded within 30 days of the sale. According to the District Attorney's Office Accountant, attempts to obtain the forfeited funds from the LEAs have not been made.

In addition, in previous year's audit reports, 2 LEAs (City of McAllen and City of Mission) confirmed that proceeds totaling \$227,719.97 (\$128,875.00 and \$98,844.97) had been received from the auction of forfeited personal property. To date, the portion belonging to the District Attorney from the City of McAllen and the City of Mission totaling \$113,859.99 (City of McAllen \$64,437.50 and City of Mission \$49,422.49) has not been forwarded to the County Treasurer. According to the District Attorney's Office Accountant, attempts to obtain the forfeited funds from the LEAs have not been made.

Furthermore, we noted that 50% of the proceeds disbursed to the District Attorney's Office for assets forfeited to Constable Precinct 4 and sold during the April 9, 2014 auction were apportioned 144 days after the auction.

11. 15 of 16 vehicles were not titled to Hidalgo County as required by Transportation Code § 501.022 and § 501.006. According to the Human Resource Coordinator, the vehicles will be sold through auction.
12. 63 CDs were opened for the cash seizures made by LEAs and the District Attorney's Office during the period of review. Of the 63 CDs:

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- 23 CDs were opened within 72 hours of seizure as required by CCP § 59.03 (c).
  - 40 CDs were not opened within 72 hours of seizure. The CDs were opened 1 to 626 days late.
  - All 63 CDs were opened for the seized amount noted on the affidavit
  - All the petitions filed by the District Attorney's Office were in the amount of the CDs and the seizing officer's affidavit.
13. There were 78 CDs totaling \$8,041,964.76 held as of August 31, 2014 at the county depository related to Chapter 59. All 78 CDs were properly accounted by the District Attorney's Office. Of the 78 CDs:
- There were 44 CDs totaling \$7,575,864.40 that were pending a judgment.
  - There were 9 CDs totaling \$399,592.65 (see Exhibit A) held by the District Attorney's Office in which an order for non-suit or final judgment had been rendered as of August 31, 2014; however, the funds remained to be distributed pursuant to the local agreement and the judgment. The orders for non-suit or final judgments were rendered as early as May 2013. According to the District Attorney's Office Accountant, research needs to be conducted to determine the reason the CDs have not been recalled and the funds distributed.
  - There were 25 CDs totaling \$66,501.71 for which we could not determine if a non-suit or final judgment had been rendered (see Exhibit B) since sufficient information to identify the case for which the CD was opened was not provided by the District Attorney's Office. The CDs were opened as early as 2001. According to the District Attorney's Office Accountant, research needs to be conducted to determine if a non-suit or final judgment has been rendered.
14. As of August 31, 2014, the "Due to Others" account on the District Attorney's HB 65 financial statements had a balance of \$31,031.48; however, a subsidiary ledger detailing to whom the funds were owed was not maintained. This balance has been carried forward since at least December 2003. According to the District Attorney's Office Accountant, the balance possibly represents interest earnings from prior years.
15. There were 274 petitions filed by the District Attorney's Office during the period of review. Of the 274 petitions, 18 petitions were not filed within 30 days after the date of seizure as required by CCP § 59.04 (a) & (b). The petitions were filed by the District Attorney's Office from 1 to 679 days late. According to the Assistant District Attorney, cases are filed even if the 30 days after seizure have passed.
16. There were 239 judgments issued during the period of review. Of the 239 judgments, forfeited funds were not disbursed in accordance with CCP § 59.05 (f) for 4 judgments. Court costs were paid to the District Clerk even though the final judgment amount was less than \$2,500.00. According to the District Attorney's Office Accountant, if a judgment involves the forfeiture of cash less than \$2,500 and of property that will be sold through auction that will possibly generate proceeds that combined with the cash will result in an amount greater than \$2,500, the court costs are paid to the District Clerk.

#### **Recommendations:**

In our opinion, the issues identified during our review could be addressed by developing and implementing formal policies and procedures for the proper accounting and reporting of Chapter 59 seizures, forfeitures, receipts, and expenditures. At a minimum, the following procedures should be implemented:

1. Coordinate with the Purchasing Department to ensure that auction proceeds generated from the sale of forfeited assets are apportioned to the District Attorney Forfeiture Fund within 30 days of the auction.
2. Coordinate with the auctioneer and the LEA that conducted the seizure to locate the vehicle (freightliner tractor) not physically located. In addition, the District Attorney's Office should assign an employee responsibility for the accounting of forfeited vehicles. The employee should maintain a log that contains the following: vehicle forfeiture date, vehicle location, vehicle identification number, the name of the agency/auctioneer in possession of the vehicle, signature of the agency's representative/auctioneer acknowledging receipt of the vehicle, the agency the vehicle was seized by and the date the vehicle was declared surplus, and if applicable, the date the vehicle was sold through auction and the amount of auction proceeds received.

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JUDGE, 398<sup>TH</sup> D.C.

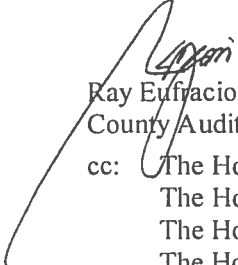
ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

3. Coordinate with the LEAs to ensure that auction proceeds from the sale of forfeited property are distributed to the District Attorney's Office within 30 days of the auction. In addition, a formal request should be made that the District Attorney's portion of any auction proceeds currently being held by the LEAs be forwarded to the District Attorney's Office immediately. In the alternative, the requirement should be revised or removed from the local agreements.
4. Ensure that a certificate of title is obtained pursuant to Transportation Code § 501.022 for forfeited vehicles whether the vehicle is retained for the official purpose of the District Attorney's Office or declared surplus.
5. Notify LEAs that CDs should be opened within 72 hours of seizure pursuant to CCP § 59.03 (c).
6. Ensure that CDs are distributed to the proper parties in a timely manner (30 days after the final judgment is signed). In addition, CDs should contain sufficient information to properly identify the case for which a CD was opened (e.g., cause number, law enforcement agency, seizure date, petition file date, etc).
7. If the District Attorney's Office determines that funds recorded as due to others in the HB65 financial statements consist of interest proceeds belonging to the District Attorney, the funds should be submitted to the County Treasurer's Office for deposit into the District Attorney's Forfeiture Fund.
8. Ensure that petitions are filed on or before the 30th day after the date of the seizure as required by CCP § 59.04 (a) & (b). In addition, a notification should be sent to the LEAs requiring that the affidavits be submitted timely.
9. Ensure that court costs for forfeited amounts less than \$2,500.00 are not paid to the District Clerk's Office.

Please provide management responses to findings 8 through 16 noted in the conclusion section of the report by December 30, 2014. If you have any questions or would like to schedule a meeting to discuss the above noted recommendations, please call Carlos Ramirez, Internal Auditor II, at 318-2511 ext. 4654, Letty Chavez, Compliance Audit Supervisor, at ext.4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4644, or me at ext. 4604.

Respectfully,

  
Ray Eufrazio, CPA  
County Auditor

cc: The Honorable Ramon Garcia, County Judge  
The Honorable A.C. Cuellar, Commissioner Precinct 1  
The Honorable Hector Palacios, Commissioner Precinct 2  
The Honorable Jose M. Flores, Commissioner Precinct 3  
The Honorable Joseph Palacios, Commissioner Precinct 4  
The Honorable Laura Hinojosa, District Clerk  
Mr. Kent Richardson, Assistant Attorney General

Attachments: Exhibits A & B  
Copy of the Chapter 59 Asset Forfeiture Report by Attorney Representing the State



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**HIDALGO COUNTY DISTRICT JUDGES**

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JUDGE, 449<sup>TH</sup> D.C.

## EXHIBIT A

### Schedule of Funds Pending to be Distributed

|       | Lone Star<br>National Bank | Case Number | Disposition Date | Balance as of<br>08/31/14 |
|-------|----------------------------|-------------|------------------|---------------------------|
| 1     | 45210949                   | C-2131-13-I | 05/30/13         | 2,213.57                  |
| 2     | 45211239                   | C-5889-13-H | 08/28/14         | 8,092.66                  |
| 3     | 45211438                   | C-6673-13-J | 06/12/14         | 5,002.05                  |
| 4     | 45211567                   | C-6982-13-F | 08/11/14         | 3,242.20                  |
| 5     | 45212154                   | C-2286-14-G | 07/24/14         | 5,541.14                  |
| 6     | 45212200                   | C-2308-14-H | 08/15/14         | 8,301.71                  |
| 7     | 45212371                   | C-4865-14-D | 08/06/14         | 353,928.17                |
| 8     | 45212569                   | C-5208-14-D | 08/29/14         | 1,445.69                  |
| 9     | 45212603                   | C-5330-14-I | 08/18/14         | 11,825.46                 |
| TOTAL |                            |             |                  | \$ 399,592.65             |

## EXHIBIT B

### Schedule of CD's Lacking Information

|    | Lone Star<br>National Bank | Open Date | Balance as of<br>08/31/14 |
|----|----------------------------|-----------|---------------------------|
| 1  | 45210781                   | 09/28/01  | 855.71                    |
| 2  | 45210784                   | 09/28/01  | 980.98                    |
| 3  | 45210780                   | 09/28/01  | 798.67                    |
| 4  | 45210790                   | 02/11/04  | 3,770.44                  |
| 5  | 45210868                   | 04/15/04  | 1,950.36                  |
| 6  | 45210866                   | 04/15/04  | 3,651.32                  |
| 7  | 45210865                   | 04/15/04  | 6,700.85                  |
| 8  | 45210870                   | 04/15/04  | 1,639.22                  |
| 9  | 45210867                   | 09/21/04  | 569.89                    |
| 10 | 45210864                   | 03/25/05  | 4,232.79                  |
| 11 | 45210881                   | 01/17/06  | 12,684.84                 |
| 12 | 45210882                   | 03/28/06  | 1,501.33                  |
| 13 | 45210883                   | 04/04/06  | 7,913.71                  |
| 14 | 45210885                   | 09/12/06  | 1,847.64                  |
| 15 | 45210889                   | 12/12/06  | 1,937.84                  |
| 16 | 45210890                   | 07/27/07  | 413.79                    |
| 17 | 45210894                   | 01/15/08  | 365.70                    |
| 18 | 45210908                   | 01/15/08  | 342.53                    |
| 19 | 45210906                   | 01/15/08  | 426.87                    |
| 20 | 45210910                   | 01/15/08  | 795.79                    |
| 21 | 45210918                   | 06/19/08  | 152.55                    |
| 22 | 45210926                   | 07/14/09  | 1,725.45                  |
| 23 | 45210756                   | 01/06/14  | 1,017.29                  |
| 24 | 45212075                   |           | 5,581.96                  |
| 25 | 45212979                   | 07/29/14  | 4,644.19                  |

TOTAL \$ 66,501.71

# COUNTY OF HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 1, 2014

The Honorable Hector Palacios  
Hidalgo County Precinct 2  
300 W. Hall Acres Suite G  
Pharr, Texas 78577

Re: Audit of Precinct 2 Asset Inventory Listing  
Audit No. 2014-58

Honorable Hector Palacios:

It is the practice of the County Auditor's Office to conduct an asset inventory audit when a change in administration occurs; therefore, we conducted an audit of the Precinct 2 Office asset inventory listing on October 21, 2014 pursuant to Local Government Code §115.001 and our annual audit plan. The objective of the audit was to evaluate the accuracy and completeness of the asset inventory listing maintained by the Purchasing Department on behalf of the Precinct 2 Office.

## **BACKGROUND:**

The Commissioner of Precinct 2, as an elected official, is responsible for the care and custody of fixed assets assigned to his department. Some of these responsibilities include:

- Verifying the receipt of all assets purchased and/or assigned to the Precinct 2 Office.
- Ensuring assets are properly tagged.
- Conducting periodic physical inventories of assets.
- Ensuring assets are only used for County purposes.
- Safeguarding assets in the Department's possession until disposal.
- Filing police reports in the event an asset is lost or stolen.
- Requiring that a formal request and formal approval from the Department Head or Designee be obtained when equipment is taken off County premises, including when taken off-site for repairs.

Employees of the Precinct 2 Office are also inherently responsible for protecting County property entrusted to them. This includes the proper care, maintenance, control, and reasonable safeguards to prevent loss, damage, or theft of such assets.

As of October 20, 2014, the Commissioner Precinct 2 Office asset inventory listing consisted of 542 assets with a total acquisition cost of \$6,941,341.14.

## **Generally Accepted Accounting Principles (GAAP)**

Pursuant to generally accepted accounting principles (GAAP), adequate controls must be maintained over capital and minor assets. In addition, the GASB 34 Manual for Texas Cities and Counties states, "A government should maintain its capital asset records in its capital asset software module. This information should include asset identification numbers, equipment category codes, asset tag numbers, dates of acquisition, assigned departments, purchase costs and descriptions of each asset."

## **Capital Asset Guide**

On October 23, 2001, Commissioners Court approved the Capital Asset Guide (the Guide) to be effective on January 1, 2002 in order to comply with the reporting requirements of Governmental Accounting Standards Board Statement No. 34. The Guide requires that assets (i.e., vehicles, land, buildings, machinery, equipment, computer systems) with a useful life greater than one year and an acquisition cost of \$1,000 or more be

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JUDGE, 44<sup>TH</sup> D.C.

capitalized. In addition, donations should be capitalized at fair market value. On November 10, 2009, Commissioners Court clarified that assets with an inventory cost of \$300.00 to \$999.99 were subject to inventory.

#### **SCOPE AND METHODOLOGY:**

The scope of our audit was limited to the asset inventory listing as of October 20, 2014. Our audit was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

In planning and performing our audit, the following procedures were performed:

- Selected all assets on the asset inventory listing for physical identification to determine whether the assets were properly tagged; and
- Compared assets located at the Precinct 2 Office premises to the asset inventory listing to determine whether the asset inventory listing was complete.

#### **CONCLUSION:**

Based on the results of our review, we have concluded that the Precinct 2 Office asset inventory listing per *alio* was not accurate and complete. More specifically, the following was noted:

Of the 542 (100%) capital assets listed on the asset inventory listing, one asset (computer) was added to the asset inventory listing, in error; however, the Purchasing Department subsequently corrected the error. The results of our review of the remaining 541 assets revealed the following:

- 520 of 541 (96%) assets were physically located.
  - 442 of 520 (85%) assets contained asset tags.
    - 436 of 442 assets contained the correct asset tags; and
    - 4 of 442 assets (2 computers and 2 dump trucks) contained an asset tag; however, the assets were affixed with the asset tag assigned to another similar asset (see Exhibit A). The assets were confirmed by utilizing the serial number; and
    - 2 of 442 assets (mobile stand with sorter and asphalt roller) contained an asset tag; however, the asset tag number was incorrectly entered into *alio* by one digit (i.e., *alio* states 46909 and the actual asset tag states 56909) (see Exhibit B).
  - 74 of 520 (14%) assets (tanks, trailers, backhoe, jacks, tractors, trash containers, mowers, computers etc.) did not contain asset tags (see Exhibit C). We were able to confirm the assets by utilizing the serial number and the asset descriptions on the asset inventory listing. According to Precinct 2 staff, asset tags were originally affixed to the equipment; however, the tags were destroyed by normal wear and tear.
  - 4 of 520 (1%) assets (surveillance cameras) were identified by visual observation. We could not verify whether the cameras had an asset tag affixed (see Exhibit D). We were able to confirm the asset by utilizing the locations listed on the asset inventory listing (i.e., Precinct 2 Shop, Countywide Shop, Alamo CRC and Road & Bridge Warehouse).
- 21 of 541 (4%) assets were not physically located. According to the Precinct 2 Office staff:
  - 15 assets (storage cabinet, coolant, typewriter, water pump, pressure washer, laser jet printer, catalysts, portable radios, HP Compaq notebook, recorder, etc.) could not be located (see Exhibit E).
  - 3 assets (pressure washer, water cooler, and tarp) were disposed since they were no longer in working conditions; however, documentation was not provided (see Exhibit F).
  - 2 assets (utility trailer and weed-eater) were stolen; however, copies of the police reports were not provided (see Exhibit G).
  - 1 asset (storage tank) was declared surplus; however, a copy of the asset transfer form was not provided for the asset. According to the Purchasing Department, the asset was previously identified

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during a prior inventory review. In addition, Precinct 2 has not provided the Purchasing Department with an asset transfer form to surplus the asset (see Exhibit H).

In addition, we physically located 249 assets that were not included on the Precinct 2 Office asset inventory listing as follows:

- 90 (36%) assets contained an asset tag.
  - 10 assets (5 Motorola Radios, 3 computers, a television, and a desk) were listed on the asset inventory listing of other County departments (i.e., Justice of the Peace Precinct 2, Place 1, Budget and Management, Information Technology, and Sheriff) (see Exhibit I).
  - 10 assets did not contain an asset record in *alio* or *Carter Pertaine*, the County's legacy fixed asset system (see Exhibit J).
  - 11 assets did not contain an asset record in *alio* or *Carter Pertaine*. According to the Purchasing Department, the assets had not been added to the *alio* asset inventory listing since written confirmation had not been received from the Precinct 2 staff indicating that the items had been tagged (see Exhibit K).
  - 7 assets (4 chairs, 2 cabinets, and 1 table) did not contain an asset record in *alio* or *Carter Pertaine* (see Exhibit L). However, the assets had been issued a minor asset tag by the Purchasing Department.
  - 52 assets contained an asset record in *Carter Pertaine* (see Exhibit M).
- 159 (64%) assets did not contain an asset tag (see Exhibit N). The assets appear to be capital or minor assets that should be included in the asset inventory listing.

#### **RECOMMENDATION:**

Management should coordinate with the Purchasing Department to take corrective action to address the deficiencies identified in the audit and ensure the asset inventory listing is updated, as follows:

1. The asset records in *alio* should be corrected for the 6 assets that were affixed with the incorrect asset tag or entered incorrectly (see Exhibits A and B).
2. Asset tags should be obtained from the Purchasing Department and affixed to the 74 assets that did not contain an asset tag (see Exhibit C).
3. Asset tags should be maintained on file for the 4 assets (surveillance cameras) since affixing the tag to the asset is not feasible due to the altitude of their installation (see Exhibit D).
4. Further research on the 15 assets that were not located should be conducted. If the assets are no longer in the Precinct's possession, supporting documentation should be provided to the Purchasing Department to remove the assets from the inventory listing (see Exhibit E).
5. Further research on the 3 assets that were improperly disposed of should be conducted. Supporting documentation should be provided to the Purchasing Department to remove the assets from the inventory listing (see Exhibit F).
6. Police reports should be provided to the Purchasing Department to remove the 2 stolen assets from the inventory listing (see Exhibit G).
7. An asset transfer form should be provided to the Purchasing Department to remove the 1 asset that was declared surplus from the inventory listing (see Exhibit H).
8. Asset transfer forms should be prepared for the 10 assets that were listed on the asset inventory listing of other County departments and submitted to the Purchasing Department in order that the asset inventory listing be updated (see Exhibit I).
9. Further research on the 10 assets issued asset tags and not recorded in *alio* or *Carter Pertain* should be conducted to determine if the assets are subject to inventory control (see Exhibit J).
10. Written confirmation that the 11 assets were received by the Precinct 2 Office should be submitted to the Purchasing Department in order that the assets be added to the Precinct 2 Office asset inventory listing (see Exhibit K).
11. Further research on the 7 assets that were issued a minor asset tag and not recorded in *alio* or *Carter Pertain* should be conducted to determine if the assets are subject to inventory control (see Exhibit L).
12. Further research on the 52 assets that contained an asset record in *Carter Pertaine* should be conducted to determine if the assets are subject to inventory control. If the assets are subject to inventory control, coordination with the Purchasing Department should be made to add the assets to the Precinct 2 Office asset inventory listing (see Exhibit M).

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#### **HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TUERINA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 13<sup>TH</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 13<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 438<sup>TH</sup> D.C.

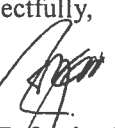
JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

13. Further research on the 159 assets that did not contain an asset tag should be conducted to determine if the assets are subject to inventory control. If the assets are subject to inventory control, asset tags should be requested from the Purchasing Department and affixed to the assets (see Exhibit N).

Please provide management responses to the recommendations by December 19, 2014. Your prompt response will be greatly appreciated.

We would like to express our appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the audit. If you should have any questions, please call Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Hidalgo County Executive Officer  
Martha Salazar, Hidalgo County Purchasing Agent  
Renan Ramirez, Hidalgo County Chief Information Officer

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HIDALGO COUNTY DISTRICT JUDGES

JAIME E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 138<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

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LETICIA LOPEZ  
JUDGE, 385<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 445<sup>TH</sup> D.C.

## EXHIBIT A

|   | Incorrect Tag<br>Number | Correct Tag<br>Number | Tag Description                   | VIN/Serial        |
|---|-------------------------|-----------------------|-----------------------------------|-------------------|
| 1 | 43933                   | 43934                 | DELL M409WX DLP PROJECTOR         | HGDTJD1           |
| 2 | 43934                   | 43933                 | DELL M409WX DLP PROJECTOR         | JGDTJD1           |
| 3 | 59833                   | 59834                 | 2014 CATERPILLAR CT660 DUMP TRUCK | 3HTJGTKR2EN015985 |
| 4 | 59834                   | 59833                 | 2014 CATERPILLAR CT660 DUMP TRUCK | 3HTJGTKR4EN015986 |

## EXHIBIT B

|   | Incorrect<br>Tag<br>Number | Correct<br>Tag<br>Number | Tag Description                         | VIN/Serial     |
|---|----------------------------|--------------------------|-----------------------------------------|----------------|
| 1 | 46909                      | 56909                    | JCB-VMT270<br>ASPHALT<br>ROLLER         | JCB17003<br>68 |
| 2 | 56875                      | 56845                    | MOBILE STAND<br>W/SORTER<br>SAFC 1851GR |                |

## EXHIBIT C

|    | Tag Number | Tag Description                        | VIN/Serial         |
|----|------------|----------------------------------------|--------------------|
| 1  | 11410      | 14000 GAL TANK - USE FOR ASPHALT       |                    |
| 2  | 12809      | 1000 GAL TANK - OVERHEAD WITHSTAND     |                    |
| 3  | 19071      | HOBART #1712 SLICER W/ACCESS           | 56033641           |
| 4  | 22526      | 1984 SHOPMADE 3 AXLE TRAILER           | TR169679           |
| 5  | 25737      | GREEN CHAIR                            |                    |
| 6  | 26202      | 1993 CAMCO 16 FT UTL TRAILER           | TRCMT627           |
| 7  | 27983      | JCB MODEL 215S BACKHOE                 | USA215S0CRE419189  |
| 8  | 30505      | 1 TON HYDRAULIC TRANSMISSION JACK      |                    |
| 9  | 30703      | 1997 GMC SIERRA 1/2 TON TRUCK          | 1GTEC14M3VZ527940  |
| 10 | 30813      | JOHN DEERE 455 LAWN TRACTOR            | M00455C44343       |
| 11 | 34408      | AIRLESS GUN STRIPER SURE 4500          | 9903635            |
| 12 | 34537      | 2000 PETERBILT 330 DUMP TRUCK          | 1NPNLZ9X0YS514862  |
| 13 | 35113      | MANITOWOC ICE MACHINE S570             | 20955              |
| 14 | 36389      | 30 YD ROLL-OFF CONTAINER               | 246044             |
| 15 | 36391      | 30 YD ROLL-OFF CONTAINER               | 246046             |
| 16 | 37244      | 2002 FORD 250 CREW CAB                 | 1FTNW20L32EA81866  |
| 17 | 37365      | 2002 MACK-ROLL OFF TRUCK               | 1M2P267C52M062366  |
| 18 | 38115      | 30 YD ROLL-OFF CONTAINER               | 104120             |
| 19 | 38116      | 30 YD ROLL-OFF CONTAINER               | 104121             |
| 20 | 38120      | 30 YD ROLL-OFF CONTAINER               | 104125             |
| 21 | 38300      | 2002 HYPAC C530AH COMPACTOR            | 109A2221970        |
| 22 | 38301      | 2002 KUBOTA 55HP TRACTOR               | 107070             |
| 23 | 38302      | MODERN SS 6FT CHAIN CUTTER             | M00015464          |
| 24 | 38306      | 2002 MASSEY FERG 45HP TRACTOR          | L04015             |
| 25 | 39251      | STEEL WATER TANK W/BAFFLES, SPRAYER    | Visualization      |
| 26 | 41023      | SINGLE DRUM VIBRATORY ROLLER           | JKC8308909         |
| 27 | 41345      | BURNISHER M20150-01 20" 1500RPM        | XM2015010852       |
| 28 | 41489      | H.P. MED TEMP REFRIGERATION COND. UNIT | FOR WALK IN COOLER |
| 29 | 42042      | JOHN DEERE GX355 MOWER TRACTR          | M0G355E120027      |
| 30 | 42321      | 2004 MACK ROLL OFF TRUCK               | 1M2AG11C74M011540  |
| 31 | 42623      | SOLAR FLASHER, SCHOOL ZONE, 12" LEDs   |                    |
| 32 | 42624      | SOLAR FLASHER, SCHOOL ZONE, 12" LEDs   |                    |
| 33 | 42629      | 30 YD ROLL-OFF CONTAINER               | 286447             |
| 34 | 42630      | 2004 TEREX TX760 BACKHOE/LOADER        | H20043086          |
| 35 | 42632      | 30 YD ROLL-OFF CONTAINER               | 287235             |
| 36 | 44049      | G&H NEW ROLL OFF HOIST BODY            | 4016696            |
| 37 | 44209      | 2006 PETERBILT 335TRK W/ROLLOFF        | 2NPLLZ0X46M884566  |
| 38 | 44287      | ZERO TURN 72" BLADE MOWER              | 49861              |
| 39 | 44288      | ZERO TURN 72" BLADE MOWER              | 49862              |
| 40 | 45537      | 2006 FORD 4X4 SUPER CREW CAB-PU        | 1FTRW14W16FB17960  |
| 41 | 45571      | OTC MODEL #4016 HYDRALIC JACK          | 0104A137978        |
| 42 | 45608      | LASER LMH600 SURVEY DETEC W/ACCESS     | 1807703            |
| 43 | 46642      | SAW BLADE TOOTH KIT SHREDDER           | 3353               |
| 44 | 47538      | 2007 FORD F150 REGULAR CAB             | 1FTRF14W17KB81568  |

|    |       |                                  |                   |
|----|-------|----------------------------------|-------------------|
| 45 | 47955 | 10 TON HOIST W/20' REACH         | 121726            |
| 46 | 48147 | DELL OPTIPLEX 755 USFF-PC        | 2TPJYF1           |
| 47 | 48148 | DELL OPTIPLEX 755 USFF-PC        | 1TPJYF1           |
| 48 | 48174 | UNDER AXLE (FLOOR JACK)          | 68084             |
| 49 | 48245 | WALK IN COOLER-GILMORE KITCHEN   |                   |
| 50 | 48356 | DELL OPTIPLEX 755 USFF - PC      | 8YZ2RG1           |
| 51 | 48357 | DELL OPTIPLEX 755 USFF - PC      | 7YZ2RG1           |
| 52 | 48451 | GODWIN TRASH PUMP-WET PRIME      | 61101618          |
| 53 | 48889 | CATALYST 3750 STANDARD IMAGE     | FDO1247Y040       |
| 54 | 48995 | BACKHOE DL250 WHEEL LOADER       | DHKCWLAFS80005285 |
| 55 | 49087 | 2009 NH B110B BACKHOE LOADER     | N8GH22526         |
| 56 | 49449 | MOTOROLA PORTABLE RADIO W/EXTRAS | A9805170          |
| 57 | 49450 | MOTOROLA PORTABLE RADIO W/EXTRAS | A9805171          |
| 58 | 49503 | UNDER AXLE JACK                  | 50124             |
| 59 | 49632 | COMPRESSOR 5 HP                  | L10/7/200800221   |
| 60 | 52881 | WISE 1765 6.5 DY WIL             | 111823            |
| 61 | 54534 | 2012 CHEV SILVERADO 1500 P/U     | 3GCPCREA1CG170945 |
| 62 | 54874 | PULLMAN HOR 2000 BUFFER          | G080006           |
| 63 | 55195 | JOHN DEERE MX7 ROTARY CUTTER     | P00MX7X021079     |
| 64 | 55585 | RANCH HAND GRILL GUARD           |                   |
| 65 | 55593 | BLACK TOOL BOX UT# 102           |                   |
| 66 | 55750 | ABL STROBE LIGHTS HIDA WAY       |                   |
| 67 | 57171 | TOUGH DOG 16-CH V-RECORDER       | 1205760040        |
| 68 | 59288 | STIHL MS 250 CHAIN SAW           | 292368154         |
| 69 | 59329 | GRY-9021D 1IN DR 21PC DEE TOOLS  |                   |
| 70 | 59636 | HP CLJ PRO 400 451NW PRINTER     | CNDG210549        |
| 71 | 60021 | WAVEWORKS 30X66 DESK             |                   |
| 72 | 60154 | HP SB Z820 E5-2670 1TB COMPUTER  | 2UA3231N8S        |
| 73 | 60155 | HP SB Z820 E5-2670 1T COMPUTER   | 2UA3231N99        |
| 74 | 60156 | HP SB Z820 E5 2670 1TB COMPUTER  | 2UA33019XZ        |

## EXHIBIT D

|   | Tag Number | Tag Description             | Location                |
|---|------------|-----------------------------|-------------------------|
| 1 | 44751      | SURV SYSTEM W/CAMS (3)      | Precinct 2 Shop         |
| 2 | 48671      | (3) EXT CAMERAS W/5-50MM L  | Countywide Shop         |
| 3 | 48803      | CCTV-SURV SYSTEM W/CAMS (3) | Alamo CRC               |
| 4 | 55426      | SEC SYSTEM W/8 EXT CAMERA   | Road & Bridge Warehouse |

## EXHIBIT E

|    | Tag Number | Tag Description                  | VIN/Serial         |
|----|------------|----------------------------------|--------------------|
| 1  | 21827      | STORAGE CABINET BROWN            |                    |
| 2  | 24306      | COOLANT RECYCLER-RED COLOR       | 962PS0166          |
| 3  | 24737      | IBM SERIES II TYPEWRITER         | 11AW739            |
| 4  | 32389      | 3" WATER PUMP                    | 350467             |
| 5  | 40144      | PRESSURE WASHER 1300             | H-45985            |
| 6  | 47190      | HP LASERJET 4250N PRINTER        | S3055622           |
| 7  | 48890      | CATALYST 3750 STANDARD IMAGE     | FDO1247Y05W        |
| 8  | 49448      | PORTABLE RADIO W/EXTRAS          | 5108073            |
| 9  | 49515      | STARNET RADIO ICOM F621-72       | 7209664            |
| 10 | 49516      | STARNET RADIO ICOM F621-72       | 7209710            |
| 11 | 49743      | HP COMPAQ 6730b NOTEBOOK         | CNV9337HTM         |
| 12 | 52717      | CATALYST 2960S 48 740W LAN       | SFOC1441X4FU       |
| 13 | 54286      | DELL OPTIPLEX 790 USFF-PC        | 3QCS1R1            |
| 14 | 55436      | ABLE DIRECTIONAL STICK W/CONTROL |                    |
| 15 | 57175      | TOUGH DOG 16-CH V-RECORDER       | N. S JUAN CRC BLDG |

## EXHIBIT F

|   | Tag Number | Tag Description                   | VIN/Serial |
|---|------------|-----------------------------------|------------|
| 1 | 31191      | HOTSY HOT WATER PRESS WASHER      | C475340497 |
| 2 | 33912      | ELKAY 2.8 GPH WATER COOLER        | 9908478    |
| 3 | 38308      | ENDURO 246' X 6' TARP(LAS MILPAS) |            |

## EXHIBIT G

|   | Tag Number | Tag Description            | VIN/Serial        |
|---|------------|----------------------------|-------------------|
| 1 | 41270      | 2004 BIG TEX 18FT UTIL TRL | 16VPX182342E03641 |
| 2 | 52571      | WEEDEATER                  | 284773713         |

## EXHIBIT H

| 1 | Tag Number | Tag Description      | VIN/Serial |
|---|------------|----------------------|------------|
|   | 31484      | 4000 GAL. STRG. TANK |            |

## EXHIBIT I

|    | Tag Number | Tag Description               | VIN/Serial               | Department Assigned To      |
|----|------------|-------------------------------|--------------------------|-----------------------------|
| 1  | 46302      | Dell Laptop                   | CN-ORJ272-70166-69P-07X6 | 63 - JP Precinct 2 Place 1  |
| 2  | 58427      | Motorola Radio                | PMUF7597A                | 280 - Sheriff's Office      |
| 3  | 49469      | Sharp TV                      | 808815975                | 115 - Budget and Management |
| 4  | 48213      | Dell Optiplex 755             | 11CGBG1                  | 115 - Budget and Management |
| 5  | 58432      | Motorola Radio                | PMUF1597A                | 280 - Sheriff's Office      |
| 6  | 58431      | Motorola Radio                |                          | 280 - Sheriff's Office      |
| 7  | 58425      | Motorola Radio                |                          | 280 - Sheriff's Office      |
| 8  | 34042      | Brown Desk                    |                          | 115 - Budget and Management |
| 9  | 54497      | Dell Precision T1600 Computer |                          | 200 - IT Department         |
| 10 | 58240      | Motorola Radio APX4000        | 426CNX282005577758       | 280 - Sheriff's Office      |

**EXHIBIT J**

|    | <b>Tag Number</b> | <b>Tag Description</b>        | <b>VIN/Serial</b> |
|----|-------------------|-------------------------------|-------------------|
| 1  | 7638              | HON Drawer                    |                   |
| 2  | 52161             | Desk w/Hutch (3 piece set)    |                   |
| 3  | 19068             | Desk                          |                   |
| 4  | 88555             | Icon Radio                    |                   |
| 5  | 23126             | Executive Brown Chair         |                   |
| 6  | 23                | HON Two Drawer Filing Cabinet |                   |
| 7  | 086738            | Oil Collector                 | 082050            |
| 8  | 11387             | Brown Wood Chair              |                   |
| 9  | 18265             | Five Drawer Beige Cabinet     |                   |
| 10 | 19204             | Crane Floor Portable          |                   |

## EXHIBIT K

|    | Tag<br>Number | Tag Description                          | VIN/Serial        |
|----|---------------|------------------------------------------|-------------------|
| 1  | 52188         | Chair                                    |                   |
| 2  | 61107         | Dell Optiplex 7010                       | GY9LM02           |
| 3  | 61108         | Dell Optiplex 7010                       | GYGBM02           |
| 4  | 61105         | Dell Optiplex 7010                       | GYKBM02           |
| 5  | 61106         | Dell Optiplex 7010                       | GYGKM02           |
| 6  | 61109         | Dell DVD Small Computer                  | 36913695842       |
| 7  | 19067         | Desk                                     |                   |
| 8  | 62568         | 2013 Cat CT660 Dump Truck (Lic:113-4300) | 3HTJGTKR0EN034132 |
| 9  | 58528         | Motorola Radio                           | PMUF1597A         |
| 10 | 55210         | Sho-Me Lights                            |                   |
| 11 | 58517         | Motorola Radio                           |                   |

## EXHIBIT L

|   | Tag Number | Tag Description      | Location  |
|---|------------|----------------------|-----------|
| 1 | ME001439   | Rolling Chair        | Alamo CRC |
| 2 | ME001131   | Three Shelve Cabinet | Alamo CRC |
| 3 | ME001001   | Rolling Chair        | Alamo CRC |
| 4 | ME001475   | Rolling Chair        | Alamo CRC |
| 5 | ME001476   | Rolling Chair        | Alamo CRC |
| 6 | ME001135   | Five Shelve Cabinet  | Alamo CRC |
| 7 | ME001243   | Table                | Alamo CRC |

## EXHIBIT M

|    | Tag Number | Tag Description                          | Location          |
|----|------------|------------------------------------------|-------------------|
| 1  | 32         | HON Drawer                               | Admin Building    |
| 2  | 1654       | HON Drawer                               | Admin Building    |
| 3  | 14860      | HON Drawer                               | Admin Building    |
| 4  | 22669      | HON Drawer                               | Admin Building    |
| 5  | 10         | HON Drawer                               | Admin Building    |
| 6  | 25581      | Desk                                     | San Juan CRC      |
| 7  | 444        | Four Drawer Filing Cabinet               | Alamo CRC         |
| 8  | 28103      | Rolling Chair (Red)                      | Alamo CRC         |
| 9  | 27543      | Socket 2 5/8                             | PCT 2 Shop        |
| 10 | 38027      | Ingersoll Rand                           | Countywide Shop   |
| 11 | 19206      | Nyberg BS-7                              | Countywide Shop   |
| 12 | 19207      | Compressor                               | Countywide Shop   |
| 13 | 36898      | Compaq Presario 1200                     | Countywide Shop   |
| 14 | 5672       | Cabinet                                  | Countywide Shop   |
| 15 | 1282       | Cabinet                                  | Countywide Shop   |
| 16 | 31211      | Chair                                    | Countywide Shop   |
| 17 | 25659      | Toolbox                                  | UT#9              |
| 18 | 30095      | Metal Spray Cleaner                      | PCT 2 Shop        |
| 19 | 20339      | STD32 Parts Cleaner                      | PCT 2 Shop        |
| 20 | 19217      | Black & Decker Elect. Grinder/Wood Table | Countywide Shop   |
| 21 | 39735      | Power Rack GBVF5000 Generator            | PCT 2 Shop        |
| 22 | 38071      | Black Executive Chair                    | Old Adm. Building |
| 23 | 17444      | Conference Table                         | Old Adm. Building |
| 24 | 10269      | Brown Chair                              | Old Adm. Building |
| 25 | 14120      | Brown Chair                              | Old Adm. Building |
| 26 | 17441      | Brown Chair                              | Old Adm. Building |
| 27 | 17439      | Brown Chair                              | Old Adm. Building |
| 28 | 17440      | Brown Chair                              | Old Adm. Building |
| 29 | 17442      | Brown Chair                              | Old Adm. Building |
| 30 | 14121      | Brown Chair                              | Old Adm. Building |
| 31 | 13684      | Four Drawer Filing Cabinet               | Old Adm. Building |
| 32 | 32326      | Four Drawer Filing Cabinet               | Old Adm. Building |
| 33 | 14130      | Four Drawer Filing Cabinet               | Old Adm. Building |
| 34 | 20007      | Five Drawer Filing Cabinet HON           | Old Adm. Building |
| 35 | 33626      | Desk (Brown)                             | Old Adm. Building |
| 36 | 23095      | Four Drawer Filing Cabinet               | Old Adm. Building |
| 37 | 26680      | Black Office Chair                       | Old Adm. Building |
| 38 | 19127      | Three Shelve Cabinet                     | Old Adm. Building |
| 39 | 35346      | Desk                                     | Old Adm. Building |
| 40 | 24642      | Black Chair                              | Old Adm. Building |
| 41 | 24641      | Black Chair                              | Old Adm. Building |
| 42 | 24101      | Black Chair                              | Old Adm. Building |
| 43 | 18964      | HON Two Drawer Filing Cabinet            | Old Adm. Building |
| 44 | 19219      | Metal Desk (Old)                         | Countywide Shop   |
| 45 | 19218      | Four Drawer Cabinet                      | Countywide Shop   |

|    |       |                      |                         |
|----|-------|----------------------|-------------------------|
| 46 | 35593 | Battery Charger      | Countywide Shop         |
| 47 | 23451 | Battery Charger      | Countywide Shop         |
| 48 | 31606 | Red Chair            | Countywide Shop         |
| 49 | 31599 | Red Chair            | Countywide Shop         |
| 50 | 31602 | Red Chair            | Countywide Shop         |
| 51 | 21828 | Three Drawer Cabinet | Old Administration Site |
| 52 | 20647 | Motorola Radio       | San Juan Park           |

# EXHIBIT N

|    | Tag Description                     | (Asset Location) | VIN/Serial          |
|----|-------------------------------------|------------------|---------------------|
| 1  | Dell Optiplex GX270                 | Admin Building   | 6RF6N31             |
| 2  | Dell Optiplex GX620                 | Admin Building   | 45L2P91             |
| 3  | HP OfficeJet Pro L7780              | Admin Building   | MY766581JH          |
| 4  | HP Color LaserJet 3600n             | Admin Building   | CNNBD16335          |
| 5  | HP Color LaserJet CP4005n           | Admin Building   | JP4LB16019          |
| 6  | Brother IntelliFax 4750e            | Admin Building   | V60283G8J846067     |
| 7  | Dell Latitude E6400                 | San Juan CRC     | 5G6RLJ1             |
| 8  | Dell Latitude E6400                 | San Juan CRC     | 9KB35K1             |
| 9  | Dell Optiplex GX270                 | San Juan CRC     | 6595Q31             |
| 10 | HP Color LaserJet 3600n             | San Juan CRC     | CNWDF06572          |
| 11 | Dell Latitude E6400                 | San Juan CRC     | CKB35K1             |
| 12 | Brother IntelliFax 4750e            | San Juan CRC     | U60283G8J843213     |
| 13 | GE Electric Oven                    | San Juan CRC     |                     |
| 14 | GE Electric Oven                    | San Juan CRC     |                     |
| 15 | Tough Security System               | San Juan CRC     | 1PM7F00CRA          |
| 16 | Western Digital External Hard Drive | Admin Building   | WU2U10129236        |
| 17 | HP OfficeJet 6500                   | Admin Building   | TH06G2110V          |
| 18 | Hoover Vacuum                       | Admin Building   | C170390111200011570 |
| 19 | Lazerset 452 on Printer             | Admin Building   | CNRXR11232          |
| 20 | HP LaserJet 4200/4300 Series        | Alamo CRC        | USGNP49422          |
| 21 | Overhead Projector 1608AJA          | Alamo CRC        | 256787              |
| 22 | HP Color LaserJet CP1518ni          | Alamo CRC        | CPAC869023          |
| 23 | Icon 2 Way Radio                    | Alamo CRC        | 5108078             |
| 24 | Refrigerator Hot Point(White)HTI 8  | Alamo CRC        | TR785132            |
| 25 | Refrigerator Hot Point HTS          | Alamo CRC        | TR785169            |

|    |                                           |                 |                   |
|----|-------------------------------------------|-----------------|-------------------|
| 26 | Hot Point Stove V757C                     | Alamo CRC       | HR233929R         |
| 27 | HP Photo Smart Printer                    | Alamo CRC       | CNOCHD1OR1        |
| 28 | HP LaserJet 4200n                         | Alamo CRC       | USGNP49459        |
| 29 | HP LaserJet 800n                          | Alamo CRC       | USBC076721        |
| 30 | Echo SRM 210 Weedeater                    | Alamo CRC       | 572812396458      |
| 31 | Echo Blower PB251                         | Alamo CRC       | P09012229585      |
| 32 | Echo Blower PB413T                        | Alamo CRC       | P09612015119      |
| 33 | Echo SRM 230 Weedeater                    | Alamo CRC       | S73112252895      |
| 34 | Cannon Powershot Camera                   | Alamo CRC       | SN8522035329      |
| 35 | Red Trash Pro-Trainer-Recycle(Not in use) | El Gato Station | #4                |
| 36 | Red Trash Pro-Trainer-Recycle(Not in use) | El Gato Station | #5                |
| 37 | Red Trash Pro-Trainer-Recycle(Not in use) | El Gato Station | #6                |
| 38 | Red Trash Pro-Trainer-Recycle(Not in use) | El Gato Station | #1                |
| 39 | Red Trash Pro-Trainer-Recycle(Not in use) | El Gato Station | #2                |
| 40 | Red Trash Pro-Trainer-Recycle(Not in use) | El Gato Station | #3                |
| 41 | Utility Trailer                           | PCT 2 Shop      | 17YBP09126B031502 |
| 42 | Generac GP5000 0056221                    | PCT 2 Shop      | 5296504           |
| 43 | Dewalt DW758                              | PCT 2 Shop      | 200516-YL044      |
| 44 | Lincoln Electric Arc Welder               | PCT 2 Shop      | V111009834        |
| 45 | Hitachi Koki                              | PCT 2 Shop      | MN30050           |
| 46 | Ridgid Fuego R3002                        | PCT 2 Shop      | CS13266NC37078    |
| 47 | Ingersoll Rand 2145Qi Max                 | PCT 2 Shop      | SP13C280191       |
| 48 | Toolbox                                   | PCT 2 Shop      | BR01316RVGN       |
| 49 | Milwaukee Sander                          | PCT 2 Shop      | 910403020477      |
| 50 | Safety-Kleen                              | Countywide Shop | 30181659          |
| 51 | Kenwood 2-way Radio                       | Countywide Shop | 40201069          |

|    |                             |                 |                           |
|----|-----------------------------|-----------------|---------------------------|
| 52 | Kenwood 2-way Radio         | Countywide Shop | 40200621                  |
| 53 | Kenwood 2-way Radio         | Countywide Shop | 40700358                  |
| 54 | Kenwood 2-way Radio         | Countywide Shop | A9501792                  |
| 55 | Kenwood 2-way Radio         | Countywide Shop | A9501791                  |
| 56 | Dell Optiplex GX270         | Countywide Shop | C595Q31                   |
| 57 | Stihl MS440                 | Countywide Shop | V174690695                |
| 58 | Stihl FSIIOR                | Countywide Shop | No Serial                 |
| 59 | CST Berger                  | Countywide Shop | M344630                   |
| 60 | CST Berger                  | Countywide Shop | M342597                   |
| 61 | TSD Integrated 1030016      | Countywide Shop | 2000404                   |
| 62 | Kenwood Radio               | UT#35           | 13503                     |
| 63 | Kenwood Radio               | UT#88           | No Serial # Visible       |
| 64 | Kenwood Radio               | UT#10           | 13424                     |
| 65 | Kenwood Radio               | UT#73           | 12274                     |
| 66 | Modern Manufacture          | UT#58           | 53018                     |
| 67 | Pull Mower(for Tractor)     | PCT 2 Shop      | has #286,no ser # visible |
| 68 | Jenny Air Compressor        | UT#54           | F102613002                |
| 69 | Motorola Radio              | UT#54           | PMUF15974                 |
| 70 | Kenwood Radio               | UT#54           | Not Visible               |
| 71 | Sho-Me Lights               | UT#54           |                           |
| 72 | Kenwood Radio (Handheld)    | Jose Carlos     | 40700479                  |
| 73 | UWS Toolbox                 | UT#102          |                           |
| 74 | Kenwood Radio               | UT#33           |                           |
| 75 | Makita Chop Saw             | PCT 2 Shop      | 01088196k                 |
| 76 | Air Compressor(Not Working) | PCT 2 Shop      |                           |
| 77 | Cam Spray Model#1450SHDE    | PCT 2 Shop      | EH1281755                 |
| 78 | Low Transmission Lifter     | Countywide Shop |                           |
| 79 | Kenwood Radio               | UT#55           | Not Visible               |
| 80 | Ranch Hand Grill Guard      | UT#104          |                           |
| 81 | Ranch Hand Grill Guard      | UT#102          |                           |
| 82 | Kenwood Radio               | UT#9            | 13462                     |

|     |                                                      |                                    |                 |
|-----|------------------------------------------------------|------------------------------------|-----------------|
| 83  | Motorola Radio w/speaker                             | UT#9                               | 471CNZ0102      |
| 84  | RUUD Achiever A/C Unit (2 Piece) Model#UHSA-HM3617SA | Old Adm. Building                  | M4107-01900     |
| 85  | Centrifugal Pump                                     | PCT 2 Shop                         | 7739785         |
| 86  | Asphalt Zipper(Tank)                                 | PCT 2 Shop                         | H00130          |
| 87  | Godwin Pump GTP80HX                                  | PCT 2 Shop                         | ZE2844          |
| 88  | Honda Pump                                           | PCT 2 Shop                         | GCBJT-1024196   |
| 89  | Honda Pump GX340(#3)                                 | PCT 2 Shop                         | Z5L-020         |
| 90  | Honda Pump GX340(#2)                                 | PCT 2 Shop                         | Z5L-020         |
| 91  | Godwin Pump GTP80HX                                  | PCT 2 Shop                         | Z5L-020         |
| 92  | Briggs & Stratton powered Pump(parts only)           | PCT 2 Shop                         | No Serial       |
| 93  | Water Pump(parts only)                               | PCT 2 Shop                         | No Serial       |
| 94  | Water Pump(parts only)                               | PCT 2 Shop                         | No Serial       |
| 95  | Truck Front Grill Guard                              | PCT 2 Shop                         |                 |
| 96  | Kenwood Portable Radio TK380                         | Ricardo Cuellar's Office           | 40200717        |
| 97  | Manitowec S570 Ice Maker                             | Outside Cuellar's Office           | 000620955       |
| 98  | STIHL Rollomatic MH250 Chainsaw                      | Supplies Room<br>Outside Cuellar's | 274980783       |
| 99  | STIHL Rollomatic MH250 Chainsaw                      | Supplies Room<br>Outside Cuellar's | Not Visible     |
| 100 | Kenwood Radio                                        | UT#29-E4                           | 40701706        |
| 101 | Kenwood Radio                                        | UT#89                              | 40701537        |
| 102 | Kenwood Radio                                        | UT#34                              |                 |
| 103 | Kenwood Radio                                        | UT#91                              |                 |
| 104 | Kenwood Radio                                        | UT#93                              | 13912           |
| 105 | Kenwood Radio                                        | UT#79                              |                 |
| 106 | Reel Craft Model#FE94500L-PBW                        | UT#100                             | 120726-643      |
| 107 | Reel Pump Model# BX219025                            | UT#100                             |                 |
| 108 | 800 Gallon Diesel Tank(attached to UT#100)           | UT#100                             |                 |
| 109 | Kenwood Radio                                        | UT#73                              | 1345            |
| 110 | Whelen Lights                                        | UT#73                              | 02325           |
| 111 | Whelen Lights Model# SK2AABB                         | UT#73                              | 215056          |
| 112 | RKI Crain 3200(attached to UT#73)                    | UT#73                              |                 |
| 113 | Air Compressor(attached to UT#73)                    | UT#73                              | DM012446        |
| 114 | Kenwood Radio (Broken)                               | UT#49                              |                 |
| 115 | RKT Tool Box                                         | UT#43                              | 4962509         |
| 116 | Brother IntelliFax 2820                              | Old Adm. Building                  | U61325M8N793127 |
| 117 | Kenwood Radio                                        | Old Adm. Building                  | 40700859        |

|     |                                                       |                         |                    |
|-----|-------------------------------------------------------|-------------------------|--------------------|
| 118 | HP Printer                                            | Old Adm. Building       | CNWB58785          |
| 119 | Dyna-Glo Delux 1000 BTU                               | Countywide Shop         | 14208FF00062       |
| 120 | Dyna-Glo Delux 1000 BTU                               | Countywide Shop         | 14208FF00079       |
| 121 | Dyna-Glo Delux 5000 BTU                               | Countywide Shop         | 14208FF00810       |
| 122 | Dyna-Glo Delux 5000 BTU                               | Countywide Shop         | 14208FF00094       |
| 123 | Whirlpool Refrigerator (white)                        | Countywide Shop         |                    |
| 124 | Torch (Gold)                                          | Countywide Shop         |                    |
| 125 | Robin Air Vacuum Pump Model#15600                     | Countywide Shop         | 269972             |
| 126 | Kenwood CB                                            | Rocky Cavazos's Office  |                    |
| 127 | HP LaserJet Printer                                   | Rocky Cavazos's Office  | P1505              |
| 128 | Dell Computer                                         | Rocky Cavazos's Office  | 8123931613         |
| 129 | Kenwood Radio                                         | Old Administration Site | 21004835           |
| 130 | Motorola Radio                                        | Old Administration Site | 749TBER187         |
| 131 | Kenwood Radio                                         | Old Administration Site | 21000707           |
| 132 | Kenwood Radio                                         | Old Administration Site | 21005299           |
| 133 | Kenwood Radio                                         | Old Administration Site | 21005296           |
| 134 | Cannon Camera                                         | Old Administration Site |                    |
| 135 | Asphalt Zipper Trailor                                | UT#19                   | 109FS082X961021586 |
| 136 | Roll Off Container                                    | I Road Location         | 02TX306862         |
| 137 | Compaction America Rollover Protective Strut M#C530AH | I Road Location         | No Serial #        |
| 138 | Compaction America Rollover Protective Strut M#C530AH | I Road Location         | No Serial #        |
| 139 | Bucket on Terex Backhoe                               | I Road Location         | L7727              |
| 140 | Bucket for Doosan                                     | I Road Location         | 6021532437         |
| 141 | Motorola Radio                                        | I Road Location         | 471CNZ0105         |
| 142 | Echo Weedeater                                        | San Juan Park           | S72812396481       |
| 143 | Stihl Weedeater                                       | San Juan Park           | 286498708          |
| 144 | Stihl Weedeater                                       | San Juan Park           | 295845545          |
| 145 | Echo Weedeater                                        | San Juan Park           | S73112063793       |
| 146 | Echo Weedeater                                        | San Juan Park           | S73112252885       |
| 147 | Echo Weedeater                                        | San Juan Park           | S89312622783       |
| 148 | Anvil Slicer Argenta 12" SLR7312                      | San Juan Park           | 2019               |
| 149 | Mini-Rooter                                           | San Juan Park           | MR7D659            |
| 150 | Kawasaki Snapper                                      | San Juan Park           | 2000650046         |
| 151 | Honda WB20X                                           | San Juan Park           | WARI 1111653       |
| 152 | Stihl Weedeater                                       | San Juan Park           | 286496             |

|     |                               |               |               |
|-----|-------------------------------|---------------|---------------|
| 153 | Stihl BR600                   | San Juan Park | 207707112     |
| 154 | Echo PB-620                   | San Juan Park | P09912021205  |
| 155 | Stihl MS250                   | San Juan Park | 291786395     |
| 156 | Briggs & Stratton             | San Juan Park | ARD8104175    |
| 157 | Honda GX 240                  | San Juan Park | GCBJT-1024196 |
| 158 | Kushlan 350W Cement Mixer     | San Juan Park | 42577         |
| 159 | Jenny Model GU Air Compressor | San Juan Park | F102613002    |

# COUNTY OF HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 1, 2014

Honorable Atanacio Gaitan, Jr.  
Hidalgo County Constable, Precinct 4  
2814 S. Business Highway 281  
Edinburg, Texas 78539

Re: Audit of the Constable Precinct 4 Office Asset Inventory Listing  
Audit No. 2014-59

Dear Constable Gaitan:

It is the practice of the County Auditor's Office to conduct an asset inventory audit when a change in administration occurs; therefore, we conducted an audit of the Constable Precinct 4 Office asset inventory listing pursuant to Local Government Code §115.001 and our annual audit plan. The objective of the audit is to evaluate the accuracy and completeness of the asset inventory listing maintained by the Purchasing Department for Constable Precinct 4.

## **BACKGROUND:**

The Constable, as an elected official, is inherently responsible for ensuring that County assets in the custody of the Constable Precinct 4 Office are properly accounted, safeguarded, and disposed. Some of these responsibilities include:

- Verifying the receipt of all assets purchased and/or assigned to the Constable Precinct 4 Office.
- Ensuring assets are properly tagged.
- Updating the asset inventory listing, as necessary, to account for acquisitions and disposals.
- Conducting periodic physical inventories of assets.
- Ensuring assets are only used for County purposes.
- Safeguarding assets in the Department's possession until disposal.
- Filing police reports in the event an asset is lost or stolen.
- Requiring that a formal request and formal approval from the Department Head or Designee be obtained when equipment is taken off County premises, including when taken off-site for repairs.

Employees of the Constable Precinct 4 Office are also inherently responsible for protecting County property entrusted to them. This includes the proper care, maintenance, control, and reasonable safeguards to prevent loss, damage, or theft of such assets.

As of October 14, 2014, the Constable Precinct 4 inventory listing consisted of 169 assets with a total acquisition cost of \$685,240.12. Most of the assets on the asset inventory listing under review were assets in the custody of the prior Constable.

## **Generally Accepted Accounting Principles (GAAP)**

Pursuant to generally accepted accounting principles (GAAP), adequate controls must be maintained over capital and minor assets. In addition, the GASB 34 Manual for Texas Cities and Counties states, "A government should maintain its capital asset records in its capital asset software module. This information should include asset identification numbers, equipment category codes, asset tag numbers, dates of acquisition, assigned departments, purchase costs and descriptions of each asset."

## **Capital Asset Guide**

On October 23, 2001, Commissioners Court approved the Capital Asset Guide (the Guide) to be effective on January 1, 2002 in order to comply with the reporting requirements of Governmental Accounting Standards Board

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### **HIDALGO COUNTY DISTRICT JUDGES**

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Statement No. 34. The Guide requires that assets (i.e., vehicles, land, buildings, machinery, equipment, computer systems) with a useful life greater than one year and an acquisition cost of \$1,000 or more be capitalized. In addition, donations should be capitalized at fair market value. On November 10, 2009, Commissioners Court clarified that assets with an inventory cost of \$300.00 to \$999.99 were subject to inventory.

#### **SCOPE AND METHODOLOGY:**

The scope of our audit was limited to the asset inventory listing as of October 14, 2014. Our audit was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

In planning and performing our audit, the following procedures were performed:

- Selected all assets on the asset inventory listing for physical identification to determine whether the assets were properly tagged; and
- Compared assets located at the Constable Precinct 4 Office premises to the asset inventory listing to determine whether the asset inventory listing was complete.

#### **CONCLUSION:**

Based on the results of our review, we have concluded that the Constable Precinct 4 asset inventory listing per *alio* was not accurate and complete. More specifically, the following was noted:

Of the 169 (100%) capital assets listed on the asset inventory listing, one asset (bulletproof vest) appeared twice on the asset inventory listing; however, the Purchasing Department subsequently corrected the error. The results of our review of the remaining 168 assets revealed the following:

- 163 of 168 (97%) assets were physically located.
  - 108 of 163 (66%) assets contained asset tags.
  - 55 of 163 (34%) did not contain an asset tag:
    - 51 assets were law enforcement gear (firearms, bulletproof vests, tasers, stop sticks, monoculars, etc.) for which affixing an asset tag is not feasible; however, the asset tags were maintained on file by the Constable Precinct 4 Office.
    - 4 assets (1 light bar, 1 file cabinet, 2 dual visors) were identified by matching the asset's description to the asset description on the asset inventory list (see Exhibit A).
- 5 of 168 (3%) assets were not physically located (see Exhibit B). According to the Constable's Office staff:
  - 2 assets (1 vehicle and 1 computer) were declared surplus and had been picked up by the Purchasing Department. Copies of the asset transfer forms were provided by the Purchasing Department for the 2 assets; however, the Purchasing Department had not removed the assets from the Constable's Office inventory listing.
  - 2 assets (firearms) were transferred to the Fire Marshal's Office. A copy of the asset transfer form was provided by the Purchasing Department for the 2 assets; however, the Purchasing Department had not transferred the assets to the Fire Marshal's Office asset inventory listing; and
  - 1 asset (vehicle) was involved in an accident and declared a total loss. On January 29, 2013, Commissioners Court accepted a settlement check from the insurance company. Copies of the agenda item and applicable supporting documentation were obtained for the vehicle; however, the Purchasing Department had not removed the asset from the Constable's Office inventory listing.

In addition, we physically located 122 assets that were not included on the Constable Precinct 4 asset inventory listing as follows:

- 71 of 122 (57%) assets contained an asset tag.
  - 65 assets (26 Motorola radios, 1 firearm, 1 chair, 8 laptops, 2 vehicles, 9 printers, 7 laptop stands, 8 keyboards, and 3 radars) were listed on the asset inventory listing of other County departments (i.e.,

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Commissioner Precinct No. 4, Purchasing Department, Information Technology Department, Sheriff's Office, HIDTA and Countywide Surplus Warehouse). Of the 65 assets:

- 4 were added to the Commissioner Precinct 4's asset listing instead of the Constable Precinct 4's asset listing by the Purchasing Department, in error. However, the Purchasing Department subsequently corrected the error.
- 1 was transferred to the Constable Precinct 4 Office from another County department; however, the asset inventory listing had not been updated as of the physical inventory count. The Purchasing Department provided the County Auditor's Office with a copy of the asset transfer form (see Exhibit C).
- 60 assets were transferred to the Constable Precinct 4 Office from other County departments; however, asset transfer forms had not been prepared; therefore, the asset inventory listing had not been updated (see Exhibit D).
- 5 assets (4 computers and 1 laptop stand) were not listed in *alio* or *Carter Pertaine*, the County's legacy fixed asset system, asset inventory listings. According to the Purchasing Department, the assets had not been added to the asset inventory listing in *alio* since written confirmation had not been received from the Constable Precinct 4 staff indicating that the items had been tagged (see Exhibit E).
- 1 asset (computer) was not listed in *alio* or *Carter Pertaine* asset inventory listings; however, the asset had been issued a minor asset tag by the Purchasing Department. The asset appears to have an inventory cost between \$300.00 to \$999.99 and subject to inventory control (see Exhibit F).
- 51 of 122 (43%) assets did not have an asset tag:
  - 3 assets are vehicles.
    - 2 of 3 vehicles were listed on the asset inventory listing of other county departments (i.e., Commissioner Precinct No. 4 and Courthouse Parking Lot).
      - ❖ 1 vehicle was assigned to the Commissioner Precinct 4 Office, in error; however, the Purchasing Department staff subsequently corrected the error.
      - ❖ 1 vehicle was transferred to the Constable Precinct 4 Office from another County department; however, an asset transfer form had not been prepared; therefore, the asset inventory listing had not been updated (see Exhibit G).
    - 1 of 3 vehicles was recently purchased and was not listed in *alio* or *Carter Pertaine* asset inventory listings. According to the Purchasing Department, the assets had not been added to the asset inventory listing in *alio* since written confirmation had not been received from the Constable Precinct 4 staff indicating that the items had been tagged (see Exhibit H).
  - 3 assets are firearms. We were not able to locate the firearms in *alio* using the serial number (see Exhibit I).
    - ❖ 2 firearms, according to the Purchasing Department staff, were received from a government surplus program. The Purchasing Department staff is working with the Constable's Office in order to add the firearms to the asset inventory listing.
    - ❖ 1 firearm, according to the Constable Precinct 4 staff, was not added to the asset inventory listing, in error. The Purchasing Department is working with the Constable's Office in order to add the firearms to the asset inventory listing.
  - 2 assets are radars. The radars were listed on the asset inventory listing of another county department, in error; however, the Purchasing Department corrected the error.
  - 43 assets (laptops, body armors, desks, etc.) were not listed in *alio* or *Carter Pertaine* asset inventory listings. The assets appear to be capital or minor assets that should be included in the asset inventory listing (see Exhibit J).

### **RECOMMENDATION:**

Management should coordinate with the Purchasing Department to take corrective action to address the deficiencies identified in the audit and ensure the asset inventory listing is updated, as follows:

1. Asset tags should be obtained from the Purchasing Department and affixed to the 4 assets that did not contain an asset tag (see Exhibit A).
2. Coordination should be made with the Purchasing Department to remove the 5 assets (2 vehicles 1 computer, and 2 firearms) that were declared surplus, transferred to another County department, and involved in a total loss accident (see Exhibit B) from the Constable Precinct 4 Office asset inventory listing.

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3. Coordination should be made with the Purchasing Department to add the asset to the Constable Precinct 4 Office asset inventory listing for which an asset transfer form was prepared (see Exhibit C).
4. Asset transfer forms should be prepared and submitted to the Purchasing Department for the 60 assets (Motorola radios, chairs, laptops, vehicle, printers, laptop stands, etc.) that contained an asset tag and were listed on the asset inventory listings of other County departments in order to ensure that the asset inventory listings of the applicable departments are updated (see Exhibit D).
5. Written confirmation that the 5 assets (4 computers and 1 laptop stand) were received should be submitted to the Purchasing Department in order that the assets be added to the Constable Precinct 4 asset inventory listing (see Exhibit E).
6. Further research on the computer that was issued a minor asset tag and not recorded in *alio* or *Carter Pertain* should be conducted to determine if the asset is subject to inventory control. If the assets are subject to inventory control, an asset tag should be requested from the Purchasing Department and affixed to the asset (see Exhibit F).
7. An asset transfer form should be prepared for the vehicle that was listed on the asset inventory listing of another County department and submitted to the Purchasing Department in order that the asset inventory listing be updated (see Exhibit G).
8. Written confirmation that the vehicle without an asset tag was received should be submitted to the Purchasing Department in order that the vehicle be added to the Constable Precinct 4 asset inventory listing. In addition, an asset tag should be requested from the Purchasing Department and affixed to the vehicle (see Exhibit H).
9. Research should be conducted to determine if the 3 firearms that did not contain an asset tag need to be added to *alio* and/or the Constable Precinct 4's asset inventory listing (see Exhibit I).
10. Further research on the 43 assets (laptops, body armors, desks, etc.) that did not contain an asset tag should be conducted to determine if the assets are subject to inventory control. If the assets are subject to inventory control, asset tags should be requested from the Purchasing Department and affixed to the assets (see Exhibit J).

Please provide management responses to the recommendations by December 12, 2014. Your prompt response will be greatly appreciated.

We would like to express our appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the audit. If you should have any questions, please call Carlos Ramirez, Internal Auditor II, at 318-2511 ext. 4654, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Hidalgo County Executive Officer  
Martha Salazar, Hidalgo County Purchasing Agent

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**EXHIBIT A**

|   | <b>Tag<br/>Number</b> | <b>Tag Description</b>        |
|---|-----------------------|-------------------------------|
| 1 | 46492                 | FED SIGNAL LEGEND LIGHT BAR   |
| 2 | 51082                 | Storage Hutch 2 Drawer        |
| 3 | 51398                 | BROOKINGS AXIXTECH DUAL VISOR |
| 4 | 51590                 | BROOKINGS AXIXTECH DUAL VISOR |

## EXHIBIT B

|   | Tag Number | Tag Description                    |
|---|------------|------------------------------------|
| 1 | 43893      | 2007 FORD CROWN VICTORIA           |
| 2 | 45760      | DELL OPTIPLEX GX620 MINI TOWER P-4 |
| 3 | 49079      | 2009 FORD F150 PICKUP 4X4          |
| 4 | 52283      | SIG SAUER BLACK NITRON WEAPON      |
| 5 | 52284      | SIG SAUER BLACK NITRON WEAPON      |

## EXHIBIT C

| 1 | Tag Number | Tag Description  | VIN/Serial |
|---|------------|------------------|------------|
|   | 43556      | HP LaserJet 1300 | CNZB602440 |

# EXHIBIT D

|    | Tag Number | Tag Description     | VIN/Serial     | Department Assigned To |
|----|------------|---------------------|----------------|------------------------|
| 1  | 22762      | Burgundy Chair      |                | 160                    |
| 2  | 57381      | Motorola APX7000    | 655CNZ5035     | 280                    |
| 3  | 57382      | Motorola APX7000    | 655CNX5036     | 280                    |
| 4  | 57383      | Motorola APX7000    | 655CNX5037     | 280                    |
| 5  | 57384      | Motorola APX7000    | 655CNX5038     | 280                    |
| 6  | 57385      | Motorola APX7000    | CAI121FLZ5     | 280                    |
| 7  | 57386      | Motorola APX7000    | 655CNX5040     | 280                    |
| 8  | 57387      | Motorola APX7000    | 655CNX5041     | 280                    |
| 9  | 57388      | Motorola APX7000    | 655CNX5045     | 280                    |
| 10 | 57390      | Motorola APX7000    | 655CNZ5043     | 280                    |
| 11 | 57391      | Motorola APX7000    | 655CNX5046     | 280                    |
| 12 | 57392      | Motorola APX7000    | 655CNX5044     | 280                    |
| 13 | 57394      | Motorola APX7500    | 655CNX5048     | 280                    |
| 14 | 57395      | Motorola APX7000    | 655CNX5049     | 280                    |
| 15 | 57396      | Motorola APX7000    | 655CNX5050     | 280                    |
| 16 | 57397      | Motorola APX7000    | 655CNX5051     | 280                    |
| 17 | 57773      | Motorola APX7500    | 656CNZ0158     | 280                    |
| 18 | 57775      | Motorola APX7500    | 656CNZ0160     | 280                    |
| 19 | 57777      | Motorola APX7500    | 656CNZ0162     | 280                    |
| 20 | 57778      | Motorola APX7500    | 656CNZ0163     | 280                    |
| 21 | 57779      | Motorola APX7500    | 656CNZ0164     | 280                    |
| 22 | 57780      | Motorola APX7500    | 656CNZ0165     | 280                    |
| 23 | 57781      | Motorola APX7500    | 656CNZ0166     | 280                    |
| 24 | 57782      | Motorola APX7500    |                | 280                    |
| 25 | 57783      | Motorola APX7500    | 656CNZ0168     | 280                    |
| 26 | 57784      | Motorola APX7500    | 656CNZ0169     | 280                    |
| 27 | 57785      | Motorola APX7500    | 656CNZ0170     | 280                    |
| 28 | 58813      | Panasonic Toughbook | 3CKSB47337     | 200                    |
| 29 | 58814      | Panasonic Toughbook | 3CKSB47338     | 200                    |
| 30 | 58815      | Panasonic Toughbook | 3CKSB47363     | 200                    |
| 31 | 58816      | Panasonic Toughbook | DFQX3A14XB     | 200                    |
| 32 | 58817      | Panasonic Toughbook | 3CKSB47384     | 200                    |
| 33 | 58818      | Panasonic Toughbook | 3CKSB47379     | 200                    |
| 34 | 58825      | Panasonic Toughbook | 3CKSB47387     | 200                    |
| 35 | 58826      | Panasonic Toughbook | 3CKSB47311     | 200                    |
| 36 | 58831      | Zebra RW420 Printer | XXRCJ134100973 | 200                    |
| 37 | 58839      | Zebra RW420 Printer | XXRCJ134100923 | 200                    |
| 38 | 58840      | Zebra RW420 Printer |                | 200                    |
| 39 | 58841      | Zebra RW420 Printer |                | 200                    |
| 40 | 58842      | Zebra RW420 Printer |                | 200                    |
| 41 | 58843      | Zebra RW420 Printer | XXRCJ134100976 | 200                    |
| 42 | 58844      | Zebra RW420 Printer |                | 200                    |
| 43 | 58846      | Zebra RW420 Printer |                | 200                    |
| 44 | 58851      | Laptop Stand        |                | 200                    |
| 45 | 58852      | Laptop Stand        |                | 200                    |

|    |       |                             |                   |     |
|----|-------|-----------------------------|-------------------|-----|
| 46 | 58854 | Laptop Stand                |                   | 200 |
| 47 | 58855 | Laptop Stand                |                   | 200 |
| 48 | 58856 | Havis Laptop Stand          | WS58613           | 200 |
| 49 | 58857 | Laptop Stand                |                   | 200 |
| 50 | 58870 | Laptop Stand                |                   | 200 |
| 51 | 59562 | Keyboard                    |                   | 200 |
| 52 | 59563 | Keyboard                    |                   | 200 |
| 53 | 59564 | Keyboard                    |                   | 200 |
| 54 | 59565 | Keyboard                    |                   | 200 |
| 55 | 59566 | Keyboard                    |                   | 200 |
| 56 | 59568 | Keyboard                    |                   | 200 |
| 57 | 59569 | Keyboard                    | BAK073013024579   | 200 |
| 58 | 59587 | Keyboard                    |                   | 330 |
| 59 | 61390 | 2007 GMC Sierra SLE         | 1GTEC14J072540086 | 280 |
| 60 | 43091 | Remington 870 Police Magnum | D814994M          | 777 |

## EXHIBIT E

|   | Tag Number | Tag Description    | VIN/Serial |
|---|------------|--------------------|------------|
| 1 | 58853      | Laptop Stand       |            |
| 2 | 61120      | Dell Optiplex 7010 | GY5JM02    |
| 3 | 61121      | Dell Optiplex 7010 | GYJGM02    |
| 4 | 61122      | Dell Optiplex 7010 | G49BM02    |
| 5 | 61124      | Dell Optiplex 7010 |            |

**EXHIBIT F**

| Tag Number | Tag Description | VIN/Serial |
|------------|-----------------|------------|
| 1 ME000055 | Dell Desktop    | X0873013   |

## EXHIBIT G

| Tag Description  | VIN/Serial                    |
|------------------|-------------------------------|
| 1 2008 Ford F150 | 1FTRW12W18FB21884<br>102-5373 |

**EXHIBIT H**

| Tag Description  | VIN/Serial                    |
|------------------|-------------------------------|
| 1 2014 Dodge RAM | 1CGRR7XT1ES408144<br>118-2777 |

## EXHIBIT I

|   | Tag Description              | VIN/Serial |
|---|------------------------------|------------|
| 1 | Colt AR-15                   | 4284827    |
| 2 | Colt AR-15                   | 4226615    |
| 3 | Winchester Defender 12 Gauge | L1896334   |

## EXHIBIT J

|    | Tag Description               | VIN/Serial        |
|----|-------------------------------|-------------------|
| 1  | 2 Drawer Metal File Cabinet   |                   |
| 2  | Asus Desktop                  | E8505683          |
| 3  | Black Leather Chair           |                   |
| 4  | Black Leather Chair           |                   |
| 5  | Black Leather Chair           |                   |
| 6  | Black Rolling Chair           |                   |
| 7  | Black Rolling Chair           |                   |
| 8  | Black Rolling Chair           |                   |
| 9  | Black Rolling Chair           |                   |
| 10 | Black Rolling Chair           |                   |
| 11 | Brother MC RJ 4030 Printer    | U63110-F12C333266 |
| 12 | Brother MC RJ 4030 Printer    | U63110-H2Z333267  |
| 13 | Brother MC RJ 4030 Printer    |                   |
| 14 | Brother MC RJ 4030 Printer    | U63110-J2Z478197  |
| 15 | Corner Hutch                  |                   |
| 16 | Corner HON Desk               |                   |
| 17 | Female Point Blank Body Armor | 0000415888        |
| 18 | Female Point Blank Body Armor | 0000415891        |
| 19 | Gamber Johnson Stand          |                   |
| 20 | Getac Laptop                  | RC63950347        |
| 21 | Getac Laptop                  | RC63950281        |
| 22 | Getac Laptop                  | RC63950415        |
| 23 | Getac Laptop                  | R023950586        |
| 24 | HON Desk                      | 37ULL2            |
| 25 | HON On Top of Desk            | 3UULS2            |
| 26 | HON Table (Desk)              |                   |
| 27 | HON Workstation               | 32QHA7            |
| 28 | Hoon Bookcase                 |                   |
| 29 | Laptop Stand                  |                   |
| 30 | Motorola Astro                | 374CEL0171        |
| 31 | Motorola Astro                | 76ICN20174        |
| 32 | Motorola Spectra Astro        | HKN4363C          |
| 33 | MPC Monitor                   |                   |
| 34 | Point Blank Body Armor        | 0601408229        |
| 35 | Point Blank Body Armor        | 0601408281        |
| 36 | Point Blank Body Armor        | 100000135584      |
| 37 | Point Blank Body Armor        | 100000135610      |
| 38 | Point Blank Body Armor        | 100000135601      |
| 39 | Point Blank Body Armor        | 0100507620        |
| 40 | Point Blank Body Armor        | 0100507597        |
| 41 | Safari Land Bulletproof Vest  | 799023            |
| 42 | Waiting Chair                 |                   |
| 43 | Waiting Chair                 |                   |

# COUNTY OF HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 1, 2014

The Honorable Marcos Ochoa  
Justice of the Peace, Pct. 3, Pl. 2  
730 Breyfogle, Suite A  
Mission, Texas 78574

Re: Audit of the Justice of the Peace, Pct. 3, Pl. 2 Asset Inventory Listing  
Audit No. 2014-60

Dear Judge Ochoa:

It is the practice of the County Auditor's Office to conduct an asset inventory audit when a change in administration occurs; therefore, we conducted an audit of the Justice of the Peace, Pct. 3, Pl. 2 asset inventory listing pursuant to Local Government Code §115.001 and our annual audit plan. The objective of the audit was to evaluate the accuracy and completeness of the asset inventory listing maintained by the Purchasing Department on behalf of the Justice of the Peace Court.

## **BACKGROUND:**

The Justice of the Peace, as an elected official, is inherently responsible for ensuring that County assets in the custody of the Justice of the Peace Court are properly accounted, safeguarded, and disposed. Some of these responsibilities include:

- Verifying the receipt of all assets purchased and/or assigned to the Justice of the Peace Court.
- Ensuring assets are properly tagged.
- Conducting periodic physical inventories of assets.
- Ensuring assets are only used for County purposes.
- Safeguarding assets in the Department's possession until disposal.
- Filing police reports in the event an asset is lost or stolen.
- Requiring that a formal request and formal approval from the Department Head or Designee be obtained when equipment is taken off County premises, including when taken off-site for repairs.

Employees of the Justice of the Peace Court are also inherently responsible for protecting County property entrusted to them. This includes the proper care, maintenance, control, and reasonable safeguards to prevent loss, damage, or theft of such assets.

As of October 17, 2014, the Justice of the Peace Court asset inventory listing consisted of 14 assets with a total acquisition cost of \$13,880.98. Mr. Ochoa took over the Justice of the Peace Pct. 3, Pl. 2 Office on October 16, 2014; therefore, the assets on the asset inventory listing under review were in the custody of the prior Justice of the Peace.

## **Generally Accepted Accounting Principles (GAAP)**

Pursuant to generally accepted accounting principles (GAAP), adequate controls must be maintained over capital and minor assets. In addition, the GASB 34 Manual for Texas Cities and Counties states, "A government should maintain its capital asset records in its capital asset software module. This information should include asset identification numbers, equipment category codes, asset tag numbers, dates of acquisition, assigned departments, purchase costs and descriptions of each asset."

## **Capital Asset Guide**

On October 23, 2001, Commissioners Court approved the Capital Asset Guide (the Guide) to be effective on January 1, 2002 in order to comply with the reporting requirements of Governmental Accounting Standards Board Statement No. 34. The Guide requires that assets (i.e., vehicles, land, buildings, machinery, equipment, computer systems) with a useful life greater than one year and an acquisition cost of \$1,000 or more be capitalized. In

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### HIDALGO COUNTY DISTRICT JUDGES

JAIME E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

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JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
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OVERSEER

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JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 448<sup>TH</sup> D.C.

addition, donations should be capitalized at fair market value. On November 10, 2009, Commissioners Court clarified that assets with an inventory cost of \$300.00 to \$999.99 were subject to inventory.

#### **SCOPE AND METHODOLOGY:**

The scope of our audit was limited to the asset inventory listing as of October 17, 2014. Our audit was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

In planning and performing our audit, the following procedures were performed:

- Selected all assets on the asset inventory listing for physical identification to determine whether the assets were properly tagged; and
- Compared assets located at the Justice of the Peace Court, Pct. 3, Pl. 2 premises to the asset inventory listing to determine whether the asset inventory listing was complete.

#### **CONCLUSION:**

Based on the results of our review, we have concluded that the Justice of the Peace, Pct. 3, Pl. 2 asset inventory listing per *alio* was not accurate and complete. Of the 14 assets:

- 10 (71%) assets were physically located and contained an asset tag.
- 3 (21%) assets (2 computers and 1 printer) were physically located. The assets did not contain an asset tag; however, 2 of the assets were identified using the serial number and 1 was identified by matching asset's description to the asset's description on the asset inventory list.
- 1 (8%) asset (computer) was not physically located. According to staff, the asset was taken by the Information Technology Department for repairs. However, written authorization from the Justice of the Peace to remove the computer from the Justice of the Peace Office for repairs and a signature from an Information Technology Department employee accepting custody of the computer was not maintained on file. According to the Information Technology Chief Information Officer, the computer is being held by the Information Technology Department for repair purposes.

In addition, we physically located 27 assets that were not included on the Justice of the Peace, Pct. 3, Pl. 2 asset inventory listing as follows:

- 18 (69%) assets contained an asset tag.
  - 2 assets (Dell computers) were not listed in *alio* or *Carter Pertaine*, the County's legacy fixed asset system, asset inventory listings. According to the Purchasing Department, the assets had not been added to the asset inventory listing in *alio* since written confirmation had not been received from the Justice of the Peace staff indicating that the items had been tagged.
  - 16 assets (12 Hon cabinets, 2 Iceberg drawers, 2 desks) were not listed in *alio* or *Carter Pertaine* asset inventory listings. However, the assets had been issued a minor asset tag by the Purchasing Department. The assets appear to have an inventory cost between \$300.00 to \$999.99 and subject to inventory control.
- 9 (36%) assets (2 Dell computers, 2 Hon drawer cabinets, 2 printers, and 3 televisions) did not contain an asset tag. The assets were not listed in *alio* or *Carter Pertaine* asset inventory listings. However, the assets appear to be capital or minor assets that should be included in the asset inventory listing.

#### **RECOMMENDATION:**

Management should coordinate with the Purchasing Department to take corrective action to address the deficiencies identified in the audit and ensure the asset inventory listing is updated, as follows:

1. Asset tags should be obtained from the Purchasing Department and affixed to the 3 assets (2 computers and 1 printer) that did not contain an asset tag (see Exhibit A).
2. For the computer held by the Information Technology Department for repair purposes, written authorization from the Justice of the Peace to remove the computer off the Justice of the Peace Office premises should be

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#### **HIDALGO COUNTY DISTRICT JUDGES**

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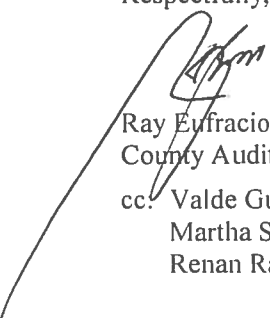
obtained and maintained on file (see Exhibit B). The written authorization should also be signed by the Information Technology Department employee who accepted custody of the computer.

3. Written confirmation that the 2 Dell computers were received should be submitted to the Purchasing Department in order that the computers be added to the asset inventory listing (see Exhibit C).
4. Further research on the 16 assets (12 Hon cabinets, 2 Iceberg drawers, 2 desks) that contained a minor asset tag should be conducted to determine if the assets are subject to inventory control. If the assets are subject to inventory control, asset tags should be requested from the Purchasing Department and affixed to the assets (see Exhibit D).
5. Further research on the 9 assets (2 Dell computers, 2 Hon drawer cabinets, 2 printer, and 3 televisions) that did not contain an asset tag should be conducted to determine if the assets are subject to inventory control (see Exhibit E). If the assets are subject to inventory control, asset tags subject to inventory control should be requested from the Purchasing Department and affixed to the assets.

Please provide management responses to the recommendations by December 10, 2014. Your prompt response will be greatly appreciated.

We would like to express our appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the audit. If you should have any questions, please call Pedro L. Ramirez, Internal Auditor II, at 318-2511 ext. 4644, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Hidalgo County Executive Officer  
Martha Salazar, Hidalgo County Purchasing Agent  
Renan Ramirez, Information Technology Supervisor

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JUDGE, 449<sup>TH</sup> D.C.

EXHIBIT A

|   | Tag Number | Tag Description                               | VIN/Serial |
|---|------------|-----------------------------------------------|------------|
| 1 | 44290      | OPTIPLEX GX620 ULTRA<br>SMALL, PENTIUM 4 - PC | B2W3981    |
| 2 | 46199      | DELL OPTIPLEX GX620<br>USFF, PENTIUM 4        | 693SSB1    |
| 3 | 49104      | PRINTER STAND<br>28"W28"D30"H                 |            |

**EXHIBIT B**

| Tag<br>Number | Tag<br>Description           | VIN/Serial |
|---------------|------------------------------|------------|
| 1 48012       | DELL OPTIPLEX<br>755 USFF-PC | 4F19NF1    |

## EXHIBIT C

|   | Tag Number | Tag Description    | VIN/Serial |
|---|------------|--------------------|------------|
| 1 | 61141      | Dell Optiplex 7010 | GYG9M02    |
| 2 | 61142      | Dell Optiplex 7010 | GY4HM02    |

## EXHIBIT D

|    | Tag Number | Tag Description      |
|----|------------|----------------------|
| 1  | ME004329   | HON Cabinet          |
| 2  | ME003022   | Iceberg Drawer       |
| 3  | ME004468   | Desk                 |
| 4  | ME003021   | Printer Desk         |
| 5  | ME001234   | HON 5 Drawer Cabinet |
| 6  | ME001235   | HON 5 Drawer Cabinet |
| 7  | ME003024   | Iceberg Drawer       |
| 8  | ME004180   | HON File Cabinet     |
| 9  | ME004181   | HON File Cabinet     |
| 10 | ME004179   | HON File Cabinet     |
| 11 | ME004469   | HON File Cabinet     |
| 12 | ME001233   | HON 5 Drawer Cabinet |
| 13 | ME001229   | HON 5 Drawer Cabinet |
| 14 | ME001232   | HON 5 Drawer Cabinet |
| 15 | ME001231   | HON 5 Drawer Cabinet |
| 16 | ME001230   | HON 5 Drawer Cabinet |

## EXHIBIT E

|   | Tag Description           | VIN/Serial      |
|---|---------------------------|-----------------|
| 1 | Dell Optiplex 7010        | 80JBFX1         |
| 2 | HON 4 Drawer Cabinet      |                 |
| 3 | HON 4 Drawer Cabinet      |                 |
| 4 | Dell Optiplex 7010        | 80FCFX1         |
| 5 | Microline 320 (Printer)   | 8K3203663310    |
| 6 | Samsung Syncmaster T260Hb | TD26HVLSA05083B |
| 7 | Samsung Syncmaster T260Hb | TD26HVZSA02327Y |
| 8 | RCA TV                    | Not Visible     |
| 9 | HP LaserJet 4350n         | CNRXS37787      |

# COUNTY of HIDALGO

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EDINBURG, TEXAS 78539

December 22, 2014

The Honorable Rene Guerra  
District Attorney  
100 N. Closner  
Edinburg, TX 78539

Re: Audit of the District Attorney's Office Asset Inventory Listing  
Audit No. 2014-61

Honorable Rene Guerra:

It is the practice of the County Auditor's Office to conduct an asset inventory audit when a change in administration occurs; therefore, we conducted an audit of the District Attorney's asset inventory listing pursuant to Local Government Code § 115.001 and our annual audit plan. The objective of the audit was to evaluate the accuracy and completeness of the asset inventory listing maintained by the Purchasing Department on behalf of the District Attorney's Office.

## **BACKGROUND:**

The District Attorney, as an elected official, is inherently responsible for ensuring that County assets in the custody of the District Attorney's Office are properly accounted, safeguarded, and disposed. Some of these responsibilities include:

- Verifying the receipt of all assets purchased and/or assigned to the District Attorney Office.
- Ensuring assets are properly tagged.
- Conducting periodic physical inventories of assets.
- Ensuring assets are only used for County purposes.
- Safeguarding assets in the Department's possession until disposal.
- Filing police reports in the event an asset is lost or stolen.
- Requiring that a formal request and formal approval from the Department Head or Designee be obtained when equipment is taken off County premises, including when taken off-site for repairs.

Employees of the District Attorney are also inherently responsible for protecting County property entrusted to them. This includes the proper care, maintenance, control, and reasonable safeguards to prevent loss, damage or theft of such assets.

As of October 24, 2014, the District Attorney's asset inventory listing consisted of 596 assets with a total acquisition cost of \$914,496.46.

## **Generally Accepted Accounting Principles (GAAP)**

Pursuant to generally accepted accounting principles (GAAP), adequate controls must be maintained over capital and minor assets. In addition, the GASB 34 Manual for Texas Cities and Counties states, "A government should maintain its capital asset records in its capital asset software module. This information should include asset identification numbers, equipment category codes, tag numbers, dates of acquisition, assigned departments, purchase costs and descriptions of each asset."

## **Capital Asset Guide**

On October 23, 2001, Commissioners Court approved the Capital Asset Guide (the Guide) to be effective on January 1, 2002 in order to comply with the reporting requirements of Governmental Accounting Standards Board Statement No. 34. The Guide requires that assets (i.e., vehicles, land, buildings, machinery, equipment, computer systems) with a useful life greater than one year and an acquisition cost of \$1,000 or more be capitalized. In

### **HIDALGO COUNTY DISTRICT JUDGES**

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JUDGE, 439<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

addition, donations should be capitalized at fair market value. The Guide requires that minor assets (assets with a cost of \$300.00 to \$999.99) be subject to inventory control and be assigned an asset tag.

#### **SCOPE AND METHODOLOGY:**

The scope of our audit was limited to the asset inventory listing as of October 24, 2014. Our audit was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

In planning and performing our audit, the following procedures were performed:

- Selected all assets on the asset inventory listing for physical identification to determine whether the assets were properly tagged; and
- Compared assets located at the District Attorney's Office premises to the asset inventory listing to determine whether the asset inventory listing was complete.

#### **CONCLUSION:**

Based on the results of the audit, we have concluded that the District Attorney's Office asset inventory listing per *alio* was not accurate and complete. More specifically, the following was noted:

We selected all 596 (100%) assets on the asset inventory listing for physical identification. The results of our review revealed the following:

- 453 of 596 (76%) assets were physically located.
  - 423 assets contained an asset tag;
  - 1 asset (cabinet) contained an asset tag; however, the asset tag number was incorrectly entered into *alio* by one digit (i.e., *alio* states 10271 and the actual asset tag states 10371) (see Exhibit A);
  - 28 assets (1 printer, 1 computer, 2 laptops, 2 televisions, 1 server, 5 catalysts, 2 cabinets, 1 table, 4 phone system components, 1 desk, 1 credenza, 1 entertainment center, 1 cart, 1 data storage device, 1 Intel Quad Core hardware (internal component), 1 set of law books, 1 ID software, and 1 television stand ) did not contain an asset tag. The assets were identified by matching the asset's serial number and/or description to the serial number and/or asset description on the asset inventory list (see Exhibit B); and
  - 1 asset (HP Procurve Switch) was located by visualization. Due to the asset's location (located above ceiling tiles), we were unable to confirm if the asset contained an asset tag. The asset was identified by matching the asset description to the asset description on the asset inventory list (see Exhibit C).
- 143 of 596 (24%) were not physically located.
  - 77 assets (75 computers, 1 washer, and 1 dryer) according to District Attorney Staff were disposed. Copies of "Asset transfer" forms and documentation supporting the disposition of the assets were not provided. According to County policy, in order to properly dispose of County assets, the assets must be sent to Purchasing Department's surplus warehouse. According to the Purchasing Department staff, the District Attorney's Office did not notify them of the need to transfer the assets. Subsequent to our audit, the District Attorney's Office requested Commissioners Court approval to remove 75 computers from the District Attorney's asset inventory listing. As of today, the assets have not been removed from the asset inventory listing (see Exhibit D);
  - 7 assets (1 workstation, 1 table, 1 desk, 3 printers, and 1 computer), according to the District Attorney staff, were declared surplus; however, copies of executed "Asset Transfer" forms were not provided. According to County policy, in order to properly dispose of County assets, the assets must be sent to Purchasing Department's surplus warehouse. Since properly executed "Asset Transfer" forms were not provided, it appears that the assets were not transferred to the Purchasing Department in accordance with County policy (see Exhibit E);
  - 6 assets (1 cabinet and 5 printers) were declared surplus. Copies of the "Asset transfer" forms were provided; however, the assets have not been removed from the asset inventory listing (see Exhibit F);

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#### **HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TUERNA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 378<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 445<sup>TH</sup> D.C.

- 1 asset (freightliner), according to District Attorney's staff, was auctioned. We were able to confirm that the asset was sold through auction; however, the asset has not been removed from the asset inventory listing (see Exhibit G); and
- 52 assets (2 bookcases, 5 printers, 4 chairs, 3 phones, 1 transcribing machines, 1 cabinet, 8 desks, 1 dry erase board, 1 camera, 1 server, 1 ethernet switch, 1 router, 1 catalyst, 13 software's, 1 monitor, 1 wide area network card, 1 external tape drive, 1 computer, 1 television stand, 2 laptop, and 2 scanners) could not be located. The District Attorney's Office was not able to provide the location of the assets or documentation supporting the disposition of the assets (i.e., "Asset Transfer" forms, police reports, etc.) (see Exhibit H).

We physically located 285 assets that were not included on the asset inventory listing. Of the 285 assets:

- 149 (52%) assets contained an asset tag.
  - 39 assets (desks, chairs, catalyst, computers, laptops, entertainment center, printers, software, radios, bookcases, etc.) were on the asset inventory listing of other County departments (i.e., Budget Department, Sheriff's Office, Public Defenders Department, Information Technology Department, and Location 7777). Copies of "Asset Transfer" forms were not provided (see Exhibit I);
  - 28 assets (1 television, 2 catalysts, 5 scale pole and brackets, 1 washer, 1 dryer, 5 wire shelving, 3 cabinets, and 10 autopsy carriers) were not included on the District Attorney's Office asset inventory listing at the time of our audit. According to the Purchasing Department staff, the assets had not been added to the asset inventory listing since written confirmation that the assets had been received and tagged by the District Attorney's Office had not been received. The assets were subsequently added to the asset inventory listing (see Exhibit J);
  - 10 assets (2 desks, 5 chairs, 1 sink, 1 table, and 1 television) did not have an asset record in *alio* or *Carter Pertaine* (see Exhibit K). The assets appear to be subject to inventory control.
  - 72 assets (cabinets, desks, chairs, bookcases, tables, phones, catalyst, refrigerator, entertainment center, etc.) contained an asset record in *Carter Pertaine* (Exhibit L).
- 136 (48%) assets did not contain an asset tag; however, the assets appear to be subject to inventory control and included in the asset inventory listing (see Exhibit M).

### **RECOMMENDATION:**

Management should coordinate with the Purchasing Department to take corrective action to address the deficiencies identified in the audit and ensure the asset inventory listing is updated, as follows:

1. The asset record in *alio* for the cabinet should be updated to reflect the correct asset tag number (see Exhibit A).
2. Asset tags should be obtained from the Purchasing Department and affixed to the 28 assets that did not contain an asset tag (see Exhibit B).
3. An asset tag should be maintained on file for the asset (catalyst) located above the ceiling tiles since affixing the tag to the asset is not feasible due to the location of the asset (see Exhibit C).
4. The 75 computers should be removed from the asset inventory listing pursuant to Commissioners Court approval. In addition, further research on the 2 assets (1 washer and 1 dryer) that were improperly disposed of should be conducted. Supporting documentation should be provided to the Purchasing Department to remove the assets from the inventory listing (see Exhibit D).
5. Asset transfer forms should be provided to the Purchasing Department to remove the 13 assets declared surplus from the asset inventory listing (see Exhibits E and F).
6. The freightliner sold through auction should be removed from the asset inventory listing (see Exhibit G).
7. Further research on the 52 assets that were not located should be conducted. If the assets are no longer in the District Attorney's Office possession, supporting documentation should be provided to the Purchasing Department to remove the assets from the inventory listing (see Exhibit H).
8. Asset transfer forms should be prepared for the 39 assets that were listed on the asset inventory listing of other County departments and submitted to the Purchasing Department in order to update the asset inventory listing (see Exhibit I).
9. Further research on the 10 assets that contained an asset tag and not recorded in *alio* or *Carter Pertaine* should be conducted to determine if the assets are subject to inventory control (see Exhibit K). If the assets are

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#### **HIDALGO COUNTY DISTRICT JUDGES**

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JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

subject to inventory control, coordination with the Purchasing Department to add the assets to the District Attorney's Office asset inventory listing should be made.

10. Further research on the 72 assets that contained an asset record in *Carter Pertaine* should be conducted to determine if the assets are subject to inventory control. If the assets are subject to inventory control, coordination with the Purchasing Department to add the assets to the District Attorney's Office asset inventory listing should be made (see Exhibit L).
11. Further research on the 136 assets that did not contain an asset tag should be conducted to determine if the assets are subject to inventory control. If the assets are subject to inventory control, coordination with the Purchasing Department to add the assets to the District Attorney's Office asset inventory listing should be made (see Exhibit M).

Please ensure that corrective action is finalized and an updated asset inventory listing is submitted to the County Auditor's Office by Tuesday, December 30, 2014.

We would like to express our appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the audit. If you should have any questions, please call Reynaldo Cantu III, Internal Auditor I, at 318-2511 ext. 4653, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA  
County Auditor

cc: Mr. Valde Guerra, Hidalgo County Commissioners Court Executive Officer  
Ms. Martha Salazar, Hidalgo County Purchasing Agent



**HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TIJERINA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
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JUDGE, 449<sup>TH</sup> D.C.

## Exhibit A

| Incorrect Tag<br>Number | Correct Tag<br>Number | Tag Description                  | VIN/Serial |
|-------------------------|-----------------------|----------------------------------|------------|
| 10271                   | 10371                 | FILE CABINET-HON LEGAL 5 DRAWERS |            |

## Exhibit B

|    | Tag Number | Tag Description                         | VIN/Serial          |
|----|------------|-----------------------------------------|---------------------|
| 1  | 2203       | SHELF- ART METAL (3 SHELVES)            |                     |
| 2  | 2900       | LAW BOOKS (REFER TO LIST)               |                     |
| 3  | 16606      | TABLE-FOLDING                           |                     |
| 4  | 22528      | MERIDIAN NORSTAR SYSTEM                 | NT5B20FC/0402059027 |
| 5  | 30396      | NORSTAR STATION & SOFTWARE W/3 TEL SETS | 41N0247785          |
| 6  | 34487      | N* VMAIL PRMY HRD DRIV FOR NAM          | 41N02470785         |
| 7  | 34968      | NORSTAR MODULAR ICS & FIBER STATION     | NNTM8455090T        |
| 8  | 37143      | DESK CABINET                            |                     |
| 9  | 37144      | CREDENZA                                |                     |
| 10 | 37145      | TV ENT. CENTER                          |                     |
| 11 | 37146      | CURIO CABINET                           |                     |
| 12 | 38558      | HP LJ 4100TN 25PPM                      | USLMNK16940         |
| 13 | 40797      | COMPAQ EVO D510 2.4 W/17" VIEWSONIC MON | W311KN8ZA504        |
| 14 | 41238      | ML350T03 X2200 ARRAY                    | 6J35KZR1V038        |
| 15 | 48364      | ASURE ID EXPRESS SOFTWARE               |                     |
| 16 | 50136      | CART W/ERGO HANDLE                      |                     |
| 17 | 50417      | BUFFALO DATA STORAGE-PRO II             | TERASTATION PRO II  |
| 18 | 50767      | PREMIER ELLIPTICAL FLOOR STAND          |                     |
| 19 | 53052      | TV-LG 50" FLAT SCREEN                   | 90TVRMOK305388      |
| 20 | 54610      | RSP CPB INTEL XEON QUAD CORE            |                     |
| 21 | 60367      | HP PAVILION DV7-4285DX LAPTOP           | CNF1018JNH          |
| 22 | 60373      | PANASONIC PLASMA TVTC-P50S30            | MF11260648          |
| 23 | 60467      | HP SB 4540 LAPTOP                       | 2CE338OCQ2          |
| 24 | 60699      | CATALYST C3560X 24 PORT                 | FD01746H1AE         |
| 25 | 60700      | CATALYST 2960S 24 GigE                  | F0C1745Z3TR         |
| 26 | 60701      | CATALYST 2960S 24 GigE                  | F0C1746W0A4         |
| 27 | 60702      | CATALYST 2960S 24 GigE                  | F0C1746W0A7         |
| 28 | 60703      | CATALYST 2960S 24 GigE                  | F0C1746W0BD         |

### Exhibit C

| Tag Number | Tag Description                | VIN/Serial |
|------------|--------------------------------|------------|
| 1 37535    | HP PROCURVE 24PT 10/100 SWITCH |            |

# Exhibit D

|    | Tag Number | Tag Description                    | VIN/Serial    |
|----|------------|------------------------------------|---------------|
| 1  | 21854      | WASH MACH<br>WASCOMAT #184         | 4717619820-1  |
| 2  | 24106      | HUEBSCH ORIG #50<br>ELECTRIC DRYER | STCK0720893ZD |
| 3  | 31660      | DELL P5MMX-200                     | G2KKV         |
| 4  | 31661      | DELL P5MMX-200                     | G2KHV         |
| 5  | 31663      | DELL P5MMX-200                     | G2KH2         |
| 6  | 31664      | DELL P5MMX-200                     | G2KH9         |
| 7  | 31665      | DELL P5MMX-200                     | G2KKH         |
| 8  | 31666      | DELL P5MMX-200                     | G2KH7         |
| 9  | 31667      | DELL P5MMX-200                     | G2KHS         |
| 10 | 31668      | DELL P5MMX-200                     | G2K06         |
| 11 | 31669      | DELL P5MMX-200                     | G2KFF         |
| 12 | 31670      | DELL P5MMX-200                     | G2KHF         |
| 13 | 31671      | DELL P5MMX-200                     | G2KKB         |
| 14 | 31672      | DELL P5MMX-200                     | G2KGW         |
| 15 | 31673      | DELL P5MMX-200                     | G2KK6         |
| 16 | 31674      | DELL P5MMX-200                     | G2KBY         |
| 17 | 31676      | DELL MMX-200                       | G2KDB         |
| 18 | 31677      | DELL P5MMX-200                     | G2KHM         |
| 19 | 31678      | DELL P5MMX-200                     | G2KGH         |
| 20 | 31679      | DELL P5MMX-200                     | G2KCY         |
| 21 | 31680      | DELL P5MMX-200                     | G2KCB         |
| 22 | 31681      | DELL P5MMX-200                     | G2KCO         |
| 23 | 31683      | DELL P5MXX-200                     | G2KD8         |
| 24 | 31684      | DELL P5MMX-200                     | G2KDM         |
| 25 | 31685      | DELL P5MMX-200                     | G2KGZ         |
| 26 | 31686      | DELL P5MMX-200                     | G2KF0         |
| 27 | 31687      | DELL P5MMX-200                     | G2KBK         |
| 28 | 31691      | DELL P5MMX-200                     | G2KK4         |
| 29 | 31692      | DELL P5MMX-200                     | G2KF8         |
| 30 | 31693      | DELL P5MMX-200                     | G2KFZ         |
| 31 | 31695      | DELL P5MMX-200                     | G2KKJ         |
| 32 | 31696      | DELL P5MMX-200                     | G2KH0         |
| 33 | 31697      | DELL P5MMX-200                     | G2KBQ         |
| 34 | 31698      | DELL P5MMX-200                     |               |

|    |       |                |       |
|----|-------|----------------|-------|
| 35 | 31699 | DELL P5MMX-200 | G2KKN |
| 36 | 31701 | DELL P5MMX-200 | G2KKL |
| 37 | 31702 | DELL P5MMX-200 | G2KK7 |
| 38 | 31703 | DELL P5MMX-200 | G2KKC |
| 39 | 32547 | DELL P6300     | D03HR |
| 40 | 32548 | DELL P6300     | D03JL |
| 41 | 32549 | DELL P6300     | D0356 |
| 42 | 32551 | DELL P6300     | D03JP |
| 43 | 32552 | DELL P6300     | D031Q |
| 44 | 32553 | DELL P6300     | D035J |
| 45 | 32554 | DELL P6300     | D03T1 |
| 46 | 32555 | DELL P6300     | D03TY |
| 47 | 32556 | DELL P6300     | D03TD |
| 48 | 32557 | DELL P6300     | D03HD |
| 49 | 32559 | DELL P6300     | D03TR |
| 50 | 32562 | DELL P6300     | D03HM |
| 51 | 32563 | DELL P6300     | D03JK |
| 52 | 32564 | DELL P6300     | D03K0 |
| 53 | 32565 | DELL P6300     | D03V0 |
| 54 | 32566 | DELL P6300     | D03VF |
| 55 | 32567 | DELL P6300     | D03TK |
| 56 | 32568 | DELL P6300     | D03SV |
| 57 | 32569 | DELL P6300     | D03FK |
| 58 | 32570 | DELL P6300     | D03HY |
| 59 | 32571 | DELL P6300     | D03FF |
| 60 | 32572 | DELL P6300     | D03JG |
| 61 | 32573 | DELL P6300     | D03JB |
| 62 | 32574 | DELL P6300     | D03J3 |
| 63 | 32575 | DELL P6300     | D03FP |
| 64 | 32576 | DELL P6300     | D03TV |
| 65 | 32577 | DELL P6300     | D03JC |
| 66 | 32578 | DELL P6300     | D03J5 |
| 67 | 32579 | DELL P6300     | D03G8 |
| 68 | 32580 | DELL P6300     | D03GY |
| 69 | 32581 | DELL P6300     | D03JR |
| 70 | 32582 | DELL P6300     | D03JJ |
| 71 | 32583 | DELL P6300     | D031M |
| 72 | 32584 | DELL P6300     | D03H2 |
| 73 | 32586 | DELL P6300     | D03SK |

|    |       |            |       |
|----|-------|------------|-------|
| 74 | 32587 | DELL P6300 | D03SB |
| 75 | 32588 | DELL P6300 | D03V3 |
| 76 | 32589 | DELL P6300 | D03T8 |
| 77 | 32592 | DELL P6300 |       |

### Exhibit E

|   | Tag Number | Tag Description                            | VIN/Serial  |
|---|------------|--------------------------------------------|-------------|
| 1 | 13695      | WORKSTATION-<br>COMPUTER                   |             |
| 2 | 23015      | TABLE-METAL                                |             |
| 3 | 31622      | EXECUTIVE L SHAPE                          |             |
| 4 | 32022      | HEWLETT PACKARD<br>LASERJET 1100           | USDH021199  |
| 5 | 34287      | HP LASERJET 2100XI                         | USGH037547  |
| 6 | 37867      | HP LJ 2200DN 19PPM<br>W/DUPLEX             | SCNDRD16160 |
| 7 | 40793      | COMPAQ EVO D510 2.4<br>W/17" VIEWSONIC MON | USH31103GT  |

## Exhibit F

|   | Tag Number | Tag Description               | VIN/Serial  |
|---|------------|-------------------------------|-------------|
| 1 | 31624      | DOUBLE LATERAL FILE CREDENZA  |             |
| 2 | 32546      | OKIDATA 3410 PACEMARK         | 804A6005261 |
| 3 | 33023      | HEWLETT PACKARD LASERJET 1100 | USDH021212  |
| 4 | 33024      | HEWLETT PACKARD LASERJET 1100 | USDH021185  |
| 5 | 33026      | HEWLETT PACKARD LASERJET 1100 | USDH002864  |
| 6 | 33031      | HEWLETT PACKARD LASERJET 1100 | USBH037481  |

### Exhibit G

| Tag Number | Tag Description                     | VIN/Serial        |
|------------|-------------------------------------|-------------------|
| 1 51601    | PAYOFF-2000 FREIGHTLINER<br>TRACTOR | 1FUYDSEBXYDF95968 |

# Exhibit H

|    | Tag Number | Tag Description                           | VIN/Serial           |
|----|------------|-------------------------------------------|----------------------|
| 1  | 5472       | BOOK SHELF - HON GRAY METAL               |                      |
| 2  | 17604      | SHELF-HON                                 |                      |
| 3  | 20394      | MITA - DC-1205                            | 46013864             |
| 4  | 20869      | CHAIR-WAITING W/ ARMS BROWN               |                      |
| 5  | 20937      | CHAIR-WAITING W/ ARMS CASHEW WALNUT       |                      |
| 6  | 20941      | CHAIR-WAITING W/ ARMS CASHEW WALNUT       |                      |
| 7  | 20942      | CHAIR-WAITING W/ ARMS CHERRY WALNUT       |                      |
| 8  | 22490      | HEWLETT PACKARD LASER JET                 | 3022A14743           |
| 9  | 22564      | PHONE - MERIDIAN                          |                      |
| 10 | 23497      | PHONE - MERIDIAN                          | 407639133            |
| 11 | 24848      | SONY BM-75 COMB TRANSCRIBING MACHINE      | 364080               |
| 12 | 26818      | HON 38055 GRAY 30X60                      |                      |
| 13 | 28823      | FAIRFIELD 5200 PULL-UP MAHOGANY-WALNUT    |                      |
| 14 | 29494      | BOARD-QUARTET DRY ERASE                   |                      |
| 15 | 32658      | DIGITAL CAMERA D600LPPC                   | 4082798              |
| 16 | 34225      | MICRO TEST DISCZERVERT28                  | S2F99I065            |
| 17 | 34279      | OKIDATA PACEMARK 3410                     | 907A6026443          |
| 18 | 37540      | HP PROCURVE 2524 24PT 10/100              | SSG1396              |
| 19 | 38496      | CISCO 3600 1PT FETH NTKW MOD FX           | S28241728            |
| 20 | 38497      | CISCO 3620 MODULAR ROUTER                 | SJMX0628K56Z         |
| 21 | 38557      | MS MSDN ENT V7.0 CVUP                     |                      |
| 22 | 38559      | VIEWSONIC PJ550 1024X768 XGA              | BORO22836153615      |
| 23 | 38822      | CISCO 2 10/100 ENET WAN CARD              | SJAD06290213         |
| 24 | 39744      | 10500 SERIES DSK W/HUTCH,CHERRY           |                      |
| 25 | 39746      | WINDOWS 2000 DESIGN CORE ELECTIVES        |                      |
| 26 | 40805      | MS MSDN ENT V7.0 CVUP                     |                      |
| 27 | 41425      | HP LASERJET                               | SUSDNM1207           |
| 28 | 41426      | HP LASERJET                               | SUSDNP1233           |
| 29 | 41661      | SYG AV 8.1 SRV -106 LIC SOFTWARE          |                      |
| 30 | 41824      | ADOBE CREATIVE SOFTWARE PREM 1 WIN        |                      |
| 31 | 42044      | (100) MS GSA W2003 SRV CAL DEVICE         |                      |
| 32 | 42045      | TRACK IT! 6.0 STANDARD W/AUDIT+           |                      |
| 33 | 43307      | HP DAT 72 EXTERNAL TAPE DRIVE             | HUN5332338           |
| 34 | 43584      | PENINSULA W/END PANEL 66X30X29            |                      |
| 35 | 43774      | MS MBG GOV MSDN UNIV. 2 YEAR SOFT RENEWAL | M/L SA MBG-534-02111 |
| 36 | 44071      | MS MSDN UNIVERSAL 7.0 UPG SUBSCRIPTION CD |                      |
| 37 | 44272      | GVL SAV DSK/SVR 1YR MT 100-249            |                      |
| 38 | 44424      | CRASH DATA RETRIEVAL SYSTEM / SOFTWARE    |                      |

|    |       |                                   |                      |
|----|-------|-----------------------------------|----------------------|
| 39 | 46117 | HP SB- WORKSTATION XW4400 2GB DVR | S2UA6440L6D          |
| 40 | 47026 | HON LAM WOOD DESK W/RETRN         |                      |
| 41 | 47027 | HON LAM WOOD DESK W/RETRN         |                      |
| 42 | 47609 | HON 60X30 DSK/CRED/STACK ON       |                      |
| 43 | 50766 | PREMIER ELLIPTICAL FLOOR STAND    |                      |
| 44 | 52509 | TOSHIBA QOSMIO X500-S1811LAPTOP   |                      |
| 45 | 54697 | HP PRO BOOK 4435                  | CNV1383141           |
| 46 | 54698 | MICROSOFT OFFICE PROFESSIONAL     | WZW3WQW7TBTRJ7RD6R29 |
| 47 | 55765 | M7208 MERIDIAN NORSTAR BLACK      | NNTM040              |
| 48 | 56767 | HON 72X30X29 DESK W/HUTCH         |                      |
| 49 | 56844 | HON SINGLE PED DESK W/ HUTCH      |                      |
| 50 | 59950 | AVL TECHNICAL STE 4 UPGRADE       |                      |
| 51 | 60570 | FUJITSU SCANSNAP IX500            | A13B021526           |
| 52 | 60581 | FUJITSU SCANSNAP IX500            | A13B024201           |

# Exhibit I

|    | Tag Number | Tag Description                        | VIN/Serial   | Department Assigned To      |
|----|------------|----------------------------------------|--------------|-----------------------------|
| 1  | 44283      | Two Piece Desk w/Hutch                 |              | 115 - Budget and Management |
| 2  | 55387      | Two Shelve Two Drawer Cabinet          |              | 085 - Public Defender       |
| 3  | 55386      | Desk (Brown)                           |              | 085 - Public Defender       |
| 4  | 55453      | Dell Laptop Latitude                   | HTYPBS1      | 085 - Public Defender       |
| 5  | 55388      | Two Shelve Two Drawer Cabinet          |              | 085 - Public Defender       |
| 6  | 55390      | Desk (Brown)                           |              | 085 - Public Defender       |
| 7  | 55454      | Dell Laptop                            | 5DHNBS1      | 085 - Public Defender       |
| 8  | 55389      | Two Piece Desk w/Hutch                 |              | 085 - Public Defender       |
| 9  | 55455      | Dell Optiplex 790 Computer             |              | 085 - Public Defender       |
| 10 | 55558      | HP LaserJet P3015 Printer              | VNB3103388   | 085 - Public Defender       |
| 11 | 56403      | LG TV Model#42LT560E                   | 205RMRHED014 | 085 - Public Defender       |
| 12 | 55557      | HP LaserJet 500 Printer                | CNBCD3M09C   | 085 - Public Defender       |
| 13 | 55381      | Two Piece Desk w/Hutch                 |              | 085 - Public Defender       |
| 14 | 55378      | Desk (Brown)                           |              | 085 - Public Defender       |
| 15 | 55383      | Executive Chair                        |              | 085 - Public Defender       |
| 16 | 55452      | Dell Computer                          | 2BJKBS1      | 085 - Public Defender       |
| 17 | 55382      | Three Shelve Two Drawer Cabinet        |              | 085 - Public Defender       |
| 18 | 55385      | Chair (Blue)                           |              | 085 - Public Defender       |
| 19 | 55384      | Chair (Blue)                           |              | 085 - Public Defender       |
| 20 | 56579      | Dell Latitude E5520 Computer           | 1NQNWV1      | 085 - Public Defender       |
| 21 | 56405      | Two Shelve Two Drawer Cabinet          |              | 085 - Public Defender       |
| 22 | 51412      | "L" Shape Desk with Two Drawer Cabinet |              | 115 - Budget and Management |
| 23 | 51411      | Five Shelf Bookcase                    |              | 115 - Budget and Management |
| 24 | 51410      | Five Shelf Bookcase                    |              | 115 - Budget and Management |
| 25 | 52978      | Cisco 2900 Server                      | No Serial #  | 200 - IT Department         |
| 26 | 52984      | Catalyst 2960S Flexstack               | FOC1509Y15Q  | 115 - Budget and Management |
| 27 | 52983      | Cisco Catalyst 2960-S                  |              | 200 - IT Department         |
| 28 | 52982      | Catalyst 2960S Flexstack               | FOC1510Y28R  | 115 - Budget and Management |
| 29 | 52981      | Cisco Catalyst 2960-S                  |              | 200 - IT Department         |
| 30 | 52985      | Cisco MCS 7800 Series                  | KQ88X68      | 200 - IT Department         |
| 31 | 52986      | APC Smart-UPS 3000                     | IS1107001355 | 200 - IT Department         |
| 32 | 52977      | Software                               | 1156J35B933  | 200 - IT Department         |
| 33 | 52980      | Software                               | 1321J3FEEE8  | 115 - Budget and Management |
| 34 | 52979      | Software                               | 1168JZAD036  | 115 - Budget and Management |
| 35 | 43793      | Nortel Switchboard                     | A0350411     | 7777 - Minor Equipment      |
| 36 | 43119      | Entertainment Center (Wood)            |              | 7777 - Minor Equipment      |
| 37 | 007126     | Multilevel File Station                |              | 7777 - Minor Equipment      |
| 38 | 57798      | Motorola Radio APX 7500                | 656CNZ0123   | 280 - Sheriff's Office      |
| 39 | 57796      | Motorola Radio APX 7500                | 656CNZ0181   | 280 - Sheriff's Office      |

# Exhibit J

|    | Tag Number | Tag Description                              | VIN/Serial      | Department Assigned To           |
|----|------------|----------------------------------------------|-----------------|----------------------------------|
| 1  | 60523      | 32" TV Upstar                                | IR1306E00100237 | 080 - Criminal District Attorney |
| 2  | 60016      | Cisco Catalyst 2960-S Flex Stack Module      | Not Visible     | 080 - Criminal District Attorney |
| 3  | 60018      | Cisco Catalyst 2960-S Flex Stack Module      | Not Visible     | 080 - Criminal District Attorney |
| 4  | 56574      | Scale Pole and Bracket                       |                 | 080 - Criminal District Attorney |
| 5  | 56575      | Scale Pole and Bracket                       |                 | 080 - Criminal District Attorney |
| 6  | 56576      | Scale Pole and Bracket                       |                 | 080 - Criminal District Attorney |
| 7  | 56577      | Scale Pole and Bracket                       |                 | 080 - Criminal District Attorney |
| 8  | 56578      | Scale Pole and Bracket                       |                 | 080 - Criminal District Attorney |
| 9  | 56573      | Frigidaire Affinity Dryer                    | 4D23300661      | 080 - Criminal District Attorney |
| 10 | 56572      | Frigidaire Affinity Washer                   | 4C22904651      | 080 - Criminal District Attorney |
| 11 | 56564      | Wire Shelving 4 Tier                         |                 | 080 - Criminal District Attorney |
| 12 | 56565      | Wire Shelving 4 Tier                         |                 | 080 - Criminal District Attorney |
| 13 | 56566      | Wire Shelving 4 Tier                         |                 | 080 - Criminal District Attorney |
| 14 | 56567      | Wire Shelving 4 Tier                         |                 | 080 - Criminal District Attorney |
| 15 | 56568      | Wire Shelving 4 Tier                         |                 | 080 - Criminal District Attorney |
| 16 | 56569      | Storage Cabinet Black                        |                 | 080 - Criminal District Attorney |
| 17 | 56570      | Storage Cabinet Black                        |                 | 080 - Criminal District Attorney |
| 18 | 56571      | Storage Cabinet Black                        |                 | 080 - Criminal District Attorney |
| 19 | 56119      | Autopsy Carrier w/ F&R Elevation             |                 | 080 - Criminal District Attorney |
| 20 | 56551      | Carrier Chassis Tray 3603                    |                 | 080 - Criminal District Attorney |
| 21 | 56555      | Carrier Chassis Tray 3604 (X Ray Compatible) |                 | 080 - Criminal District Attorney |
| 22 | 56556      | Carrier Chassis Tray 3604 (X Ray Compatible) |                 | 080 - Criminal District Attorney |
| 23 | 56552      | Carrier Chassis Tray 3603                    |                 | 080 - Criminal District Attorney |
| 24 | 56553      | Carrier Chassis Tray 3603                    |                 | 080 - Criminal District Attorney |
| 25 | 56554      | Carrier Chassis Tray 3603                    |                 | 080 - Criminal District Attorney |
| 26 | 56557      | Carrier Chassis Tray 3603                    |                 | 080 - Criminal District Attorney |
| 27 | 56558      | Carrier Chassis Tray 3603                    |                 | 080 - Criminal District Attorney |
| 28 | 56120      | Carrier Chassis Tray 3603                    |                 | 080 - Criminal District Attorney |

## Exhibit K

|    | Tag Number | Tag Description         | VIN/Serial  |
|----|------------|-------------------------|-------------|
| 1  | 44561      | "U" Shape Desk          |             |
| 2  | 56847      | Chair (Black)           |             |
| 3  | 51367      | Autopsy Sink w/Disp.    |             |
| 4  | 23128      | Chair (Brown)           |             |
| 5  | 23474      | Hon Office Chair (Gray) |             |
| 6  | 23130      | Chair (Brown)           |             |
| 7  | 23129      | Chair (Leather/Brown)   |             |
| 8  | 886        | Table (Gray)            |             |
| 9  | 37812      | Toshiba TV              | Not Visible |
| 10 | 2685       | Desk                    |             |

## Exhibit L

|    | Tag Number | Tag Description                    | VIN/Serial   |
|----|------------|------------------------------------|--------------|
| 1  | 17562      | Five Drawer Filing Cabinet (Brown) |              |
| 2  | 23417      | Desk (Brown)                       |              |
| 3  | 23415      | Desk (Brown)                       |              |
| 4  | 33003      | Executive Chair (Red)              |              |
| 5  | 33004      | Executive Chair (Red)              |              |
| 6  | 23416      | Desk (Brown)                       |              |
| 7  | 5870       | Three Shelf Bookcase (Brown)       |              |
| 8  | 24270      | Five Shelf Bookcase                |              |
| 9  | 11893      | Three Shelf Bookcase               |              |
| 10 | 23653      | Two Shelf Portable Table           |              |
| 11 | 33006      | Executive Chair (Burgandy)         |              |
| 12 | 20462      | Desk                               |              |
| 13 | 33008      | Executive Chair (Burgandy)         |              |
| 14 | 22807      | Desk                               |              |
| 15 | 30119      | Meridian Phone                     |              |
| 16 | 40659      | Nortel Networks                    | NNTMENT3BJ73 |
| 17 | 40660      | Nortel Networks                    | NNTM60GKUKLH |
| 18 | 007934     | Three Shelf Bookcase (Beige)       |              |
| 19 | 11204      | Two Shelf Bookcase                 |              |
| 20 | 25935      | Love Seat                          |              |
| 21 | 17586      | Cole Four Drawer Filing Cabinet    |              |
| 22 | 15574      | Four Drawer Filing Cabinet Cole    |              |
| 23 | 36877      | Shredder (Beige)                   |              |
| 24 | 16712      | Five Drawer Filing Cabinet (Black) |              |
| 25 | 17589      | Table (Brown)                      |              |
| 26 | 12712      | Three Shelf Bookcase               |              |
| 27 | 23104      | Desk (Brown)                       |              |
| 28 | 12713      | Three Shelf Bookcase               |              |
| 29 | 23478      | Computer Workstation               |              |
| 30 | 37543      | HP Procurve Switch 2524            |              |
| 31 | 29604      | Four Drawer Filing Cabinet (Beige) |              |
| 32 | 14880      | Two Drawer Cabinet                 |              |
| 33 | 20461      | Desk (Brown)                       |              |
| 34 | 17575      | Five Drawer Filing Cabinet         |              |
| 35 | 20368      | Four Drawer Filing Cabinet (Beige) |              |
| 36 | 30788      | Desk (Brown)                       |              |
| 37 | 30195      | Desk (Brown)                       |              |
| 38 | 31629      | Five Shelf Bookcase                |              |
| 39 | 15573      | Four Drawer Filing Cabinet (Beige) |              |
| 40 | 17801      | GE Refrigerator                    |              |
| 41 | 37537      | HP Procurve Switch 2524            | SG13960137   |
| 42 | 11205      | Oxford Rolling Filing Cabinet      |              |
| 43 | 17541      | Square Table (Beige)               |              |

|    |       |                                         |             |
|----|-------|-----------------------------------------|-------------|
| 44 | 17520 | Conference Table                        |             |
| 45 | 23647 | Shure 809 Microphone                    |             |
| 46 | 23648 | Shure 809 Microphone                    |             |
| 47 | 23649 | Shure 809 Microphone                    |             |
| 48 | 23429 | Dry Erase Board                         |             |
| 49 | 31724 | Two Piece Workstation Desk              |             |
| 50 | 31725 | Workstation Desk                        |             |
| 51 | 31727 | Desk                                    |             |
| 52 | 31900 | L Shape Desk w/Hutch                    |             |
| 53 | 31908 | L Shape Desk w/Hutch                    |             |
| 54 | 31907 | Two Piece Desk w/Hutch                  |             |
| 55 | 23317 | Medal Storage                           |             |
| 56 | 11459 | Hon Five Drawer File Cabinet            |             |
| 57 | 34861 | Table (Gray)                            |             |
| 58 | 25938 | End Table                               |             |
| 59 | 25868 | Desk (Gray)                             |             |
| 60 | 26693 | Desk                                    |             |
| 61 | 26851 | Desk                                    |             |
| 62 | 16047 | Art Metal Four Drawer Filing Cabinet    |             |
| 63 | 21756 | Entertainment Center w/Desk and Shelves |             |
| 64 | 37544 | HP Procurve 2524 24PT 10/100            | SSG13960161 |
| 65 | 26964 | Desk                                    |             |
| 66 | 26967 | Desk                                    |             |
| 67 | 28211 | Desk                                    |             |
| 68 | 26974 | Desk                                    |             |
| 69 | 24646 | Desk (Black)                            |             |
| 70 | 21756 | Desk                                    |             |
| 71 | 17601 | Conference Table                        |             |
| 72 | 31906 | Two Piece Desk w/Hutch                  |             |

# Exhibit M

|    | Tag Description                                | (Asset Location)            | VIN/Serial   |
|----|------------------------------------------------|-----------------------------|--------------|
| 1  | Hon Four Drawer Black Cabinet                  | Old Administration Building |              |
| 2  | Hon Four Drawer Black Cabinet                  | Old Administration Building |              |
| 3  | Hon Four Drawer Black Cabinet                  | Old Administration Building |              |
| 4  | Hon 72X30 Desk/RTRN/Stack On                   | Old Administration Building |              |
| 5  | HP Compaq Pro 6300                             | Old Administration Building | 120286-11    |
| 6  | Four Drawer Filing Cabinet (Gray)              | Old Administration Building |              |
| 7  | Four Drawer Filing Cabinet (Black)             | Old Administration Building |              |
| 8  | Four Drawer Filing Cabinet (Black)             | Old Administration Building |              |
| 9  | Hon 72X30 Desk/RTRN/Stack On                   | Old Administration Building |              |
| 10 | Desk(Black/Donated)                            | Old Administration Building |              |
| 11 | Hon Four Drawer Cabinet (Beige)                | Old Administration Building |              |
| 12 | Anderson Hickey Co. Four Drawer Filing Cabinet | Old Administration Building |              |
| 13 | Five Drawer Filing Cabinet (Black)             | Old Administration Building |              |
| 14 | Five Drawer Filing Cabinet (Black)             | Old Administration Building |              |
| 15 | HP Compaq Pro 6200                             | Old Administration Building | MXL1470KJ4   |
| 16 | Charnstrom Wheel Cart                          | Old Administration Building |              |
| 17 | Fujitsu Scan Snap S1500                        | Old Administration Building | 192622       |
| 18 | Wood Table w/Marble Top                        | Old Administration Building |              |
| 19 | Wood Table w/Marble Top                        | Old Administration Building |              |
| 20 | Three Piece w/Hutch Desk                       | Old Administration Building |              |
| 21 | Five Drawer Filing Cabinet Brown               | Old Administration Building |              |
| 22 | Four Drawer Filing Cabinet Cole                | Old Administration Building |              |
| 23 | Three Piece w/Hutch Desk                       | Old Administration Building |              |
| 24 | Three Piece w/Hutch Desk                       | Old Administration Building |              |
| 25 | Two Wheel Matal Cart                           | Old Administration Building |              |
| 26 | Fujitsu Scan Snap S1500                        | Old Administration Building | AOVB09958    |
| 27 | Scanner                                        | Old Administration Building | AOVB099965   |
| 28 | Hon Four Drawer Cabinet (Black)                | 5th Floor Courthouse        |              |
| 29 | Desk (Brown)                                   | 5th Floor Courthouse        |              |
| 30 | Three Piece w/Hutch Desk                       | 5th Floor Courthouse        |              |
| 31 | Cisco System                                   | 5th Floor Courthouse        | CAT0819XOPY  |
| 32 | HP Compaq NX6110 (Broken)                      | 5th Floor Courthouse        | CNU61211BQ   |
| 33 | Smart UPS Surtta 1500XL                        | 5th Floor Courthouse        | QS1334241623 |
| 34 | Smart UPS Surtta 1500XL                        | 5th Floor Courthouse        | QS1334241622 |
| 35 | Smart UPS Surtta 1500XL                        | 5th Floor Courthouse        | QS1334241624 |
| 36 | Smart UPS Surtta 1500XL                        | 5th Floor Courthouse        | QS1334241498 |
| 37 | Smart UPS Surtta 1500XL                        | 5th Floor Courthouse        | QS1334241615 |
| 38 | XLG-S7E22 7 Tier File Cabinet                  | Old Administration Building |              |
| 39 | Hon Five Drawer File Cabinet                   | Old Administration Building |              |
| 40 | Hon Five Drawer File Cabinet                   | Old Administration Building |              |
| 41 | Hon 72X30 Desk/RTRN/Stack On                   | Old Administration Building |              |
| 42 | HON File Cabinet                               | Old Administration Building |              |
| 43 | HON File Cabinet                               | Old Administration Building |              |
| 44 | HON File Cabinet                               | Old Administration Building |              |
| 45 | HON File Cabinet                               | Old Administration Building |              |

|    |                                        |                             |                |
|----|----------------------------------------|-----------------------------|----------------|
| 46 | HON File Cabinet                       | Old Administration Building |                |
| 47 | HON File Cabinet                       | Old Administration Building |                |
| 48 | HON File Cabinet                       | Old Administration Building |                |
| 49 | HON File Cabinet                       | Old Administration Building |                |
| 50 | HON File Cabinet                       | Old Administration Building |                |
| 51 | HON File Cabinet                       | Old Administration Building |                |
| 52 | "U" Shape Desk w/Hutch                 | Old Administration Building |                |
| 53 | HON Four Drawer File Cabinet           | Old Administration Building |                |
| 54 | Scan Snap Scanner                      | Old Administration Building | A0VB029465     |
| 55 | XLG-S7E22 7 Tier File Cabinet          | Old Administration Building |                |
| 56 | Cisco System Catalyst 3330             | Old Administration Building | CAT0904Y1D1    |
| 57 | Cisco MCS 7800 Series                  | Old Administration Building | KQ64N54        |
| 58 | Hon 72X30 Desk/RTRN/Stack On           | Old Administration Building |                |
| 59 | Brother EM-430 Typewriter              | 5th Floor Courthouse        | L48223581      |
| 60 | HPXW 4400 Computer                     | 5th Floor Courthouse        | 2UA650105Y     |
| 61 | HP Color LaserJet 3600dN               | 5th Floor Courthouse        | CNWCH57200     |
| 62 | HON Four Drawer File Cabinet           | 4th Floor Courthouse        |                |
| 63 | HON Four Drawer File Cabinet           | 4th Floor Courthouse        |                |
| 64 | Desk w/Hutch                           | 4th Floor Courthouse        |                |
| 65 | Desk w/Hutch                           | 4th Floor Courthouse        |                |
| 66 | "U" Shape Desk w/Hutch                 | 4th Floor Courthouse        |                |
| 67 | "U" Shape Desk w/Hutch                 | 4th Floor Courthouse        |                |
| 68 | "U" Shape Desk w/Hutch                 | 4th Floor Courthouse        |                |
| 69 | Hon Four Drawer Cabinet                | 4th Floor Courthouse        |                |
| 70 | Hon Four Drawer Cabinet                | 4th Floor Courthouse        |                |
| 71 | "U" Shape Desk                         | 4th Floor Courthouse        |                |
| 72 | "U" Shape Desk                         | 4th Floor Courthouse        |                |
| 73 | "U" Shape Desk                         | 4th Floor Courthouse        |                |
| 74 | "L" Shape Desk with Hutch              | 4th Floor Courthouse        |                |
| 75 | HON File Cabinet                       | 4th Floor Courthouse        |                |
| 76 | HP Pavilion dv7                        | 5th Floor Courthouse        | CND8491TXQ     |
| 77 | Toshiba Satellite A665-S5170           | 5th Floor Courthouse        | 3B504613K      |
| 78 | AITA Desktop Model # ATDP516B          | 5th Floor Courthouse        | S70321354537   |
| 79 | APC Smart-UPS 1000XL                   | 5th Floor Courthouse        | AS0424230691   |
| 80 | Buffalo TB Terastation Storage         | 5th Floor Courthouse        | Not Visible    |
| 81 | Buffalo TB Terastation Storage         | 5th Floor Courthouse        | Not Visible    |
| 82 | Hon Four Drawer Filing Cabinet (Black) | 5th Floor Courthouse        |                |
| 83 | Canon PC 1256 Camera                   | 5th Floor Courthouse        | 5228279799     |
| 84 | HP Compaq 6510b                        | 5th Floor Courthouse        | CNU8150QMB     |
| 85 | HP Compaq 6515b                        | 5th Floor Courthouse        | CNU8100VQ4     |
| 86 | Mitsubishi Projector XD205R            | 5th Floor Courthouse        | 0008824        |
| 87 | Marantz CD Recorder                    | 5th Floor Courthouse        | 20000635001007 |
| 88 | Viewsonic PJ550 Projector              | 5th Floor Courthouse        | 766907519112   |

|     |                                             |                        |              |
|-----|---------------------------------------------|------------------------|--------------|
| 89  | Lenovo Laptop B560                          | 5th Floor Courthouse   | WB01473235   |
| 90  | HP Compaq 6515b                             | 5th Floor Courthouse   | CNU8100QWK   |
| 91  | HP LaserJet 3600                            | 5th Floor Courthouse   | CNWCH58849   |
| 92  | Sony TC-WE475 Cassette Player               | 5th Floor Courthouse   | 8875208      |
| 93  | IBM Typewriter                              | 4th Floor Courthouse   |              |
| 94  | Hon Five Drawer File Cabinet                | 4th Floor Courthouse   |              |
| 95  | Desk (Brown)                                | 4th Floor Courthouse   |              |
| 96  | Three Piece w/Hutch Desk                    | 4th Floor Courthouse   |              |
| 97  | Scan Snap Scanner                           | 4th Floor Courthouse   | AOBB099873   |
| 98  | Two Shelve Three Drawer Cabinet             | 4th Floor Courthouse   |              |
| 99  | Desk (Red)                                  | 4th Floor Courthouse   |              |
| 100 | Two Piece Desk                              | 3rd Floor Courthouse   |              |
| 101 | Three Piece w/Hutch Desk                    | 3rd Floor Courthouse   |              |
| 102 | L Shape Desk w/Hutch                        | 3rd Floor Courthouse   |              |
| 103 | Desk (Brown)                                | 3rd Floor Courthouse   |              |
| 104 | L Shape Desk w/Hutch                        | 3rd Floor Courthouse   |              |
| 105 | Five Drawer Black Filing Cabinet            | 3rd Floor Courthouse   |              |
| 106 | L Shape Desk w/Hutch                        | 3rd Floor Courthouse   |              |
| 107 | L Shape Desk w/Hutch                        | 3rd Floor Courthouse   |              |
| 108 | L Shape Desk w/Hutch                        | 3rd Floor Courthouse   |              |
| 109 | Desk (Brown)                                | 3rd Floor Courthouse   |              |
| 110 | Three Piece w/Hutch Desk                    | 3rd Floor Courthouse   |              |
| 111 | Desk (Beige)                                | 3rd Floor Courthouse   |              |
| 112 | L Shape Desk w/Hutch                        | 3rd Floor Courthouse   |              |
| 113 | L Shape Desk w/Hutch                        | 3rd Floor Courthouse   |              |
| 114 | Scan Snap Scanner                           | 3rd Floor Courthouse   | AOVB099964   |
| 115 | Workstation w/Hutch                         | 3rd Floor Courthouse   |              |
| 116 | L Shape Desk w/Hutch                        | 3rd Floor Courthouse   |              |
| 117 | Desk                                        | 3rd Floor Courthouse   |              |
| 118 | Point Blank Body Armor Plate Model #MA00945 | Tax Office Parking Lot | 110000210261 |
| 119 | Sony BM-75 Dictator Transcriber             | 5th Floor Courthouse   | 0536362      |
| 120 | Wood Station Desk                           | 3rd Floor Courthouse   |              |
| 121 | APC Backups Pro 1000                        | 3rd Floor Courthouse   |              |
| 122 | L Shape Desk w/Hutch                        | 3rd Floor Courthouse   |              |
| 123 | Hon Four Drawer Filing Cabinet              | 3rd Floor Courthouse   |              |
| 124 | L Shape Desk w/Hutch                        | 3rd Floor Courthouse   |              |
| 125 | Four Drawer Filing Cabinet (Beige)          | 3rd Floor Courthouse   |              |
| 126 | Seven Shelf Lateral Bookcase                | 3rd Floor Courthouse   |              |
| 127 | Two Drawer Desk (Gray)                      | 3rd Floor Courthouse   |              |
| 128 | Hon Four Drawer Filing Cabinet              | 3rd Floor Courthouse   |              |
| 129 | Entertainment Center                        | 3rd Floor Courthouse   |              |
| 130 | Conference Table                            | Morgue                 |              |
| 131 | Hon Four Drawer Filing Cabinet              | Morgue                 |              |
| 132 | Desk                                        | Morgue                 |              |
| 133 | Hobart 22X32 Walk In Cooler                 | Morgue                 |              |
| 134 | Sink "L" Shape                              | San Carlos Warehouse   |              |
| 135 | Conference Table                            | 4th Floor Courthouse   |              |
| 136 | Sony Cybershot DSC-H2                       | Jorge Salinas          | 3685873      |

# COUNTY OF HIDALGO

**HIDALGO COUNTY AUDITOR'S OFFICE**  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 16, 2014

The Honorable Pablo Villarreal, Jr., RTA  
Hidalgo County Tax Assessor/Collector  
2804 S. Business Hwy. 281  
Edinburg, Texas 78539

Ref: Review of Delinquent Tax Attorney Payment Request-October 2014  
Report No. 2014-76

Dear Mr. Villarreal:

We have completed a limited scope review of the October 2014 payment request prepared by your office for delinquent tax attorney (DTA) fees due to Perdue, Brandon, Fielder, Collins, and Mott, LLP ("Perdue") and related supporting documentation. The objective of our limited scope review was to determine if the payment request was accurate and properly authorized.

The scope of our review was limited to a review of the DTA fees collected by your office on behalf of the following entities: Hidalgo County (GHD), Road District 2 (RD2), Road District 5 (RD5), Road District 7 (RD7), Road District 11 (RD11), Road District 12 (RD12), Road District 14 (RD14), Road District 15, State of Texas (TEX); and the payment request prepared by your office for the month ended October 31, 2014. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. The responsibility for sound internal controls rests with management.

As part of our review, we reviewed the payment request, the delinquent tax attorney contract, and various collection reports prepared by your office. The following procedures were performed:

- Verified that the payment request submitted by your office was signed and included a certification by the Hidalgo County Tax Assessor/Collector that the "payment represents 15% of the delinquent taxes and penalty and interest collections for the month of October 2014 collections."
- Reviewed the "Hidalgo County Tax Office Prior Collection Report", "Hidalgo County Tax Office Current Collection Report", "Hidalgo County Texas Contractor Report of Delinquent Collections", and the "Final Distribution Totals October 2014 Perdue, Brandon, Fielder, Collins and Mott LLP" report to determine if the amount on the payment request was accurate.
- Reviewed the "Hidalgo County Tax Office Prior Collection Report" and the "Hidalgo County Tax Office Current Collection Report" to determine if the DTA fees were collected at the 15% rate specified in the contract.
- Reviewed the list of tax accounts with tax deferrals provided by your office along with the October 2014 DTA payment request to verify whether accounts with delinquent tax attorney fees that were not collected at 15% rate specified in the contract were related to accounts with tax deferrals.
- Reviewed the tax accounts listed on the "Hidalgo County Tax Office Prior Collection Report" and the "Hidalgo County Tax Office Current Collection Report" that reflected a negative amount and verified on ACT, the tax collection application system, whether delinquent tax attorney fees netted out from the payment request to Perdue were collected between January 1, 2007 through June 30, 2007 and previously paid to Linebarger Goggan Blair & Sampson, LLP ("LGBS").

## HIDALGO COUNTY DISTRICT JUDGES

JAMIE E. TIJERNA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 385<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 445<sup>TH</sup> D.C.

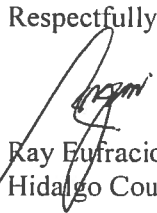
The results of our review revealed that the payment request was generally accurate and properly authorized. More specifically the following was noted:

1. DTA fees for tax account C676000000005600 were collected at a rate of 18%, in error. The Tax Office was notified and the error was subsequently corrected. The correction will be reflected in the December 2014 DTA payment.
2. DTA fees for 207 tax accounts were not collected at the 15% rate specified in the contract; however, we concluded that the differences in rates were attributed to tax deferrals and rounding (see Exhibit A).

We will proceed to process the October 2014 DTA payment request for payment in the amount of \$161,797.71.

If you have any questions, please feel free to call Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA  
Hidalgo County Auditor

Enclosure: Exhibit A

cc: Mr. Hiram A. Gutierrez, Perdue Brandon Fielder Collins & Mott, LLP

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**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

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JUDGE, 206<sup>TH</sup> D.C.

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JUDGE, 275<sup>TH</sup> D.C.

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JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

# Exhibit A

|    | Tax Unit | Year | Account No.      | Levy Paid | Penalty/Interest Paid | Subtotal Paid | Attorney Paid |
|----|----------|------|------------------|-----------|-----------------------|---------------|---------------|
| 1  | 1        | 2012 | P250000004000100 | 98.76     | 28.64                 | 127.4         | 17.93         |
| 2  | 1        | 2012 | H120000039000100 | 0.04      | 0.01                  | 0.05          | 0.01          |
| 3  | 1        | 2006 | A180000035000900 | 0.18      | 0.19                  | 0.37          | 0.05          |
| 4  | 1        | 1998 | D203000000000400 | 164.06    | 317.19                | 481.25        | 68.41         |
| 5  | 1        | 1991 | C655000003002100 | 26.64     | 66.53                 | 93.17         | 11.15         |
| 6  | 1        | 1990 | C655000003002100 | 62.46     | 163.44                | 225.90        | 27.26         |
| 7  | 1        | 1990 | W460002008000900 | 11.32     | 31.84                 | 43.16         | 5.94          |
| 8  | 1        | 1989 | C655000003002100 | 28.96     | 79.26                 | 108.22        | 13.16         |
| 9  | 1        | 2013 | A300000002000200 | 0.53      | 0.11                  | 0.64          | 0.1           |
| 10 | 1        | 2013 | W02000100C002200 | 0.53      | 0.1                   | 0.63          | 0.1           |
| 11 | 1        | 2013 | M205000000002600 | 0.24      | 0.05                  | 0.29          | 0.04          |
| 12 | 1        | 2013 | D680000040001700 | 0.2       | 0.04                  | 0.24          | 0.04          |
| 13 | 1        | 2013 | V054002000003000 | 0.16      | 0.03                  | 0.19          | 0.03          |
| 14 | 1        | 2013 | S585000006000500 | 0.15      | 0.03                  | 0.18          | 0.03          |
| 15 | 1        | 2013 | P180001000000700 | 0.12      | 0.03                  | 0.15          | 0.02          |
| 16 | 1        | 2013 | S575001002001900 | 0.08      | 0.02                  | 0.1           | 0.02          |
| 17 | 1        | 2013 | H085098001001910 | 0.08      | 0.02                  | 0.1           | 0.02          |
| 18 | 1        | 2013 | H216000000000000 | 0.09      | 0.02                  | 0.11          | 0.02          |
| 19 | 1        | 2013 | N380099001000365 | 0.1       | 0.02                  | 0.12          | 0.02          |
| 20 | 1        | 2013 | P450099000000279 | 0.09      | 0.02                  | 0.11          | 0.02          |
| 21 | 1        | 2013 | T210000250000807 | 0.09      | 0.02                  | 0.11          | 0.02          |
| 22 | 1        | 2013 | L165501000002000 | 0.03      | 0.01                  | 0.04          | 0.01          |
| 23 | 1        | 2013 | M520000122000400 | 0.06      | 0.01                  | 0.07          | 0.01          |
| 24 | 1        | 2013 | L502500000006610 | 0.05      | 0.01                  | 0.06          | 0.01          |
| 25 | 1        | 2012 | M465000000001300 | 403.49    | 115.66                | 519.15        | 72.62         |
| 26 | 1        | 2012 | P002001000000400 | 72.56     | 21.53                 | 94.09         | 13.39         |
| 27 | 1        | 2012 | W102000000005400 | 62.39     | 18.51                 | 80.9          | 11.51         |
| 28 | 1        | 2012 | R133700000004800 | 58.35     | 17.11                 | 75.46         | 10.68         |
| 29 | 1        | 2012 | A080000000101906 | 49.42     | 15.16                 | 64.58         | 9.34          |
| 30 | 1        | 2012 | R056002000001000 | 31.97     | 9.59                  | 41.56         | 5.95          |
| 31 | 1        | 2012 | S110000006001100 | 30.91     | 9.38                  | 40.29         | 5.8           |
| 32 | 1        | 2012 | E310000058002200 | 29.23     | 8.87                  | 38.1          | 5.48          |
| 33 | 1        | 2012 | C026004000009400 | 27.08     | 8.21                  | 35.29         | 5.08          |
| 34 | 1        | 2012 | G410000006002600 | 24.54     | 7.35                  | 31.89         | 4.56          |
| 35 | 1        | 2012 | C112200000000100 | 17.83     | 5.35                  | 23.18         | 3.31          |
| 36 | 1        | 2012 | E330000373000200 | 17.51     | 4.9                   | 22.41         | 3.1           |
| 37 | 1        | 2012 | M520000035001100 | 16.64     | 4.66                  | 21.3          | 2.95          |
| 38 | 1        | 2012 | T540000002002100 | 14.71     | 4.51                  | 19.22         | 2.78          |
| 39 | 1        | 2012 | B505197000020200 | 9.2       | 2.8                   | 12            | 1.73          |
| 40 | 1        | 2012 | L622000000005200 | 8.19      | 2.48                  | 10.67         | 1.53          |
| 41 | 1        | 2012 | S415001005000300 | 2.93      | 0.84                  | 3.77          | 0.53          |
| 42 | 1        | 2012 | P695092WIL010402 | 0.58      | 0.19                  | 0.77          | 0.12          |
| 43 | 1        | 2012 | T675000000000500 | 0.34      | 0.11                  | 0.45          | 0.07          |
| 44 | 1        | 2012 | B310000000005225 | 0.34      | 0.11                  | 0.45          | 0.07          |
| 45 | 1        | 2012 | E490099008000405 | 0.29      | 0.09                  | 0.38          | 0.06          |
| 46 | 1        | 2012 | S325502000001800 | 0.18      | 0.06                  | 0.24          | 0.04          |
| 47 | 1        | 2012 | J070099000000B18 | 0.22      | 0.07                  | 0.29          | 0.04          |
| 48 | 1        | 2012 | T094002000001000 | 0.13      | 0.04                  | 0.17          | 0.03          |
| 49 | 1        | 2012 | A080000000107910 | 0.12      | 0.04                  | 0.16          | 0.02          |
| 50 | 1        | 2012 | E582000000030200 | 0.07      | 0.02                  | 0.09          | 0.01          |

# Exhibit A

|     | Tax Unit | Year | Account No.       | Levy Paid | Penalty/Interest Paid | Subtotal Paid | Attorney Paid |
|-----|----------|------|-------------------|-----------|-----------------------|---------------|---------------|
| 51  | 1        | 2011 | M465000000001300  | 178.8     | 72.72                 | 251.52        | 35.4          |
| 52  | 1        | 2011 | R350000000000022  | 185.62    | 72.39                 | 258.01        | 35.36         |
| 53  | 1        | 2011 | S735000002001200  | 169.48    | 63.84                 | 233.32        | 31.27         |
| 54  | 1        | 2011 | M5000000003000310 | 34.4      | 14.22                 | 48.62         | 6.91          |
| 55  | 1        | 2011 | S415001005000300  | 33.19     | 13.5                  | 46.69         | 6.57          |
| 56  | 1        | 2011 | F585001006000700  | 36.37     | 13.21                 | 49.58         | 6.49          |
| 57  | 1        | 2011 | C960002005001100  | 25.34     | 9.8                   | 35.14         | 4.86          |
| 58  | 1        | 2011 | A080000000101906  | 16.25     | 6.94                  | 23.19         | 3.36          |
| 59  | 1        | 2011 | M059002000001100  | 16.67     | 6.39                  | 23.06         | 3.13          |
| 60  | 1        | 2011 | L211097000003302  | 10.13     | 3.94                  | 14.07         | 1.93          |
| 61  | 1        | 2011 | L6220000000005200 | 0.9       | 0.38                  | 1.28          | 0.18          |
| 62  | 1        | 2011 | W1553000000002500 | 0.16      | 0.07                  | 0.23          | 0.03          |
| 63  | 1        | 2011 | L5025000000006610 | 0.04      | 0.02                  | 0.06          | 0.01          |
| 64  | 1        | 2011 | R284505000006200  | 0.07      | 0.03                  | 0.1           | 0.01          |
| 65  | 1        | 2010 | S735000002001200  | 138.17    | 68.62                 | 206.79        | 27.98         |
| 66  | 1        | 2010 | F585001006000700  | 50.22     | 24.28                 | 74.5          | 9.87          |
| 67  | 1        | 2010 | A080000000110921  | 41.62     | 22.61                 | 64.23         | 9.3           |
| 68  | 1        | 2010 | M415001000001110  | 42.58     | 22.57                 | 65.15         | 9.26          |
| 69  | 1        | 2010 | C902500000004100  | 37        | 17.14                 | 54.14         | 6.94          |
| 70  | 1        | 2010 | E310000058002200  | 25.93     | 14.09                 | 40.02         | 5.79          |
| 71  | 1        | 2010 | L106902000005300  | 22.61     | 11.68                 | 34.29         | 4.78          |
| 72  | 1        | 2010 | A013502000000600  | 19.04     | 8.5                   | 27.54         | 3.43          |
| 73  | 1        | 2010 | A555000000000300  | 16.05     | 8.13                  | 24.18         | 3.32          |
| 74  | 1        | 2010 | N340000000220312  | 5.87      | 3.1                   | 8.97          | 1.27          |
| 75  | 1        | 2010 | S045500000001100  | 5.13      | 2.32                  | 7.45          | 0.93          |
| 76  | 1        | 2010 | E4860000000002000 | 0.41      | 0.23                  | 0.64          | 0.1           |
| 77  | 1        | 2010 | S0445930000005000 | 0.4       | 0.23                  | 0.63          | 0.09          |
| 78  | 1        | 2010 | P7670950000031201 | 0.27      | 0.15                  | 0.42          | 0.06          |
| 79  | 1        | 2009 | S735000002001200  | 139.11    | 85.78                 | 224.89        | 30.67         |
| 80  | 1        | 2009 | N340000000220312  | 122.03    | 79.32                 | 201.35        | 28.74         |
| 81  | 1        | 2009 | W600000080000500  | 126.49    | 70.41                 | 196.9         | 24.48         |
| 82  | 1        | 2009 | L045000211000003  | 95.35     | 59.75                 | 155.1         | 21.46         |
| 83  | 1        | 2009 | C456000000000400  | 77.56     | 46.54                 | 124.1         | 16.52         |
| 84  | 1        | 2009 | L212103000003700  | 49.38     | 26.82                 | 76.2          | 9.26          |
| 85  | 1        | 2009 | L106902000005300  | 22.73     | 14.47                 | 37.2          | 5.22          |
| 86  | 1        | 2009 | L6050000000005320 | 18.86     | 11.43                 | 30.29         | 4.07          |
| 87  | 1        | 2009 | H302000000000700  | 13.61     | 7.84                  | 21.45         | 2.75          |
| 88  | 1        | 2009 | A350000003001200  | 12.03     | 7.61                  | 19.64         | 2.74          |
| 89  | 1        | 2009 | L6050000000005320 | -18.86    | -11.43                | -30.29        | -4.07         |
| 90  | 1        | 2008 | K2400000000005901 | 374.57    | 248.46                | 623.03        | 76.97         |
| 91  | 1        | 2008 | C6760000000038100 | 153       | 111.19                | 264.19        | 35.81         |
| 92  | 1        | 2008 | S2950000000048815 | 107.24    | 64.7                  | 171.94        | 19.14         |
| 93  | 1        | 2008 | C980000003001030  | 88.58     | 54.63                 | 143.21        | 16.34         |
| 94  | 1        | 2008 | L6050000000005320 | 24.67     | 17.93                 | 42.6          | 5.77          |
| 95  | 1        | 2008 | I223000001007300  | 23.97     | 15.91                 | 39.88         | 4.93          |
| 96  | 1        | 2008 | M515000000004700  | 26.71     | 16.47                 | 43.18         | 4.93          |
| 97  | 1        | 2008 | P811501000001300  | 13.39     | 9.37                  | 22.76         | 2.97          |
| 98  | 1        | 2008 | W310000001001200  | 11.33     | 7.36                  | 18.69         | 2.26          |
| 99  | 1        | 2008 | A180098012001202  | 6.19      | 4.07                  | 10.26         | 1.25          |
| 100 | 1        | 2008 | C905098001001300  | 0.28      | 0.23                  | 0.51          | 0.08          |

# Exhibit A

|     | Tax Unit | Year | Account No.      | Levy Paid | Penalty/Interest Paid | Subtotal Paid | Attorney Paid |
|-----|----------|------|------------------|-----------|-----------------------|---------------|---------------|
| 101 | 1        | 2008 | H247500000002400 | 0.02      | 0.02                  | 0.04          | 0.01          |
| 102 | 1        | 2008 | L605000000005320 | -24.67    | -17.93                | -42.6         | -5.77         |
| 103 | 1        | 2008 | C980000003001030 | -88.58    | -54.63                | -143.21       | -16.34        |
| 104 | 1        | 2007 | E400000007000300 | 93.84     | 69.44                 | 163.28        | 19.15         |
| 105 | 1        | 2007 | P811501000001300 | 74.77     | 61.31                 | 136.08        | 17.94         |
| 106 | 1        | 2007 | L605000000005320 | 24.67     | 20.89                 | 45.56         | 6.22          |
| 107 | 1        | 2007 | E330000295000200 | 15.38     | 13.79                 | 29.17         | 4.22          |
| 108 | 1        | 2007 | P450000001000400 | 7.19      | 5.86                  | 13.05         | 1.73          |
| 109 | 1        | 2007 | G550000000001200 | 4.16      | 2.99                  | 7.15          | 0.81          |
| 110 | 1        | 2007 | H350000005000100 | 3.08      | 2.28                  | 5.36          | 0.63          |
| 111 | 1        | 2007 | L605000000005320 | -24.67    | -20.89                | -45.56        | -6.22         |
| 112 | 1        | 2006 | G550000000001200 | 57.88     | 48.43                 | 106.31        | 12.24         |
| 113 | 1        | 2006 | A550000000004400 | 46.31     | 42.3                  | 88.61         | 11.39         |
| 114 | 1        | 2006 | B264000001001700 | 45.67     | 35.47                 | 81.14         | 8.43          |
| 115 | 1        | 2006 | M355000131001700 | 35.6      | 27.65                 | 63.25         | 6.57          |
| 116 | 1        | 2006 | M355000131001700 | 35.6      | 27.65                 | 63.25         | 6.57          |
| 117 | 1        | 2006 | H345000000006700 | 27.72     | 23.85                 | 51.57         | 6.15          |
| 118 | 1        | 2006 | H350000005000100 | 16.86     | 14.5                  | 31.36         | 3.74          |
| 119 | 1        | 2006 | L605000000005320 | 12.16     | 11.76                 | 23.92         | 3.28          |
| 120 | 1        | 2006 | B156007000004400 | 7.45      | 6.38                  | 13.83         | 1.64          |
| 121 | 1        | 2006 | G212000000001400 | 5.72      | 4.97                  | 10.69         | 1.29          |
| 122 | 1        | 2006 | R382500009000800 | 1.18      | 0.92                  | 2.1           | 0.22          |
| 123 | 1        | 2006 | A270000003001500 | 0.17      | 0.18                  | 0.35          | 0.05          |
| 124 | 1        | 2006 | L605000000005320 | -12.16    | -11.76                | -23.92        | -3.28         |
| 125 | 1        | 2006 | M355000131001700 | -35.6     | -27.65                | -63.25        | -6.57         |
| 126 | 1        | 2005 | A555000000000115 | 204.98    | 213.17                | 418.15        | 54.73         |
| 127 | 1        | 2005 | M686000000001600 | 23.93     | 26.08                 | 50.01         | 6.93          |
| 128 | 1        | 2005 | P850000000024430 | 15.59     | 13.98                 | 29.57         | 3.16          |
| 129 | 1        | 2005 | G400000000002000 | 10.22     | 11.52                 | 21.74         | 3.13          |
| 130 | 1        | 2005 | A180000064001315 | 8.63      | 9.45                  | 18.08         | 2.51          |
| 131 | 1        | 2005 | L108502000002700 | 5.09      | 5.3                   | 10.39         | 1.36          |
| 132 | 1        | 2005 | R331000000007000 | 5.39      | 5.26                  | 10.65         | 1.28          |
| 133 | 1        | 2005 | B156007000004400 | 2.32      | 2.26                  | 4.58          | 0.55          |
| 134 | 1        | 2005 | A270000003001500 | 0.17      | 0.2                   | 0.37          | 0.06          |
| 135 | 1        | 2004 | A555000000000115 | 308.43    | 357.78                | 666.21        | 87.9          |
| 136 | 1        | 2004 | S170002030000702 | 14.05     | 15.88                 | 29.93         | 3.81          |
| 137 | 1        | 2004 | S245000000001200 | 8.96      | 10.57                 | 19.53         | 2.63          |
| 138 | 1        | 2004 | G450000000000900 | 4.82      | 5.12                  | 9.94          | 1.16          |
| 139 | 1        | 2004 | A270000003001500 | 0.16      | 0.21                  | 0.37          | 0.06          |
| 140 | 1        | 2003 | T210000239000600 | 92.19     | 104.77                | 196.96        | 21.98         |
| 141 | 1        | 2003 | B158003004001400 | 37.95     | 49.86                 | 87.81         | 12.19         |
| 142 | 1        | 2003 | W200000000000400 | 35.3      | 42.24                 | 77.54         | 9.37          |
| 143 | 1        | 2003 | B203500000004700 | 44.27     | 46.77                 | 91.04         | 8.96          |
| 144 | 1        | 2003 | L580602000019000 | 28.48     | 33.8                  | 62.28         | 7.43          |
| 145 | 1        | 2003 | O540000004000500 | 31.37     | 35.23                 | 66.6          | 7.29          |
| 146 | 1        | 2003 | H365003000001100 | 19.35     | 23.98                 | 43.33         | 5.51          |
| 147 | 1        | 2003 | H365003000001100 | 19.34     | 23.98                 | 43.32         | 5.51          |
| 148 | 1        | 2003 | F225001004000501 | 25.93     | 27.39                 | 53.32         | 5.25          |
| 149 | 1        | 2003 | S735000004000600 | 17.28     | 22.06                 | 39.34         | 5.21          |
| 150 | 1        | 2003 | T210000239000600 | 21.35     | 24.26                 | 45.61         | 5.09          |

# Exhibit A

|     | Tax<br>Unit | Year | Account No.      | Levy Paid | Penalty/<br>Interest<br>Paid | Subtotal<br>Paid | Attorney<br>Paid |
|-----|-------------|------|------------------|-----------|------------------------------|------------------|------------------|
| 151 | 1           | 2003 | C540000000003600 | 23.58     | 24.91                        | 48.49            | 4.77             |
| 152 | 1           | 2003 | J570000001001504 | 12.95     | 17.08                        | 30.03            | 4.15             |
| 153 | 1           | 2003 | S244002000003500 | 0.78      | 0.81                         | 1.59             | 0.16             |
| 154 | 1           | 2003 | S244002000003500 | 0.78      | 0.81                         | 1.59             | 0.16             |
| 155 | 1           | 2003 | S244002000003500 | 0.78      | 0.81                         | 1.59             | 0.16             |
| 156 | 1           | 2003 | S244002000003500 | -0.78     | -0.81                        | -1.59            | -0.16            |
| 157 | 1           | 2002 | R46000200B002200 | 123.09    | 134.17                       | 257.26           | 22.71            |
| 158 | 1           | 2002 | T210000239000600 | 63.91     | 80.32                        | 144.23           | 16.39            |
| 159 | 1           | 2002 | W230000052000300 | 9.48      | 12.07                        | 21.55            | 2.5              |
| 160 | 1           | 2002 | E431000000000200 | 7.16      | 9.14                         | 16.3             | 1.9              |
| 161 | 1           | 2002 | R106000000001700 | 7.65      | 9.01                         | 16.66            | 1.69             |
| 162 | 1           | 2002 | B505000015000600 | 7.12      | 8.38                         | 15.5             | 1.57             |
| 163 | 1           | 2001 | R46000200B002200 | 99.6      | 120.52                       | 220.12           | 20.17            |
| 164 | 1           | 2001 | B050000001001600 | 63.77     | 87.8                         | 151.57           | 17.51            |
| 165 | 1           | 2001 | C535300000015000 | 18.73     | 28.79                        | 47.52            | 6.49             |
| 166 | 1           | 2001 | E431000000000200 | 1.81      | 2.53                         | 4.34             | 0.51             |
| 167 | 1           | 2000 | C535300000019900 | 89.43     | 132.65                       | 222.08           | 25.62            |
| 168 | 1           | 2000 | R46000200B002200 | 96        | 127.68                       | 223.68           | 21.17            |
| 169 | 1           | 2000 | G230000001000900 | 46.13     | 69.03                        | 115.16           | 13.49            |
| 170 | 1           | 2000 | C535300000015000 | 27.75     | 45.97                        | 73.72            | 10.11            |
| 171 | 1           | 2000 | A210000011001800 | 7.79      | 12.4                         | 20.19            | 2.61             |
| 172 | 1           | 2000 | L215500000000800 | 6.82      | 9.4                          | 16.22            | 1.63             |
| 173 | 1           | 2000 | G280000001000000 | 3.71      | 5.26                         | 8.97             | 0.95             |
| 174 | 1           | 1999 | R46000200B002200 | 85.65     | 124.19                       | 209.84           | 20.43            |
| 175 | 1           | 1999 | V382000000000100 | 8.46      | 13.22                        | 21.68            | 2.42             |
| 176 | 1           | 1999 | V010000000002000 | 3.46      | 5.06                         | 8.52             | 0.83             |
| 177 | 1           | 1999 | G166001000001100 | 1.28      | 2.32                         | 3.6              | 0.51             |
| 178 | 1           | 1998 | D320000060003A00 | 94.2      | 164.86                       | 259.06           | 31.51            |
| 179 | 1           | 1998 | N120003000003200 | 25.69     | 44.6                         | 70.29            | 8.44             |
| 180 | 1           | 1998 | B158504000013400 | 16.95     | 28.09                        | 45.04            | 4.96             |
| 181 | 1           | 1998 | R46000200B002200 | 17.24     | 27.07                        | 44.31            | 4.42             |
| 182 | 1           | 1998 | G166001000001100 | 9.45      | 18.33                        | 27.78            | 3.97             |
| 183 | 1           | 1997 | W010000044001052 | 13.24     | 23.77                        | 37.01            | 4.23             |
| 184 | 1           | 1997 | M520000085000300 | 15.4      | 24.89                        | 40.29            | 3.67             |
| 185 | 1           | 1997 | M475000006000900 | 11.12     | 18.9                         | 30.02            | 3.06             |
| 186 | 1           | 1997 | L10700B000001200 | 8.11      | 13.46                        | 21.57            | 2.08             |
| 187 | 1           | 1996 | D320000060003A00 | 106.12    | 211.18                       | 317.3            | 39.32            |
| 188 | 1           | 1996 | W380000377000001 | 51.12     | 100.54                       | 151.66           | 18.4             |
| 189 | 1           | 1996 | H045000084003100 | 12.77     | 24.86                        | 37.63            | 4.48             |
| 190 | 1           | 1995 | W380000377000001 | 59.89     | 124.97                       | 184.86           | 22.64            |
| 191 | 1           | 1995 | D320000060003A00 | 41.81     | 88.22                        | 130.03           | 16.24            |
| 192 | 1           | 1995 | G590001004002100 | 18.13     | 33.67                        | 51.8             | 4.98             |
| 193 | 1           | 1995 | G590001004002100 | 6.4       | 11.88                        | 18.28            | 1.76             |
| 194 | 1           | 1994 | W380000377000001 | 40.88     | 90.21                        | 131.09           | 16.19            |
| 195 | 1           | 1994 | S477000000040600 | 7.96      | 15.74                        | 23.7             | 2.33             |
| 196 | 1           | 1994 | C295002000006700 | 2.2       | 5.17                         | 7.37             | 1.02             |
| 197 | 1           | 1994 | M489081182280000 | 0.14      | 0.37                         | 0.51             | 0.08             |
| 198 | 1           | 1992 | S595000027000512 | 5.9       | 13.82                        | 19.72            | 2.27             |
| 199 | 1           | 1991 | S595000027000512 | 3.42      | 8.42                         | 11.84            | 1.38             |
| 200 | 1           | 1991 | H185000182000400 | 2.5       | 6.39                         | 8.89             | 1.11             |

## Exhibit A

|     | <b>Tax<br/>Unit</b> | <b>Year</b> | <b>Account No.</b> | <b>Levy Paid</b> | <b>Penalty/<br/>Interest<br/>Paid</b> | <b>Subtotal<br/>Paid</b> | <b>Attorney<br/>Paid</b> |
|-----|---------------------|-------------|--------------------|------------------|---------------------------------------|--------------------------|--------------------------|
| 201 | 1                   | 1987        | F225001001001300   | 9.66             | 31.24                                 | 40.9                     | 5.86                     |
| 202 | 12                  | 1998        | N120003000003200   | 1.12             | 1.94                                  | 3.06                     | 0.37                     |
| 203 | 12                  | 1997        | W010000044001052   | 0.64             | 1.17                                  | 1.81                     | 0.21                     |
| 204 | 12                  | 1997        | M520000085000300   | 0.74             | 1.21                                  | 1.95                     | 0.18                     |
| 205 | 12                  | 1997        | L10700B000001200   | 0.38             | 0.65                                  | 1.03                     | 0.1                      |
| 206 | 12                  | 1995        | G590001004002100   | 1.01             | 1.89                                  | 2.9                      | 0.28                     |
| 207 | 12                  | 1995        | G590001004002100   | 0.36             | 0.66                                  | 1.02                     | 0.1                      |

# COUNTY of HIDALGO

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EDINBURG, TEXAS 78539

December 15, 2014

The Honorable Jaime E. Tijerina  
92<sup>nd</sup> Judicial District of Texas  
100 N. Closner  
Edinburg, Texas 78539

Re: Audit of the 92<sup>nd</sup> District Court Asset Inventory Listing  
Audit No. 2014-77

Dear Judge Tijerina:

It is the practice of the County Auditor's Office to conduct an asset inventory audit when a change in administration occurs; therefore, we conducted an audit of the 92<sup>nd</sup> District Court asset inventory listing pursuant to Local Government Code §115.001 and our annual audit plan. The objective of the audit was to evaluate the accuracy and completeness of the asset inventory listing maintained by the Purchasing Department on behalf of the 92<sup>nd</sup> District Court.

## **BACKGROUND:**

The Judge of the District Court, as an elected official, is inherently responsible for ensuring that County assets in the custody of the Justice of the Peace Court are properly accounted, safeguarded, and disposed. Some of these responsibilities include:

- Verifying the receipt of all assets purchased and/or assigned to the Justice of the Peace Court.
- Ensuring assets are properly tagged.
- Conducting periodic physical inventories of assets.
- Ensuring assets are only used for County purposes.
- Safeguarding assets in the Department's possession until disposal.
- Filing police reports in the event an asset is lost or stolen.
- Requiring that a formal request and formal approval from the Department Head or Designee be obtained when equipment is taken off County premises, including when taken off-site for repairs.

Employees of the District Court are also inherently responsible for protecting County property entrusted to them. This includes the proper care, maintenance, control, and reasonable safeguards to prevent loss, damage, or theft of such assets.

As of December 1, 2014, the 92<sup>nd</sup> District Court asset inventory listing consisted of 45 assets with a total acquisition cost of \$24,279.70.

## **Generally Accepted Accounting Principles (GAAP)**

Pursuant to generally accepted accounting principles (GAAP), adequate controls must be maintained over capital and minor assets. In addition, the GASB 34 Manual for Texas Cities and Counties states, "A government should maintain its capital asset records in its capital asset software module. This information should include asset identification numbers, equipment category codes, asset tag numbers, dates of acquisition, assigned departments, purchase costs and descriptions of each asset."

## **Capital Asset Guide**

On October 23, 2001, Commissioners Court approved the Capital Asset Guide (the Guide) to be effective on January 1, 2002 in order to comply with the reporting requirements of Governmental Accounting Standards Board Statement No. 34. The Guide requires that assets (i.e., vehicles, land, buildings, machinery, equipment, computer systems) with a useful life greater than one year and an acquisition cost of \$1,000 or more be capitalized. In

## **HIDALGO COUNTY DISTRICT JUDGES**

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JUDGE, 139<sup>th</sup> D.C.

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JUDGE, 206<sup>th</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>th</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>nd</sup> D.C.

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JUDGE, 379<sup>th</sup> D.C.  
OVERSEER

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JUDGE, 449<sup>th</sup> D.C.

addition, donations should be capitalized at fair market value. On November 10, 2009, Commissioners Court clarified that assets with an inventory cost of \$300.00 to \$999.99 were subject to inventory.

#### **SCOPE AND METHODOLOGY:**

The scope of our audit was limited to the asset inventory listing as of December 1, 2014. Our audit was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

In planning and performing our audit, the following procedures were performed:

- Selected all assets on the asset inventory listing for physical identification to determine whether the assets were properly tagged; and
- Compared assets located at the 92<sup>nd</sup> District Court premises to the asset inventory listing to determine whether the asset inventory listing was complete.

#### **CONCLUSION:**

Based on the results of our review, we have concluded that the 92<sup>nd</sup> District Court's inventory listing per *alio* was not accurate and complete. More specifically, the following was noted:

We selected all 45 (100%) of the capital assets listed on the asset inventory listing and the results of our review revealed the following:

- All 45 (100%) assets were physically located.
  - 43 (96%) assets contained asset tags.
  - 2 (4%) assets (computer and lap top) did not contain asset tags. The assets were confirmed by comparing the serial numbers on the assets to the asset inventory listing (see Exhibit A).

In addition, we physically located 5 assets (1 desk, 2 chairs, and 2 computers) that contained an asset tag; however, the assets were not on the 92<sup>nd</sup> District Court asset inventory listing as follows:

- 1 asset (1 desk) was listed under location 7777, in error. According to the Purchasing Department, the asset will be added to the 92<sup>nd</sup> District Court's asset inventory listing (see Exhibit B).
- 2 assets (2 chairs) were listed on *Carter Pertaine*, the County's legacy fixed asset system. According to the Purchasing Department, the assets will be added to the 92<sup>nd</sup> District Court's asset inventory listing in *alio* (see Exhibit C).
- 2 assets (2 computers) were listed under location 200 (Information Technology). The assets were transferred to the 92<sup>nd</sup> District Court; however, the asset transfer forms had not been prepared; therefore, the asset inventory listing had not been updated (see Exhibit D).

#### **RECOMMENDATION:**

Management should coordinate with the Purchasing Department to take corrective action to address the deficiencies identified in the audit and ensure the asset inventory listing is updated, as follows:

1. Asset tags should be affixed to the 2 assets (computer and laptop) that did not contain an asset tag (see Exhibit A).
2. Purchasing Department should add the 3 assets (1 desk and 2 chairs) that contained an asset tag and were listed on the asset inventory listing of other County departments to the District Court's asset inventory listing (see Exhibits B & C).
3. Asset transfer forms should be prepared and submitted to the Purchasing Department for the 2 assets (2 computers) that contained an asset tag and were listed on the Information Technology Department's inventory listing (see Exhibit D).

Please provide management responses to the recommendations by December 23, 2014. Your prompt response will be greatly appreciated.

#### **HIDALGO COUNTY DISTRICT JUDGES**

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ISRAEL RAMON, JR.  
JUDGE, 400<sup>th</sup> D.C.

JESSE CONTRERAS  
JUDGE, 448<sup>th</sup> D.C.

We would like to express our appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the audit. If you should have any questions, please call Carlos Ramirez, Internal Auditor II, at 318-2511 ext. 4654, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufacio, CPA  
County Auditor

cc: Valde Guerra, Hidalgo County Executive Officer  
Martha Salazar, Hidalgo County Purchasing Agent  
Renan Ramirez, Chief Information Officer



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**HIDALGO COUNTY DISTRICT JUDGES**

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EDINBURG, TEXAS 78539

December 4, 2014

Mr. Sergio Cruz, Budget Officer  
Department of Budget and Management  
2818 S. Business Highway 281  
Edinburg, Texas 78539

Re: Cash Count  
Report No. 2014-63

Dear Mr. Cruz:

We conducted a surprise cash count of the cash held at the Department of Budget and Management's Employee Benefits Section on November 12, 2014, as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count.

## Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

## Conclusion:

Total cash on hand at the time of the cash count was \$512.40. Based on the results of our review, we have concluded that total cash on hand did reconcile to the total receipts issued up to the time of the cash count. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

We noted that security cameras were not utilized where cash is receipted and safeguarded. According to staff, the purchase of additional video equipment would be considered; however, due to budgetary constraints, the video equipment may not be purchased in the near future.

The County Auditor's Office recommends that security alarms and/or security cameras be installed in areas where cash collections are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency. Furthermore, a notice

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JUDGE, 449<sup>TH</sup> D.C.

stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored.

Failure to utilize security cameras increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should implement formal procedures to ensure that security cameras are properly utilized. At a minimum, the procedures noted above should be implemented.

**Observation No. 2:**

According to staff, *Blueaccess*, a Blue Cross Blue Shield of Texas (BCBS) web-based health care coverage application system, does not prompt and require users to change passwords every 90 days; however, users may update passwords at any time on their own. Nonetheless, passwords are not changed every 90 days.

The Information Technology (IT) Securities Policy requires that passwords be changed at least every 90 days.

Failure to change passwords may increase the risk of unauthorized access to *Blueaccess*.

**Recommendation:**

Management should contact BCBS and request that *Blueaccess* be programmed to prompt and require users to change passwords every 90 days. If this is not feasible, management should monitor that employees change their passwords every 90 days.

**Observation No. 3:**

According to staff, reimbursements to BCBS, the County's third-party claims administrator, are not paid within 24 hours of notification since Commissioners approval to make payment must be obtained prior to making payment. According to the Employee Benefits Accountant, BCBS has verbally agreed to allow the County to submit late payments.

Pursuant to section 5.3 of the BCBS Administrative Services Agreement, "transfer payment must be made within 24 hours of the employer's notification by the claim administrator. If any day on which a transfer payment is due is a holiday, such payment will be made on the next business day. Late payments are subject to penalties outlined in section 7." In addition, Section 7.1 states "if the employer fails to pay when due any amount required to be paid to the Claim Administrator under the Agreement, and such default is not cured within ten (10) days of written notice to the Employer, the Claim Administrator, at its option may suspend claim payments; or terminate the agreement as of the effective date specified in such notice."

The payment terms of the agreement do not allow sufficient time to obtain Commissioners' Court approval and process payment in a timely manner. This may result in the suspension of payment of claims by BCBS or termination of the agreement.

**Recommendation:**

Management should request that the payment terms on the agreement be amended to allow sufficient time to obtain Commissioners Court approval and process payment in a timely manner.

Please provide a written management response to the observation noted above by December 19, 2014.

In addition, please provide us with copies of updated written procedures and internal controls, if any, established by your department for the handling of cash and cash equivalent transactions by December 19, 2014. The written procedures manual should include, at a minimum, the following:

- a. An office organizational chart;
- b. Location of cash collection points;
- c. Types of collections made by each cash collection point;
- d. A list of those positions involved with the handling of cash, a description of their duties, training that will be provided, and description of how segregation of duties will be maintained;
- e. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and
  6. Computer hardware and software used;

**HIDALGO COUNTY DISTRICT JUDGES**

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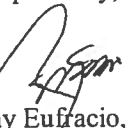
ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

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JUDGE, 449<sup>TH</sup> D.C.

- f. List of the reports prepared/generated for the collection and the reporting of funds, including procedures for preparing the reports, who the reports should be submitted to, and when the reports are due;
- g. A schedule of how often deposits will be made; and
- h. Copies of any related forms/reports.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count, please contact Reynaldo Cantu, Internal Auditor I, at 318-2511 ext. 4653, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645 or me at 318-2511 at ext. 4604.

Respectfully,



Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer  
Flora Vasquez, Employee Benefits Division Director



**HIDALGO COUNTY DISTRICT JUDGES**

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EDINBURG, TEXAS 78539

November 24, 2014

Honorable Celestino Avila, Jr.  
Hidalgo County Constable, Precinct 1  
1902 Joe Stephens Suite 303  
Weslaco, Texas 78596

Re: Cash Count  
Report No. 2014-64

Dear Constable Avila:

We conducted a surprise cash count of the cash held at your office on November 5, 2014, as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count.

## Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

## Conclusion:

At the time of the cash count, receipts had not been issued and collections had not been made. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

A listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds has not been requested from the County Treasurer's Office; however, a hot checks listing will now be requested.

The County Auditor's Office requires that a listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds be maintained. The hot check list should be referenced when receiving checks from customers.

## HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 445<sup>TH</sup> D.C.

Failure to maintain a hot check list may result in the loss of County funds.

**Recommendation:**

Management should request the “hot check” listing from the County Treasurer’s Office.

**Observation No. 2:**

We noted during our review that not all employees responsible for handling cash were required to sign the “Cash Handling Guidelines and Procedures” (guidelines and procedures) acknowledgement receipt. According to Constable Precinct 1 staff, they were not aware that they had to sign the “Cash Handling Guidelines and Procedures” acknowledgement receipt.

The County Auditor’s Office requires that departments train all employees responsible for handling cash regarding proper cash handling procedures. The employees handling cash must read the “Cash Handling Guidelines and Procedures” and sign a receipt acknowledging their understanding of these guidelines and procedures. The acknowledgment receipt should be kept on file.

Failure to ensure that employees responsible for handling cash read and sign a receipt acknowledging their understanding of the guidelines and procedures increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that employees handling cash are required to read and sign a receipt acknowledging their understanding of the guidelines and procedures. In addition, the acknowledgment receipt should be maintained on file.

**Observation No. 3:**

We noted during our review that segregation of duties over the handling of collections requires improvement. In addition, compensating controls to cover the lack of basic internal controls have not been implemented. The Administrative Assistant II performs the following incompatible duties:

- Custody: Receives money, issues receipts, opens and lists mail receipts, balances copies of receipts against the cash drawer, maintains a cash drawer, prepares bank deposit, and has access to the inventory of unused receipts
- Recording: Accounts for numerical sequence of receipts, maintains inventory log of unused receipts, and prepares reports of cash received
- Authorization: Subsequently compares listed mail receipts to recorded receipts and verifies that voided and original receipts are kept and reviewed

The responsibility for sound internal controls rests with management. Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for receiving money, issuing receipts, opening and listing mail receipts, balancing copies of receipts against cash drawer, maintaining the cash drawer, preparing bank deposits, and having access to the inventory of unused receipts should be different from the individual responsible for accounting for the numerical sequence of receipts, maintaining the inventory log of unused receipts, and preparing reports of cash received. In addition, the individuals previously noted should be different from the individual responsible for subsequently comparing listed mail receipts to recorded receipts and verifying that voided original receipts are kept and reviewed.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to ensure that incompatible duties are adequately segregated or that compensating controls are implemented increases the risk of loss or misuse of County funds.

**HIDALGO COUNTY DISTRICT JUDGES**

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JUDGE, 449<sup>TH</sup> D.C.

**Recommendation:**

Management should ensure that incompatible duties, such as those noted above, are adequately segregated. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

Please provide written management responses to the observations noted above by December 12, 2014.

In addition, management should develop and implement procedures for the handling of cash and cash equivalent transactions. These procedures should include, at a minimum, the following:

- a. An office organizational chart;
- b. Location of cash collection points;
- c. Types of collections made by each cash collection point;
- d. A list of those positions involved with the handling of cash, a description of their duties, and description of how segregation of duties will be maintained;
- e. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and
  6. Computer hardware and software used;
- f. List of the reports prepared/generated for the collection and the reporting of funds, including procedures for preparing the reports, who the reports should be submitted to, and when the reports are due;
- g. A schedule of how often deposits will be made; and
- h. Copies of any related forms/reports.

Please provide a copy of the written procedures by December 12, 2014.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count, please contact Letty Chavez, Compliance Audit Supervisor, at (956) 318-2511, ext. 4651, Arcy B. Duran, CPA Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer

**HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 388<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

# COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

November 24, 2014

Mr. Raul Sesin, P.E., C.F.M., Planning Administrator  
Hidalgo County Planning Department  
1304 S. 25<sup>th</sup> Street  
Edinburg, Texas 78542

Ref: Cash Count  
Report No. 2014-65

Dear Mr. Sesin:

We conducted a surprise cash count of the cash held at the Planning Department's Weslaco office on November 5, 2014 as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

## Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included, but were not limited to, the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

## Conclusion:

Total cash on hand at the time of the cash count was \$150.00. Based on the results of our review, we have concluded that collections had not been received at the time of the cash count and cash on hand consisted of the approved change fund of \$150.00. In addition, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

We noted that security cameras were not utilized where cash is receipted and safeguarded. According to staff, security cameras have not been purchased due to budgetary constraints.

The County Auditor's Office recommends that security alarms and/or security cameras be installed in areas where cash collections and receipts are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency.

## HIDALGO COUNTY DISTRICT JUDGES

JAIME E. TIJERNA  
JUDGE, 92<sup>nd</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>rd</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>th</sup> D.C.

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JUDGE, 430<sup>th</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>th</sup> D.C.

Failure to properly utilize security cameras increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should contact the Department of Budget and Management to request their assistance in obtaining funding for the purchase of security cameras.

**Observation No. 2:**

We noted that a unique username and password was not required to access the Building Permit Tracker information system. In addition, all users had unlimited access (read/write access) to the information system. According to staff, the Building Permit Tracker information system was not programmed to require the use of a username and password. In addition, according to staff, the IT Department is developing a new information system for the Building Permit Tracker and that will require a unique username and password.

Access control is a key component of information security. The principle of access control is to limit access to users who have valid reasons for accessing computers, systems, or data. A users' access and privileges should be appropriate and consistent with their current job responsibilities. Electronic accounts consisting of a username and password are used to identify individuals and authenticate access to an information system.

Failure to require a unique username and password to access the Building Permit Tracker information system and limit access based on the user's current job responsibilities increases the risk of unauthorized access to the Building Permit Tracker information system.

**Recommendation:**

Management should ensure that a unique username and password is required to access the Building Permit Tracker information system and that access to the information system is appropriate and consistent with the user's current job responsibilities. Management should contact the Information Technology Department to request their assistance regarding this observation.

**Observation No. 3:**

A listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds has not been requested from the County Treasurer's Office; however, a hot checks listing will now be requested.

The County Auditor's Office requires that a listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds be maintained. The hot check list should be referenced when receiving checks from customers.

Failure to maintain a hot check list may result in the loss of County funds.

**Recommendation:**

Management should request the "hot check" listing from the County Treasurer's Office.

Please provide written management responses to the observations noted above by December 12, 2014.

In addition, information regarding the items listed below was previously provided to our office. Please provide any updated procedures, if applicable, by December 12, 2014. These procedures should include, at a minimum, the following:

- a. An office organizational chart;
- b. Location of cash collection points;
- c. Types of collections made by each cash collection point;
- d. A list of those positions involved with the handling of cash, a description of their duties, and description of how segregation of duties will be maintained;
- e. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;

**HIDALGO COUNTY DISTRICT JUDGES**

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JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

5. Bookkeeping system used, and how it is maintained; and
6. Computer hardware and software used;
- f. List of the reports prepared/generated for the collection and the reporting of funds, including procedures for preparing the reports, who the reports should be submitted to, and when the reports are due;
- g. A schedule of how often deposits will be made; and
- h. Copies of any related forms/reports.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Carlos Ramirez, Internal Auditor II, at (956) 318-2511, ext. 4654, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,

  
Ray Enfracio, CPA  
County Auditor

cc: Mr. Valde Guerra, Commissioners Court Executive Officer



**HIDALGO COUNTY DISTRICT JUDGES**

|                                                   |                                                 |                                                       |                                                    |                                                  |                                                        |                                                           |                                                |                                                      |                                                    |                                                  |
|---------------------------------------------------|-------------------------------------------------|-------------------------------------------------------|----------------------------------------------------|--------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------|------------------------------------------------|------------------------------------------------------|----------------------------------------------------|--------------------------------------------------|
| JAMES E. TIJERINA<br>JUDGE, 92 <sup>ND</sup> D.C. | RODOLFO DELGADO<br>JUDGE, 93 <sup>RD</sup> D.C. | J. R. "BOBBY" FLORES<br>JUDGE, 139 <sup>TH</sup> D.C. | ROSE GUERRA REYNA<br>JUDGE, 206 <sup>TH</sup> D.C. | JUAN R. PARTIDA<br>JUDGE, 275 <sup>TH</sup> D.C. | MARIO E. RAMIREZ, JR.<br>JUDGE, 332 <sup>ND</sup> D.C. | NOE GONZALEZ<br>JUDGE, 378 <sup>TH</sup> D.C.<br>OVERSEER | LETICIA LOPEZ<br>JUDGE, 389 <sup>TH</sup> D.C. | AIDA SALINAS FLORES<br>JUDGE, 398 <sup>TH</sup> D.C. | ISRAEL RAMON, JR.<br>JUDGE, 430 <sup>TH</sup> D.C. | JESSE CONTRERAS<br>JUDGE, 449 <sup>TH</sup> D.C. |
|---------------------------------------------------|-------------------------------------------------|-------------------------------------------------------|----------------------------------------------------|--------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------|------------------------------------------------|------------------------------------------------------|----------------------------------------------------|--------------------------------------------------|

# COUNTY OF HIDALGO

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EDINBURG, TEXAS 78539

December 16, 2014

The Honorable A.C. Cuellar, Jr., Commissioner  
Hidalgo County Precinct No. 1  
1902 Joe Stephens Suite 101  
Weslaco, TX 78596

Re: Cash Count  
Report No. 2014-66

Dear Commissioner Cuellar:

We conducted a surprise cash count of the cash held at the Delta Lake Park on November 16, 2014 and November 17, 2014 as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

## Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

## Conclusion:

On November 16, 2014 at 10:09 A.M. we conducted a cash count. At the time of the cash count, receipts had not been issued and collections had not been made; however, we accounted for \$50.00 of the \$100.00 change fund (see observation number 1). We conducted a subsequent cash count on November 17, 2014 at 10:54 A.M. The cash on hand at the time of the cash count agreed to total receipts issued up to the time of the cash count and the \$100.00 change fund. Based on the results of our review, we concluded that procedures are not in place to ensure that the cash on hand is reconciled to receipts and the change fund. In addition, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

Commissioners Court approved a \$100.00 change fund for the Delta Lake Park. During the surprise cash count conducted on Sunday, November 16, 2014, the County Auditor's staff only accounted for \$50.00 of the \$100.00 change fund. According to the cashier, only \$50.00 were issued to him as a change fund by management. In addition, he was not aware that the change fund consisted of a total of \$100.00 and where the remaining \$50.00 change fund was being safeguarded. On Monday, November 17, 2014, County Auditor's

## HIDALGO COUNTY DISTRICT JUDGES

JAIME E. TIERNA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
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ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

Office staff returned to conduct a surprise cash count and to inquire with management regarding the remaining \$50.00 change fund. According to management, the remaining \$50.00 change fund was kept in an unlocked desk drawer since it was not needed to make change.

The "Cash Handling Guidelines and Procedures" prescribed by the County Auditor's Office set the minimum requirements necessary for ensuring adequate internal controls and the safeguarding of public funds. Pursuant to the "Cash Handling Guidelines and Procedures", cash on hand should be reconciled to receipts and the change fund. In addition, all cash must be protected immediately by using a cash drawer, safe, or other secure place until it is deposited. A secure area for processing and safeguarding cash received, petty cash funds, change funds, and unissued receipts must be provided and restricted to authorized personnel.

Failure to ensure that cash on hand is reconciled to receipts and the change fund and failure to immediately protect all cash increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that all employees responsible for handling cash are trained regarding the proper handling of collections and change funds. More specifically, the procedures noted above should be implemented. Furthermore, if management determines that a \$50.00 change fund is adequate, \$50.00 should be deposited with the County Treasurer's Office.

**Observation No. 2:**

According to the Delta Lake Park staff, effective July 21, 2012 the park entrance fees have been waived from Monday through Saturday. The park entrance fee is only collected on Sundays.

Local Government Code §316.001(4) states "the commissioners court of a county may set and collect fees for admission to a county park, if approved by a majority of the qualified voters of the county voting on the issue at a referendum election, which the commissioners court may order and hold for that purpose. Local Government Code §316.004 further states that "the commissioners court may set and collect the fees in different amounts or may waive the fees in consideration of the following factors: (1) the time of the day at which or the day of the week on which a facility or service is used; (2) the size of a group wishing to use a facility or service; (3) the special circumstances of certain classes of persons, including elderly persons and indigent persons; or (4) other factors that the court considers to justify a different fee or the waiver of a fee."

Commissioner's Court approval to waive the park entrance fee was not obtained.

**Recommendation:**

Commissioners Court approval to waive the park entrance fee should be obtained.

**Observation No. 3:**

We noted during our review that not all employees responsible for handling cash were required to sign the "Cash Handling Guidelines and Procedures" acknowledgement receipt. According to staff, they were not aware that they had to read the "Cash Handling Guidelines and Procedures" and sign the acknowledgement receipt. The signed acknowledgment receipts were subsequently signed and submitted to the County Auditor's Office.

The County Auditor's Office requires that departments train all employees responsible for handling cash regarding proper cash handling procedures. The employees handling cash must read the "Cash Handling Guidelines and Procedures" and sign a receipt acknowledging their understanding of these guidelines and procedures. The acknowledgment receipt should be kept on file by the department.

Failure to ensure that employees handling cash are required to read and sign a receipt acknowledging their understanding of the "Cash Handling Guidelines and Procedures" increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that employees handling cash read and sign a receipt acknowledging their understanding of the "Cash Handling Guidelines and Procedures." In addition, the acknowledgment receipts should be maintained on file.

**Observation No. 4:**

A notice stating, "Make sure you receive an official County receipt when making payments at this office", was posted for the public's view; however, a copy of the official County receipt (park entrance ticket) was not

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**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERINA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 53<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

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JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

posted by the notice for the public's view. According to staff, the receipt was posted; however, the receipt accidentally fell-off.

The County Auditor's Office requires departments to post a notice stating "Make sure you receive an official County receipt when making payments at this office" in a conspicuous location for the public's view. A sample of each official County receipt issued by the department should be posted by the notice in order to indicate to the payee what he/she should expect to receive.

Failure to post the required notice increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure the required notice, along with the sample official County receipt, are posted in a place visible to the public.

**Observation No. 5:**

A notice stating "Gifts, gratuities, and/or tips will not be accepted" was not posted in a place visible to the public near the cashier. According to staff, they were not aware that the notice was required to be posted.

The County Auditor's Office requires a notice stating "Gifts, gratuities, and/or tips will not be accepted" be posted in a place visible to the public near the cashiers.

Failure to ensure that a notice stating "Gifts, gratuities, and/or tips will not be accepted" is posted in a place visible to the public near cashiers increases the risk of loss or misuse of County revenues.

**Recommendation:**

Management should develop and implement procedures to ensure that a notice stating "gifts, gratuities, and/or tips will not be accepted" is posted in a place visible to the public near cashiers.

**Observation No. 6:**

When collections are transferred from one cashier to another during a shift change (i.e., lunch break), a transfer form is prepared; however, we noted that the transfer forms were not always signed by the cashier transferring the collections and the cashier receiving the collections. According to staff, they were not aware that a transfer form needed to be signed by the cashier who accepted custody during a shift change.

To establish individual responsibility for cash receipts, the County Auditor's Office requires that if a cash drawer is transferred from one cashier to another, even for a short period of time (i.e. shift change); the cash must be counted in the presence of both parties. The amount of cash in the cash drawer must be recorded on a transfer form. The transfer form must be signed by the cashier accepting custody in order to establish responsibility in case of a shortage.

Failure to ensure that a transfer form is properly prepared when collections are transferred from one cashier to another during a shift change increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should develop and implement formal procedures to ensure a transfer form is prepared when collections are transferred from one cashier to another during a shift change. At a minimum, the procedures noted above should be implemented.

**Observation No. 7:**

We noted during our review that park entrance tickets were not properly completed. Several park entrance tickets (portion issued to the customer) were noted with a date of issuance prior to being issued. In addition, some park entrance stubs (portion maintained by the Park) lacked the issue date and the initial/signature of the cashier who issued the park entrance ticket. According to staff, the park entrance stubs (portion maintained by the Park) are initialed and dated at the end of the day. In addition, staff stated that they were not aware of the proper procedures for issuing receipts.

The County Auditor's Office requires that all cash received be promptly recorded and controlled using a pre-numbered official County receipt (park entrance ticket). In order to create an audit trail, the official County receipt must be noted with the date of issuance and the initials or signature of the cashier who issued the receipt at the time of issuance.

Failure to ensure that park entrance tickets are properly completed increases the risk of loss or misuse of County funds.

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**HIDALGO COUNTY DISTRICT JUDGES**

**Recommendation:**

Management should ensure that the park entrance tickets are properly completed. At a minimum, the procedures noted above should be implemented.

**Observation No. 8:**

Cashiers are not prohibited from receipting payments from relatives or personal friends. According to staff, they were not aware that employees were not allowed to receive payments from relatives or personal friends.

The "Cash Handling Guidelines and Procedures" prescribed by the County Auditor's Office set the minimum requirements necessary for ensuring adequate internal controls and the safeguarding of public funds. Departments must train all employees responsible for handling cash regarding proper cash handling procedures. Pursuant to the "Cash Handling Guidelines and Procedures", cashiers must not receipt payments from their relatives or personal friends. Cashiers must notify their supervisors so that the supervisor may assign the receipting of the payment to another cashier.

Failure to ensure that cashiers do not receipt payments from their relatives or personal friends may result in the loss of County funds.

**Recommendation:**

Management should ensure that all employees responsible for handling cash are trained regarding the proper handling of cash. As part of this training, management must notify cashiers that they are prohibited from receipting payments from their relatives or personal friends. In addition, cashiers must notify their supervisors so that the receipting of the payment is assigned to another cashier.

Please provide written management responses to the observations noted above by December 19, 2014. In addition, we would like to meet with you to discuss the observations listed above. We will contact your office in the near future to schedule a meeting.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count, please contact Rey Cantu, Internal Auditor, at ext. 4653, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA  
County Auditor

cc: Mr. Valde Guerra, Commissioners Court Executive Officer

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**HIDALGO COUNTY DISTRICT JUDGES**

JANIE E. TLIERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

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OVERSFFR

LETICIA LOPEZ  
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ISRAEL RAMON, JR.  
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JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

# COUNTY of HIDALGO

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EDINBURG, TEXAS 78539

December 4, 2014

The Honorable Lazaro Gallardo, Jr.  
Hidalgo County Constable, Precinct 3  
730 N. Breyfogle Ste. B  
Mission, TX 78573

Re: Cash Count  
Report No. 2014-67

Dear Constable Gallardo:

We conducted a surprise cash count of the cash held at your office on November 18, 2014, as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count.

## Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

## Conclusion:

At the time of the cash count, receipts had not been issued and collections had not been made. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

We noted during our review that security cameras were not utilized where cash is received and safeguarded. According to staff, security cameras have not been purchased due to budgetary constraints.

The County Auditor's Office recommends that security alarms and/or security cameras be installed in areas where cash collections are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the

## HIDALGO COUNTY DISTRICT JUDGES

JAMIE E. TUERNA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

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JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

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JUDGE, 332<sup>ND</sup> D.C.

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JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

period of time determined by the investigating agency. Furthermore, a notice stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored.

Failure to utilize security cameras where cash is received and safeguarded increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that security cameras are utilized where cash is receipted and safeguarded. In addition, management should contact the Department of Budget and Management to request their assistance in obtaining funding for the purchase of security cameras.

**Observation No. 2:**

According to staff, passwords to gain access to *AbleTerm*, the County's case management system, are not changed at least every 90 days. According to staff, *AbleTerm* has not been programmed to prompt and require users to change passwords at least every 90 days. However, staff of the IT Department stated that passwords may be updated in *AbleTerm* upon a written request from departments.

The Information Technology (IT) Securities Policy requires that passwords be changed at least every 90 days.

Failure to change passwords may increase the risk of unauthorized access to *AbleTerm*.

**Recommendation:**

Management should send a written request to the Information Technology Department requesting that passwords be updated at least every 90 days.

**Observation No. 3:**

We noted during our review that segregation of duties over the handling of cash requires improvement. One of the Administrative Assistants performs the following incompatible duties:

- Custody: Receives collections, issues receipts, opens and lists mail receipts, balances receipts against cash drawer, maintains a cash drawer, prepares bank deposits, and has access to the inventory of unused receipts
- Recording: Accounts for the numerical sequence of cash receipts, maintains inventory log of unused receipts, and prepares monthly report
- Authorization: Compares listed mail receipts to recorded cash receipts and verifies that original voided receipts are kept and reviewed

According to staff, proper segregation of duties has not been implemented due to limited staff.

The responsibility for sound internal controls rests with management. Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for receiving collections, issuing receipts, opening and listing mail receipts, balancing receipts against cash drawer, maintaining the cash drawer, preparing bank deposits, and having access to the inventory of unused receipts should be different from the individual responsible for the accounting of the numerical sequence of cash receipts, maintaining the inventory log of unused receipts, and preparing the monthly report. In addition, the individuals previously noted should be different from the individual responsible for comparing listed mail receipts to recorded cash receipts and verifying that original voided receipts are kept and reviewed.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to have adequate segregation of duties increases the risk of loss or misuse of County funds.

**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIERINA  
JUDGE, 82<sup>ND</sup> D.C.

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J. R. "BOBBY" FLORES  
JUDGE, 131<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

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JUDGE, 275<sup>TH</sup> D.C.

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JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 448<sup>TH</sup> D.C.

**Recommendation:**

Management should ensure that incompatible duties such as those noted above are adequately segregated. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

**Observation No. 4:**

A listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds has not been requested from the County Treasurer's Office.

The County Auditor's Office requires that a listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds be maintained. The hot check list should be referenced when receiving checks from customers.

Failure to maintain a hot check list may result in the loss of County funds.

**Recommendation:**

Management should request the "hot check" listing from the County Treasurer's Office.

Please provide written management responses to the observations noted above by December 19, 2014.

In addition, management should develop and implement procedures for the handling of cash and cash equivalent transactions. These procedures should include, at a minimum, the following:

- a. An office organizational chart;
- b. Location of cash collection points;
- c. Types of collections made by each cash collection point;
- d. A list of those positions involved with the handling of cash, a description of their duties, and description of how segregation of duties will be maintained;
- e. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and
  6. Computer hardware and software used;
- f. List of the reports prepared/generated for the collection and the reporting of funds, including procedures for preparing the reports, who the reports should be submitted to, and when the reports are due;
- g. A schedule of how often deposits will be made; and
- h. Copies of any related forms/reports.

Please provide a copy of the written procedures by December 19, 2014.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,

  
Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer  
Renan Ramirez, Hidalgo County Chief Information Officer

**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERINA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 53<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
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JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

# COUNTY OF HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
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PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

November 24, 2014

Mr. Raul Sesin, P.E., C.F.M., Planning Administrator  
Hidalgo County Planning Department  
1304 S. 25<sup>th</sup> Street  
Edinburg, Texas 78542

Ref: Cash Count  
Report No. 2014-68

Dear Mr. Sesin:

We conducted a surprise cash count of the cash held at the Planning Department's Mission Substation on November 18, 2014 as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

## Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included, but were not limited to, the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

## Conclusion:

Total cash on hand at the time of the cash count was \$300.00. Based on the results of our review, we have concluded that generally total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$150.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

Security cameras were used to monitor certain areas; however, they were not utilized where cash is receipted and safeguarded. According to staff, additional security cameras have not been purchased due to budgetary constraints.

The County Auditor's Office recommends that security alarms and/or security cameras be installed in areas where cash collections and receipts are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the

## HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 430<sup>TH</sup> D.C.

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JUDGE, 449<sup>TH</sup> D.C.

Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency.

Failure to properly utilize security cameras increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should contact the Department of Budget and Management to request their assistance in obtaining funding for the purchase of additional security cameras.

**Observation No. 2:**

We noted that a unique username and password was not required to access the Building Permit Tracker information system. In addition, all users had unlimited access (read/write access) to the information system. According to staff, the Building Permit Tracker information system was not programmed to require the use of a username and password. In addition, according to staff, the IT Department is developing a new information system for the Building Permit Tracker and that will require a unique username and password.

Access control is a key component of information security. The principle of access control is to limit access to users who have valid reasons for accessing computers, systems, or data. A users' access and privileges should be appropriate and consistent with their current job responsibilities. Electronic accounts consisting of a username and password are used to identify individuals and authenticate access to an information system.

Failure to require a unique username and password to access the Building Permit Tracker information system and limit access based on the user's current job responsibilities increases the risk of unauthorized access to the Building Permit Tracker information system.

**Recommendation:**

Management should ensure that a unique username and password is required to access the Building Permit Tracker information system and that access to the information system is appropriate and consistent with the user's current job responsibilities. Management should contact the Information Technology Department to request their assistance regarding this observation.

**Observation No. 3:**

A listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds has not been requested from the County Treasurer's Office; however, a hot checks listing would now be requested.

The County Auditor's Office requires that a listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds be maintained. The hot check list should be referenced when receiving checks from customers.

Failure to maintain a hot check list may result in the loss of County funds.

**Recommendation:**

Management should request the "hot check" listing from the County Treasurer's Office.

Please provide written management responses to the observations noted above by December 12, 2014.

In addition, information regarding the items listed below was previously provided to our office. Please provide any updated procedures, if applicable, by December 12, 2014. These procedures should include, at a minimum, the following:

- a. An office organizational chart;
- b. Location of cash collection points;
- c. Types of collections made by each cash collection point;
- d. A list of those positions involved with the handling of cash, a description of their duties, and description of how segregation of duties will be maintained;
- e. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;

**HIDALGO COUNTY DISTRICT JUDGES**

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ISRAEL RAMON, JR.  
JUDGE, 438<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and
  6. Computer hardware and software used;
- f. List of the reports prepared/generated for the collection and the reporting of funds, including procedures for preparing the reports, who the reports should be submitted to, and when the reports are due;
- g. A schedule of how often deposits will be made; and
- h. Copies of any related forms/reports.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA  
County Auditor

cc: Mr. Valde Guerra, Commissioners Court Executive Officer



**HIDALGO COUNTY DISTRICT JUDGES**

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# COUNTY OF HIDALGO

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EDINBURG, TEXAS 78539

December 22, 2014

Honorable Eddie Guerra  
Hidalgo County Sheriff  
711 El Cibolo Rd.  
Edinburg, Texas 78541

Re: Cash Count  
Report No. 2014-69

Dear Sheriff Guerra:

We conducted a surprise cash count of the cash held at the Sheriff's Office for the Inmate Trust account on November 20, 2014, as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count.

## Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

## Conclusion:

Total cash on hand at the time of the cash count was \$4,757.63. Based on the results of our review, we have concluded that total cash on hand did reconcile to the total receipts issued for the day up to the time of the cash count. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

We noted during our review that several money orders were not restrictively endorsed "For deposit only." According to staff, some staff forgot to immediately restrictively endorse the money orders.

The County Auditor's Office requires that all checks, money orders, and/or cashier's checks be stamped with the restrictive endorsement "For Deposit Only" upon receipt.

Failure to ensure that checks, money orders, and/or cashier's checks are stamped with the restrictive endorsement "For Deposit Only" upon receipt increases the risk of loss or misuse of County funds.

## HIDALGO COUNTY DISTRICT JUDGES

JAIME E. TJERHA  
JUDGE, 92<sup>ND</sup> D.C.

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ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 448<sup>TH</sup> D.C.

**Recommendation:**

Management should ensure that all checks, money orders, and/or cashier's checks are stamped with the restrictive endorsement "For Deposit Only" upon receipt.

**Observation No. 2:**

We noted during our review that a notice stating "Gifts, gratuities, and/or tips will not be accepted" was not posted in a conspicuous location for the public's view. According to staff, they were not aware that the sign needed to be posted.

The County Auditor's Office requires that a notice stating "Gifts, gratuities, and/or tips will not be accepted" be posted in a conspicuous location for the public's view.

Failure to post the required notice increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that a notice stating "Gifts, gratuities, and/or tips will not be accepted" is posted in a conspicuous location for the public's view.

**Observation No. 3:**

We noted during our review that the "Cash Handling Guidelines and Procedures" acknowledgement receipts were not maintained on file for all employees responsible for handling cash. According to staff, they were not aware that new employees were required to read the "Cash Handling Guidelines and Procedures" and sign the acknowledgement receipt.

The County Auditor's Office requires that departments train all employees responsible for handling cash regarding proper cash handling procedures. The employees handling cash must read the "Cash Handling Guidelines and Procedures" and sign a receipt acknowledging their understanding of these guidelines and procedures. The acknowledgment receipt should be kept on file by the department.

Failure to ensure that employees responsible for handling cash are required to read and sign a receipt acknowledging their understanding of the guidelines and procedures increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that employees handling cash are required to read and sign a receipt acknowledging their understanding of the guidelines and procedures. In addition, the acknowledgment receipt should be maintained on file for all employees responsible for handling cash.

**Observation No. 4:**

A notice stating, "Make sure you receive an official County receipt when making payments at this office" was not posted for the public's view. According to staff, they were not aware that the poster needed to be posted.

The County Auditor's Office requires that a notice stating "Make sure you receive an official County receipt when making payments at this office" be posted in a conspicuous location for the public's view. A sample of each official County receipt issued by the department should be posted by the notice in order to indicate to the payee what he/she should expect to receive.

Failure to post the required notice increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that a notice stating "Make sure you receive an official County receipt when making payments at this office" be posted in a conspicuous location for the public's view.

Please provide written management responses to the observations noted above by January 16, 2015.

Procedures established by your department for the handling of cash were previously provided to the Auditor's Office; however, the procedures did not address the following:

- a. Location of cash collection points;
- b. Types of collections made by each cash collection point;
- c. The training that will be provided at the collection point and description of how segregation of duties will be maintained;
- d. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;

**HIDALGO COUNTY DISTRICT JUDGES**

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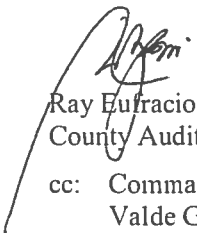
JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

4. Process for reconciling collections, including frequency of reconciliation;
5. Bookkeeping system used, and how it is maintained; and
6. Computer hardware and software used;
- e. A schedule of how often deposits will be made;
- f. List of the reports prepared/generated for the collection and the reporting of funds, including procedures for preparing the reports, who the reports should be submitted to, and when the reports are due;
- g. A schedule of how often deposits will be made; and
- h. Copies of any related forms/reports.

Please provide our office with copies of the procedures listed above and any updated procedures, if applicable, by January 16, 2015.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count, please contact Reynaldo Cantu III, Internal Auditor I, at (956) 318-2511, ext.4653, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext.4604.

Respectfully,

  
Ray Eufrazio, CPA  
County Auditor

cc: Commander Gabriel Castañeda, Hidalgo County Sheriff's Office Financial Services Bureau  
Valde Guerra, Commissioners Court Executive Officer



**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NDE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

ADA SALINAS FLORES  
JUDGE, 396<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

# COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 22, 2014

The Honorable Eddie Guerra  
Hidalgo County Sheriff  
711 El Cibolo Rd.  
Edinburg, Texas 78541

Re: Cash Count  
Report No. 2014-70

Dear Sheriff Guerra:

We conducted a surprise cash count of the cash held at the Sheriff's Office for the Bond "B" Trust account on November 20, 2014 as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count.

#### Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

#### Conclusion:

Total cash on hand at the time of the cash count was \$689.10. Based on the results of our review, we have concluded that total cash on hand did reconcile to the total receipts issued for the day up to the time of the cash count. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

#### Observation No. 1:

We noted during our review that the "Cash Handling Guidelines and Procedures" acknowledgement receipts were not maintained on file for all employees responsible for handling cash. According to staff, they were not aware that new employees were required to read the "Cash Handling Guidelines and Procedures" and sign the acknowledgement receipt; however, the new employees would now be required to read the "Cash Handling Guidelines and Procedures" and sign the acknowledgement receipt.

#### HIDALGO COUNTY DISTRICT JUDGES

JAIME E. TIERNA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 396<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 436<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

The County Auditor's Office requires that departments train all employees responsible for handling cash regarding proper cash handling procedures. The employees handling cash must read the "Cash Handling Guidelines and Procedures" and sign a receipt acknowledging their understanding of these guidelines and procedures. The acknowledgment receipt should be kept on file by the department.

Failure to ensure that employees responsible for handling cash are required to read and sign a receipt acknowledging their understanding of the guidelines and procedures increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that employees handling cash are required to read and sign a receipt acknowledging their understanding of the guidelines and procedures. In addition, the acknowledgment receipt should be maintained on file for all employees responsible for handling cash.

**Observation No. 2:**

A notice stating, "Make sure you receive an official County receipt when making payments at this office" was not posted for the public's view. According to staff, they were not aware that a poster needed to be posted.

The County Auditor's Office requires that a notice stating "Make sure you receive an official County receipt when making payments at this office" be posted in a conspicuous location for the public's view. A sample of each official County receipt issued by the department should be posted by the notice in order to indicate to the payee what he/she should expect to receive.

Failure to post the required notice increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that a notice stating "Make sure you receive an official County receipt when making payments at this office" be posted in a conspicuous location for the public's view.

**Observation No. 3:**

A notice stating "Gifts, gratuities, and/or tips will not be accepted" was not posted in a conspicuous location for the public's view. According to staff, they were not aware that the sign needed to be posted.

The County Auditor's Office requires that a notice stating "Gifts, gratuities, and/or tips will not be accepted" be posted in a conspicuous location for the public's view.

Failure to post the required notice increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that a notice stating "Gifts, gratuities, and/or tips will not be accepted" is posted in a conspicuous location for the public's view.

**Observation No. 4:**

We noted during our review that segregation of duties over the handling of collections requires improvement. The Administrative Assistants perform the following incompatible duties:

- o Custody: Balance copies of receipts against the cash drawer, prepare bank deposits and have access to the inventory of unused cash receipts;
- o Recording: Account for numerical sequence of receipts issued, maintain inventory log of unused receipts, take inventory of and order blank checks, and prepare reports of cashed received;
- o Authorization: Compare bank deposit receipts to bank statement, review reconciled bank statements, approve the daily reports of cash received, and verify that voided original receipts are kept and reviewed

According to staff, proper segregation of duties over the handling of collections has not been implemented due to a limited staff.

The responsibility for sound internal controls rests with management. Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for balancing copies of receipts against cash drawer, preparing bank deposits, and having access to inventory of unused cash receipts should be different from the individual responsible for accounting for the numerical sequence of receipts issued, maintaining the inventory log of unused receipts, taking inventory of and

**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 286<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVFRSFFR

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 396<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

ordering blank checks, and preparing reports of cashed received. In addition, those individuals should be different from the individual responsible for comparing bank deposit receipts to bank statement, reviewing reconciled bank statements, approving the daily reports of cash received and verifying that voided original receipts are kept and reviewed.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to have adequate segregation of duties increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that incompatible duties are adequately segregated such as those noted above. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

Please provide written management responses to the observations noted above by January 16, 2015.

Procedures established by your department for the handling of cash were previously provided to the Auditor's Office; however, the procedures did not address the following:

- a. Location of cash collection points;
- b. Types of collections made by each cash collection point;
- c. The training that will be provided at the collection point and description of how segregation of duties will be maintained;
- d. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and
  6. Computer hardware and software used;
- e. A schedule of how often deposits will be made.

Please provide our office with copies of the procedures listed above and any updated procedures, if applicable, by January 16, 2015.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count, please contact Carlos Ramirez, Internal Auditor II, at (956) 318-2511, ext.4654, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext.4604.

Respectfully,

  
Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer

**HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TLIERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
RIVERSIDE

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

# COUNTY OF HIDALGO

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EDINBURG, TEXAS 78539

December 22, 2014

The Honorable Eddie Guerra  
Hidalgo County Sheriff  
711 El Cibolo Rd.  
Edinburg, Texas 78541

Re: Cash Count  
Report No. 2014-71

Dear Sheriff Guerra:

We conducted a surprise cash count of the cash held at the Sheriff's Office for the Discharge "D" Trust account on November 25, 2014 as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count.

## Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

## Conclusion:

At the time of the cash count, no collections had been made. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

We noted during our review that the "Cash Handling Guidelines and Procedures" acknowledgement receipts were not maintained on file for all employees responsible for handling cash. According to staff, they were not aware that new employees were required to read the "Cash Handling Guidelines and Procedures" and sign the acknowledgement receipt.

The County Auditor's Office requires that departments train all employees responsible for handling cash regarding proper cash handling procedures. The employees handling cash must read the "Cash Handling Guidelines and Procedures" and sign a receipt acknowledging their understanding of these guidelines and procedures. The acknowledgment receipt should be kept on file by the department.

Failure to ensure that employees responsible for handling cash are required to read and sign a receipt acknowledging their understanding of the guidelines and procedures increases the risk of loss or misuse of County funds.

## HIDALGO COUNTY DISTRICT JUDGES

JANIE E. TIERINA  
JUDGE, 32<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 33<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
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NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 385<sup>TH</sup> D.C.

ADA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 439<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

**Recommendation:**

Management should ensure that employees handling cash are required to read and sign a receipt acknowledging their understanding of the guidelines and procedures. In addition, the acknowledgment receipt should be maintained on file for all employees responsible for handling cash.

**Observation No. 2:**

A notice stating, "Make sure you receive an official County receipt when making payments at this office" was not posted for the public's view. According to staff, they were not aware that the poster needed to be posted.

The County Auditor's Office requires that a notice stating "Make sure you receive an official County receipt when making payments at this office" be posted in a conspicuous location for the public's view. A sample of each official County receipt issued by the department should be posted by the notice in order to indicate to the payee what he/she should expect to receive.

Failure to post the required notice increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that a notice stating "Make sure you receive an official County receipt when making payments at this office" be posted in a conspicuous location for the public's view.

**Observation No. 3:**

A notice stating "Gifts, gratuities, and/or tips will not be accepted" was not posted in a conspicuous location for the public's view. According to staff, they were not aware that the notice needed to be posted.

The County Auditor's Office requires that a notice stating "Gifts, gratuities, and/or tips will not be accepted" be posted in a conspicuous location for the public's view.

Failure to post the required notice increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that a notice stating "Gifts, gratuities, and/or tips will not be accepted" is posted in a conspicuous location for the public's view.

**Observation No.4:**

We noted during our review that a separate locked cash drawer was not maintained by each employee responsible for handling cash. In addition, we were informed that if a shift change is necessary and collections are transferred from one employee to another, the collections are not counted in the presence of both parties and a receipt is not signed by the employee who accepted custody. According to staff, this would be difficult to do since they have many shift changes and different people accepting collections.

The County Auditor's Office requires that separate locked cash drawers be assigned to each employee responsible for handling collections. Only one cashier should be allowed access to a specific cash drawer during a single shift. Furthermore, when cash is transferred from one person to another, it should be counted in the presence of both parties. The amount should be recorded on a receipt, and the receipt should be signed by the employee accepting custody. This is necessary for the purposes of establishing responsibility relating for a shortage.

Failure to ensure that a separate locked cash drawer is assigned to each employee responsible for handling collections and a receipt is recorded and signed by the employee accepting custody of collections during a transfer may result in the loss or misuse of County funds.

**Recommendation:**

Management should ensure that a separate locked cash drawer is assigned to each employee responsible for handling collections. Only one cashier should be allowed access to a specific drawer during a single shift. In addition, management should ensure the transfer of collections during a change in shifts is recorded on a receipt and the receipt is signed by the employee accepting custody.

**Observation No. 5:**

We noted during our review that segregation of duties over the handling of collections requires improvement. The Administrative Assistants perform the following incompatible duties:

- Custody: Balances copies of receipts against cash drawer and prepares bank deposits;
- Recording: Accounts for numerical sequence of receipts issued, maintains inventory log of unused receipts, takes inventory of and orders blank checks, and prepares reports of cashed received
- Authorization: Verifies that voided original receipts are kept and reviewed

**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 378<sup>TH</sup> D.C.

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AYDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 439<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

According to staff, proper segregation of duties over the handling of collections has not been implemented due to a limited staff.

The responsibility for sound internal controls rests with management. Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for balancing copies of receipts against cash drawer and preparing bank deposits should be different from the individual responsible for accounting for the numerical sequence of receipts issued, maintaining the inventory log of unused receipts, taking inventory of and ordering blank checks, and preparing reports of cashed received. In addition, those individuals should be different from the individual responsible for verifying that voided original receipts are kept and reviewed.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to have adequate segregation of duties increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that incompatible duties are adequately segregated such as those noted above. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

Please provide written management responses to the observations noted above by January 16, 2015.

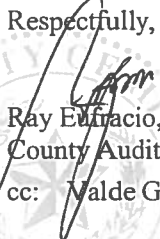
In addition, procedures established by your department for the handling of cash were previously provided to the Auditor's Office; however, the procedures did not address the following:

- a. Location of cash collection points;
- b. Types of collections made by each cash collection point;
- c. The training that will be provided at the collection point and description of how segregation of duties will be maintained;
- d. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and
  6. Computer hardware and software used;
- e. A schedule of how often deposits will be made.

Please provide our office with copies of the procedures listed above and any updated procedures, if applicable, by January 16, 2015.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count, please contact Carlos Ramirez, Internal Auditor II, at (956) 318-2511, ext.4654, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, Director of Audit, at ext. 4645, or me at ext.4604.

Respectfully,

  
Ray E. Trujillo, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer

**HIDALGO COUNTY DISTRICT JUDGES**

JAMES E. TIJERNA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 53<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 286<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 378<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 385<sup>TH</sup> D.C.

ADA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 443<sup>TH</sup> D.C.

# COUNTY OF HIDALGO

## HIDALGO COUNTY AUDITOR'S OFFICE

Hidalgo County Administration Building

2808 South Business Highway 281

Edinburg, Texas 78539-6243

PHONE: (956) 318-2511

FAX: (956) 318-2577

WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 4, 2014

Mr. Eduardo Olivarez, Chief Administrative Officer  
Hidalgo County Health and Human Services Department  
1304 S. 25<sup>th</sup> Street  
Edinburg, Texas 78539

Re: Cash Count  
Audit No. 2014-72

Dear Mr. Olivarez:

We conducted a surprise cash count of the cash held at the Environmental Health Division - On-Site Sewage Facilities - Edinburg location on November 20, 2014, as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

### Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count and the approved change fund. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

### Conclusion:

Total cash on hand at the time of the cash count was \$170.00. Based on the results of our review, we have concluded that total cash on hand did reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$25.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observation.

### Observation No. 1:

We noted that security cameras were not utilized where cash is receipted and safeguarded. According to staff, security cameras have not been purchased due to budgetary constraints.

The County Auditor's Office recommends that security alarms and/or security cameras be installed in areas where cash collections and receipts are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency. Furthermore, a notice stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored.

### HIDALGO COUNTY DISTRICT JUDGES

JAMIE E. TUJERINA  
JUDGE, 32<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 33<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 379<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 438<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

Failure to utilize security cameras increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that security cameras are utilized where cash is receipted and safeguarded. Management should contact the Department of Budget and Management to request their assistance in obtaining funding for the purchase of security cameras.

Please provide written management responses to the observation noted above by December 19, 2014.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions or would like to schedule a meeting to discuss this cash count, please contact Letty Chavez, Compliance Audit Supervisor at (956) 318-2511, ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645 or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer  
Elizardo Ramos, Environmental Health Services Division Manager



**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 286<sup>TH</sup> D.C.

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JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

# COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 4, 2014

Mr. Eduardo Olivarez, Chief Administrative Officer  
Hidalgo County Health and Human Services Department  
1304 S. 25<sup>th</sup> Street  
Edinburg, Texas 78539

Re: Cash Count  
Audit No. 2014-73

Dear Mr. Olivarez:

We conducted a surprise cash count of the cash held at the Environmental Health Division-Restaurant Health Permit Section on November 20, 2014 as required by Local Government Code § 115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

## Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included, but were not limited to, the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

## Conclusion:

Total cash on hand at the time of the cash count was \$425.00. Based on the results of our review, we have concluded that total cash on hand did reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$25.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

We noted during our review that segregation of duties over the handling of cash requires improvement. The Permit Clerks perform the following incompatible duties:

- Custody: Receive collections, issue receipts, balance receipts against cash drawer, maintain a cash drawer, prepare deposits, and have access to inventory of unused cash receipts
- Record: Prepare reports of cash received

According to staff, proper segregation of duties has not been implemented due to limited staff.

## HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 92<sup>nd</sup> D.C.

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JUDGE, 449<sup>th</sup> D.C.

The responsibility for sound internal controls rests with management. Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for receiving collections, issuing receipts, balancing receipts against cash drawer, maintaining a cash drawer, preparing deposits, and having access to inventory of unused cash receipts should be different from the individual responsible for preparing reports of cash received.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with limited numbers of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to ensure that incompatible duties are adequately segregated or that compensating controls are implemented increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that incompatible duties such as those noted above are adequately segregated. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

**Observation No. 2:**

We noted that security cameras were not utilized where cash is receipted and safeguarded. According to staff, security cameras have not been purchased due to budgetary constraints.

The County Auditor's Office recommends that security alarms and/or security cameras be installed in areas where cash collections and receipts are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency. Furthermore, a notice stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored.

Failure to utilize security cameras increases the risk of loss or misuse of County funds.

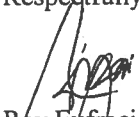
**Recommendation:**

Management should ensure that security cameras are utilized where cash is receipted and safeguarded. In addition, management should contact the Department of Budget and Management to request their assistance in obtaining funding for the purchase of security cameras.

Please provide written management responses to the observations noted above by December 19, 2014.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions or would like to schedule a meeting to discuss this cash count, please contact Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,

  
Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer

**HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TIERINA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 53<sup>RD</sup> D.C.

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# COUNTY OF HIDALGO

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EDINBURG, TEXAS 78539

December 4, 2014

Mr. Raul Sesin, P.E., C.F.M., Planning Administrator  
Hidalgo County Planning Department  
1304 S. 25<sup>th</sup> Street  
Edinburg, Texas 78542

Ref: Cash Count  
Report No. 2014-74

Dear Mr. Sesin:

We conducted a surprise cash count of the cash held at the Planning Department's Edinburg Office on November 20, 2014 as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

## Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included, but were not limited to, the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

## Conclusion:

Total cash on hand at the time of the cash count was \$405.00. Based on the results of our review, we have concluded that generally total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$225.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

We noted that security cameras were not utilized where cash is receipted and safeguarded. According to staff, security cameras have not been purchased due to budgetary constraints.

The County Auditor's Office recommends that security alarms and/or security cameras be installed in areas where cash collections and receipts are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency.

## HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 436<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

Failure to properly utilize security cameras increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that security cameras are utilized where cash is receipted and safeguarded. In addition, management should contact the Department of Budget and Management to request their assistance in obtaining funding for the purchase of security cameras.

**Observation No. 2:**

We noted that a unique username and password was not required to access the Building Permit Tracker information system. In addition, all users had unlimited access (read/write access) to the information system. According to staff, the Building Permit Tracker information system was not programmed to require the use of a username and password. In addition, according to staff, the IT Department is developing a new information system for the Building Permit Tracker that will require a unique username and password.

Access control is a key component of information security. The principle of access control is to limit access to users who have valid reasons for accessing computers, systems, or data. A users' access and privileges should be appropriate and consistent with their current job responsibilities. Electronic accounts consisting of a username and password are used to identify individuals and authenticate access to an information system.

Failure to require a unique username and password to access the Building Permit Tracker information system and limit access based on the user's current job responsibilities increases the risk of unauthorized access to the Building Permit Tracker information system.

**Recommendation:**

Management should ensure that a unique username and password is required to access the Building Permit Tracker information system and that access to the information system is appropriate and consistent with the user's current job responsibilities. Management should contact the Information Technology Department to request their assistance regarding this observation.

**Observation No. 3:**

A listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds has not been requested from the County Treasurer's Office; however, a hot checks listing will now be requested.

The County Auditor's Office requires that a listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds be maintained. The hot check list should be referenced when receiving checks from customers.

Failure to maintain a hot check list may result in the loss of County funds.

**Recommendation:**

Management should request the "hot check" listing from the County Treasurer's Office.

Please provide written management responses to the observations noted above by December 19, 2014.

In addition, management should develop and implement procedures for the handling of cash transactions. These procedures should include, at a minimum, the following:

- a. An office organizational chart;
- b. Location of cash collection points;
- c. Types of collections made by each cash collection point;
- d. A list of those positions involved with the handling of cash, a description of their duties, and description of how segregation of duties will be maintained;
- e. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and
  6. Computer hardware and software used;

**HIDALGO COUNTY DISTRICT JUDGES**

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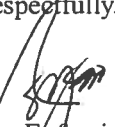
JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

- f. List of the reports prepared/generated for the collection and the reporting of funds, including procedures for preparing the reports, who the reports should be submitted to, and when the reports are due;
- g. A schedule of how often deposits will be made; and
- h. Copies of any related forms/reports.

Please provide our office with copies of the procedures by December 19, 2014.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,

  
Ray Eufrazio, CPA  
County Auditor

cc: Mr. Valde Guerra, Commissioners Court Executive Officer



**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERINA  
JUDGE, 52<sup>ND</sup> D.C.

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# COUNTY OF HIDALGO

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WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 23, 2014

Mr. Juan Martinez  
Hidalgo County Fire Marshal  
1124 N. M Road  
Edinburg, Texas 78539

Re: Cash Count  
Audit No. 2014-75

Dear Mr. Martinez:

We conducted a surprise cash count of the cash held at your office on Tuesday, December 16, 2014 as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count.

## Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

## Conclusion:

At the time of the cash count, receipts had not been issued and collections had not been made. Based on the results of our review, we have concluded that total cash on hand reconciled to the approved change fund of \$150.00. In addition, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

We noted during our review that segregation of duties over the handling of cash requires improvement. The Administrative Assistant II performs the following incompatible duties:

- Custody: Receives money, balances copies of receipts against cash drawer, maintains a cash drawer, prepares bank deposits, and has access to the inventory of unused receipts
- Recording: Accounts for the numerical sequence of receipts, maintains inventory log of unused receipts, and prepares reports of cash received

According to staff, due to the limited staff, proper segregation of duties is difficult to implement.

## HIDALGO COUNTY DISTRICT JUDGES

JAMIE E. TIJERINA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
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ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

The responsibility for sound internal controls rests with management. Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for receiving money, balancing copies of receipts against the cash drawer, maintaining a cash drawer, preparing bank deposits, and having access to inventory of unused receipts should be different from the individual responsible for accounting for the numerical sequence of receipts, maintaining an inventory log of unused receipts, and preparing reports of cash received.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to have adequate segregation of duties increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should implement formal monitoring procedures to ensure that incompatible duties are adequately segregated such as those noted above. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

**Observation No. 2:**

We noted during our review that separate locked cash drawers were not maintained by each employee responsible for handling collections. Instead, the Deputy Fire Marshals collect and receipt the collections. The collections are then transferred to the Administrative Assistant III or Clerk III for placement in the locked cash drawer. According to staff, it is not feasible for each employee to have a locked cash drawer since a change fund would be needed for each of the 9 employees.

The County Auditor's Office requires that access to cash collections be limited to as few people as possible. In addition, a separate locked cash drawers must be assigned to each employee responsible for handling collections. Only one cashier should be allowed access to a specific cash drawer during a single shift. Furthermore, when cash is transferred from one person to another, it should be counted in the presence of both parties. The amount should be recorded on a receipt, and the receipt should be signed by the employee accepting custody. This is necessary for the purposes of establishing responsibility relating to a shortage.

Failure to ensure that access to cash collections is limited to as few people as possible and that a separate locked cash drawer is assigned to each employee responsible for receipting collections may result in the loss or misuse of County funds.

**Recommendation:**

Management should ensure that access to cash collections is limited to as few people as possible and that a separate locked cash drawer is assigned to each employee responsible for receipting collections.

**Observation No. 3:**

We noted during our review that procedures for safeguarding receipts require improvements as follows:

1. An inventory log of receipts held by the department is not utilized;
2. Access to unused receipts is not limited to as few people as possible; and
3. Unused receipts are not safeguarded under lock and key. Instead, unused receipts are maintained in the reception area for easy access by the Deputy Fire Marshals, who are responsible for issuing receipts.

According to staff, they were not aware that the receipts needed to be properly safeguard and will start to safeguard receipts under lock and key.

The County Auditor's Office requires that an inventory log of receipts held by the department be maintained. The inventory log should include the receipt number sequence, the date receipts were issued for use, name of the person receiving the receipts, and the date receipts were returned. Furthermore, unused receipts should be safeguarded under lock and key. Access to the unused receipt books should be limited to as few employees as possible.

**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERINA  
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JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

Failure to safeguard unused receipts may result in the loss or misuse of County funds.

**Recommendation:**

Management should ensure that receipts are properly safeguarded. At a minimum, the procedures noted above should be implemented.

**Observation No. 4:**

A listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds has not been requested from the County Treasurer's Office; however, a hot checks listing will now be requested.

The County Auditor's Office requires that a listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds be maintained. The hot check list should be referenced when receiving checks from customers.

Failure to maintain a hot check list may result in the loss of County funds.

**Recommendation:**

Management should request the "hot check" listing from the County Treasurer's Office.

**Observation No. 5:**

We noted that security cameras are installed where cash is safeguarded; however, according to staff, the security cameras do not work.

The County Auditor's Office recommends that security alarms and/or security cameras be installed in areas where cash collections and receipts are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency.

Failure to properly utilize security cameras increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that security cameras are utilized where cash is receipted and safeguarded. Management should contact the Department of Budget and Management to request assistance in obtaining funding for the repair of the security cameras.

Please provide written management responses to the observations noted above by January 16, 2015.

In addition, management should develop and implement procedures for the handling of cash and cash equivalent transactions. These procedures should include, at a minimum, the following:

- a. An office organizational chart;
- b. Location of cash collection points;
- c. Types of collections made by each cash collection point;
- d. A list of those positions involved with the handling of cash, a description of their duties, and description of how segregation of duties will be maintained;
- e. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and
  6. Computer hardware and software used;
- f. List of the reports prepared/generated for the collection and the reporting of funds, including procedures for preparing the reports, who the reports should be submitted to, and when the reports are due;
- g. A schedule of how often deposits will be made; and
- h. Copies of any related forms/reports.

Please provide a copy of the written procedures by January 16, 2015.

**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERINA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 53<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 135<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 385<sup>TH</sup> D.C.

aida salinas flores  
JUDGE, 388<sup>TH</sup> D.C.

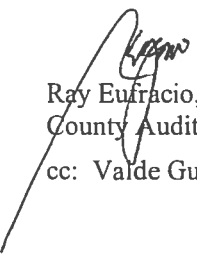
ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 445<sup>TH</sup> D.C.

Mr. Juan Martinez  
December 23, 2014  
Page 4 of 4

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions or would like to schedule a meeting to discuss this cash count, please contact Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer



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**HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TIERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

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JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

# COUNTY of HIDALGO

**HIDALGO COUNTY AUDITOR'S OFFICE**  
**Hidalgo County Administration Building**

**2808 South Business Highway 281**

**Edinburg, Texas 78539-6243**

**PHONE: (956) 318-2511**

**FAX: (956) 318-2577**

**WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)**



**EDINBURG, TEXAS 78539**

December 22, 2014

Mr. Arnold K. Patrick, Director  
Community Supervision and Corrections Department  
3100 South Business Highway 281  
Edinburg, TX 78539

Re: Cash Count  
Report No. 2014-541

Dear Mr. Patrick:

We conducted a surprise cash count of the cash held at the Community Supervision and Corrections Department on November 6, 2014 as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

## **Scope:**

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included, but were not limited to, the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

## **Conclusion:**

Total cash on hand at the time of the cash count was \$15,701.50. Based on the results of our review, we have concluded that total cash on hand did reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$200.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## **Observation No. 1:**

We noted during our review that ordered manual receipt books are not delivered by the vendor to the County Auditor's Office for proper safeguarding. According to staff, receipt books have always been delivered to the Community Supervision and Corrections Department for safeguarding; however, delivery of new orders of receipt books to the County Auditor's Office would be considered.

The County Auditor's Office requires that manual receipt books ordered by departments be delivered by the vendor to the County Auditor's Office for proper safeguarding. The manual receipt books will be issued to the departments by the County Auditor's Office, as needed.

## **HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 268<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 376<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

ADA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 436<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

Failure to ensure that manual receipt books are delivered by the vendor to the County Auditor's Office for proper safeguarding may increase the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that manual receipt books are delivered by the vendor to the County Auditor's Office for proper safeguarding.

**Observation No. 2:**

Passwords to gain access to *FinTrak* System, the financial accounting system, are not changed at least every 90 days. According to the Budget Director, passwords are not required to be changed due to a limited number of staff members having access to the accounting module; however, staff has access to change their own passwords.

The Hidalgo County Information Technology (IT) Securities Policy requires that passwords be changed at least every 90 days.

Failure to change passwords may increase the risk of unauthorized access to *FinTrak*.

**Recommendation:**

Management should contact the software provider to inquire whether *FinTrak* may be programmed to prompt and require users to change passwords at least every 90 days. If this is not feasible, management should monitor that employees change their passwords at least every 90 days.

**Observation No. 3:**

A listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds is not maintained. According to staff, only checks received from trusted law firms are accepted. Since payments made with personal checks are not accepted, staff believes the possibility of accepting a hot check is decreased.

The County Auditor's Office requires that a listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds be maintained. The hot check list should be referenced when receiving checks from customers.

Failure to maintain a hot check list may result in the loss of County funds.

**Recommendation:**

Management should maintain a "hot check" listing to be used as a reference when receiving checks from customers.

Please provide written management responses to the observations noted above by January 16, 2015.

In addition, please provide us with copies of updated written procedures and internal controls, if any, established by your department for the handling of cash and cash equivalent transactions by January 16, 2015. The written procedures manual should include, at a minimum, the following:

- a. An office organizational chart;
- b. Location of cash collection points;
- c. Types of collections made by each cash collection point;
- d. A list of those positions involved with the handling of cash, a description of their duties, training that will be provided, and description of how segregation of duties will be maintained;
- e. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and
  6. Computer hardware and software used;
- f. List of the reports prepared/generated for the collection and the reporting of funds, including procedures for preparing the reports, who the reports should be submitted to, and when the reports are due;
- g. A schedule of how often deposits will be made; and

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**HIDALGO COUNTY DISTRICT JUDGES**

h. Copies of any related forms/reports.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions or would like to meet regarding this cash count, please contact Marissa Castillo, Internal Auditor I, at ext. 4650, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Enfracio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer  
Diana Solis, Budget Director



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**HIDALGO COUNTY DISTRICT JUDGES**

JAI ME E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

ADA SALINAS FLORES  
JUDGE, 388<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

# COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 8, 2014

Mr. Eduardo Olivarez, Chief Administrative Officer  
Hidalgo County Health and Human Services  
1304 S. 25<sup>th</sup> Street  
Edinburg, Texas 78539

Ref: Cash Count  
Report No. 2014-549

Dear Mr. Olivarez:

We conducted a surprise cash count of the cash held at the Edinburg Health Clinic located on Schunior Road on November 14, 2014 as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

## Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included, but were not limited to, the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

## Conclusion:

Total cash on hand at the time of the cash count was \$65.00. Based on the results of our review, we have concluded that total cash on hand did reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund in the amount of \$25.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

We noted during our review that segregation of duties over the handling of cash requires improvement. The Clerk Manager and two Clerk II employees perform the following incompatible duties:

- Custody: Receive money, issue receipts, balance copies of receipts against the cash drawer, maintain a cash drawer, prepare bank deposits, and have access to inventory of unused receipts
- Recording: Account for the numerical sequence of receipts, maintain inventory log of unused receipts, and prepare reports of cash received
- Authorization: Verify that voided original receipts are kept and reviewed

## HIDALGO COUNTY DISTRICT JUDGES

JAIME E. TIERRA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

According to staff, proper segregation of duties has not been implemented due to limited staff.

The responsibility for sound internal controls rests with management. Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for receiving money, issuing receipts, balancing copies of receipts against the cash drawer, maintaining a cash drawer, preparing bank deposits, and having access to the inventory of unused receipts should be different from the individual responsible for accounting for the numerical sequence of receipts, maintaining inventory log of unused receipts, and preparing reports of cash received. In addition, the individuals previously noted should be different from the individual responsible for verifying that voided original receipts are kept and reviewed.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with limited numbers of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to have adequate segregation of duties increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that incompatible duties are adequately segregated. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

**Observation No.2:**

We noted that security cameras were not utilized where cash is receipted and safeguarded. According to management, security cameras have not been purchased due to budgetary constraints.

The County Auditor's Office recommends that security alarms and/or security cameras be installed in areas where cash collections and receipts are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency. Furthermore, a notice stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored.

Failure to utilize security cameras increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that security cameras are utilized where cash is receipted and safeguarded. Management should contact the Department of Budget and Management to request their assistance in obtaining funding for the purchase of security cameras.

Please provide written management responses to the observations noted above by December 19, 2014.

In addition, please provide us with copies of updated written procedures and internal controls, if any, established by your department for the handling of cash and cash equivalent transactions. The written procedures manual should include, at a minimum, the following:

- a. An office organizational chart;
- b. Location of cash collection points;
- c. Types of collections made by each cash collection point;
- d. A list of those positions involved with the handling of cash, a description of their duties, training that will be provided, and description of how segregation of duties will be maintained;
- e. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and
  6. Computer hardware and software used;

**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

ARDA SALINAS FLORES  
JUDGE, 390<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

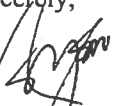
JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

- f. List of the reports prepared/generated for the collection and the reporting of funds, including procedures for preparing the reports, who the reports should be submitted to, and when the reports are due;
- g. A schedule of how often deposits will be made; and
- h. Copies of any related forms/reports.

Please provide our office with copies of the procedures by December 19, 2014.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Gricelda Quintero, Internal Auditor I, at 318-2511 ext. 4643, Yvonne Torres, Revenue Supervisor, at ext. 4642, Arcy B. Duran CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Sincerely,

  
Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer



**HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TIJERNA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
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JUDGE, 378<sup>TH</sup> D.C.  
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aida salinas flores  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 448<sup>TH</sup> D.C.

# COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
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EDINBURG, TEXAS 78539

December 15, 2014

Mr. Eduardo Olivarez, Chief Administrative Officer  
Hidalgo County Health and Human Services Department  
1304 S. 25<sup>th</sup> Street  
Edinburg, Texas 78542

Ref: Cash Count  
Report No. 2014-550

Dear Mr. Olivarez:

We conducted a surprise cash count of the cash held at the McAllen Health Clinic on November 25, 2014 as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

## Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included, but were not limited to, the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

## Conclusion:

Total cash on hand at the time of the cash count was \$370.00. Based on the results of our review, we have concluded that total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$25.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

We noted during our review that segregation of duties over the collection and recording of cash requires improvement. The Clerks perform the following incompatible duties:

- Custody: Receive money, issue receipts, balance copies of receipts against the cash drawer, maintain a cash drawer, prepare bank deposits, and have access to the inventory of unused receipts
- Recording: Account for the numerical sequence of cash receipts, maintain the inventory log of unused receipts, and prepare reports of cash received
- Authorization: Verify that voided original receipts are kept and reviewed

## HIDALGO COUNTY DISTRICT JUDGES

JAMES E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 266<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NIDE GONZALEZ  
JUDGE, 379<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

IDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 445<sup>TH</sup> D.C.

According to staff, proper segregation of duties has not been implemented due to limited staff.

The responsibility for sound internal controls rests with management. Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for receiving money, issuing receipts, balancing copies of receipts against the cash drawer, maintaining the cash drawer, preparing the bank deposit, and having access to the inventory of unused receipts should be different from the individual responsible for accounting for the numerical sequence of cash receipts, maintaining the inventory log of unused receipts, and preparing reports of cash received. In addition, the individuals noted above should be different from the individual responsible for verifying that voided receipts are kept and reviewed.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to ensure that incompatible duties are adequately segregated or that compensating controls are implemented increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that incompatible duties, such as those noted above, are adequately segregated. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

**Observation No. 2:**

We noted that security cameras were not utilized where cash is receipted and safeguarded. According to management, security cameras in the receipting area have not been installed due to budgetary constraints.

The County Auditor's Office recommends that security alarms and security cameras be installed in areas where cash collections and receipts are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency. Furthermore, a notice stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored.

Failure to ensure that security cameras are utilized where cash is receipted and safeguarded increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that security cameras are utilized where cash is receipted and safeguarded. At a minimum, the procedures noted above should be implemented. Management should contact the Information Technology Department to request their assistance regarding the utilization of security cameras.

**Observation No. 3:**

Although the "Cash Handling Guidelines and Procedures Receipt Acknowledgement" forms (acknowledgement receipts) for 5 employees responsible for handling cash were maintained on file, the acknowledgement receipts for 3 employees (2 backup supervisors and 1 nurse) were not maintained on file. According to staff, acknowledgement receipts for the remaining 3 employees will be obtained and maintained on file.

The County Auditor's Office requires that departments train all employees responsible for handling cash regarding proper cash handling procedures. The employees handling cash must read the "Cash Handling Guidelines and Procedures" and sign a receipt acknowledging their understanding of these guidelines and procedures. The acknowledgment receipt should be kept on file.

Failure to maintain the acknowledgement receipts on file as proof that employees were trained regarding proper cash handling procedures increases the risk of loss or misuse of County funds.

**HIDALGO COUNTY DISTRICT JUDGES**

JUAN E. TIERNA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 53<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 445<sup>TH</sup> D.C.

**Recommendation:**

Management should ensure that all employees with cash handling responsibilities read the Cash "Handling Guidelines and Procedures". In addition, management should maintain the acknowledgement receipts on file as proof that employees were trained regarding proper cash handling procedures.

Please provide written management responses to the observations noted above by January 5, 2015.

In addition, information regarding the items listed below was previously provided to our office; however, please provide any updated procedures, if applicable, by January 5, 2015. These procedures should include, at a minimum, the following:

- a. An office organizational chart;
- b. Location of cash collection points;
- c. Types of collections made by each cash collection point;
- d. A list of those positions involved with the handling of cash, a description of their duties, and description of how segregation of duties will be maintained;
- e. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and
  6. Computer hardware and software used;
- f. List of the reports prepared/generated for the collection and the reporting of funds, including procedures for preparing the reports, who the reports should be submitted to, and when the reports are due;
- g. A schedule of how often deposits will be made; and
- h. Copies of any related forms/reports.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Gricelda Quintero, Internal Auditor I, at (956) 318-2511, ext. 4643, Yvonne Torres, Revenue Supervisor, at ext. 4642, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,

  
Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer



**HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TIJERNA  
JUDGE, 12<sup>TH</sup> D.C.

RODOLFO DELGADO  
JUDGE, 13<sup>TH</sup> D.C.

J. R. "BOBBY" FLORES  
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JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 443<sup>RD</sup> D.C.

# COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 15, 2014

Ms. Yvonne Ramon, Elections Administrator  
Hidalgo County Elections Department  
101 S. 10<sup>th</sup> Street  
Edinburg, Texas 78539

Ref: Cash Count  
Report No. 2014-554

Dear Ms. Ramon:

We conducted a surprise cash count of the cash held at the Elections Department on December 2, 2014 as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

## Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included, but were not limited to, the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

## Conclusion:

Total cash on hand at the time of the cash count was \$69.60. Based on the results of our review, we have concluded that total cash on hand did not reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$50.00 (see observation 1). In addition, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

Total receipts for the day up to the time of the cash count did not reconcile to the cash on hand. Cash on hand was over by \$0.40. According to the cashier, the overage consisted of a cashier's personal funds since the cashier used personal money to make change. The change fund had not been kept in the proper denominations and coins to ensure funds would be available to make change. According to the Accounting Clerk, she was unaware of the cashier having to use personal money to make change and stated that the \$0.40 would be returned to the cashier.

## HIDALGO COUNTY DISTRICT JUDGES

JAMIE E. TIERRA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

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JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

The County Auditor's Office requires that change funds be kept to a minimum for the purpose of making change. The change fund must be maintained in the proper denominations and coins to ensure funds are available to make change. In addition, personal funds should not be comingled with change funds and collections.

Failure to ensure that personal funds are not comingled with the change fund and collections increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that personal funds are not comingled with the change fund and collections. In addition, the change fund should be maintained in the proper denominations and coins to ensure funds will be available for making change.

**Observation No. 2:**

We noted during our review that collections (regardless of amount) were not deposited on a daily basis. At the time of the cash count, the collections receipted on November 25, 2014 totaling \$19.20 had not been deposited with the County Treasurer. In addition, a review of the last *Cashier's Daily Close-Out Report/Daily Remittance Form*, revealed that collections were remitted to the County Treasurer up to 14 days from the date of collection (e.g., receipts issued on November 7, 2014, November 14, 2014, and November 18, 2014 were remitted to the County Treasurer on November 20, 2014. According to staff, the *Cashier's Daily Close-Out Report/Daily Remittance Form* is not prepared on a daily basis when the cashier or the Accounting Clerk is out of the office.

The County Auditor's Office requires that cash receipts be deposited on a daily basis, unless the amount collected is less than \$100.00. Collections should be deposited no later than weekly regardless of the total collected.

Failure to ensure that collections are deposited on a daily basis may result in the loss or misuse of County funds.

**Recommendation:**

Management should ensure that collections are deposited on a daily basis.

**Observation No. 3:**

A schedule of authorized fees was not posted in a conspicuous location for the public's view. According to staff, a schedule had been posted; however, the poster may have fallen.

The County Auditor's Office requires that a schedule of authorized fees be posted in a conspicuous location for the public's view. The schedule sets forth those fees to be charged by the County pursuant to state statutes and Commissioners Court approval.

Failure to post a schedule of authorized fees in a conspicuous location increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should post a schedule of authorized fees in a conspicuous location for the public's view.

**Observation No. 4:**

A notice stating "A \$\_\_ fee will be collected on all returned checks" was not posted in a conspicuous location for the public's view. According to staff, a notice had been posted; however, the notice may have fallen.

The County Auditor's Office requires that a notice stating "A \$\_\_ fee will be collected on all returned checks" be posted in a conspicuous location for the public's view.

Failure to post the required notice increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that a notice stating "A \$\_\_ fee will be collected on all returned checks" is posted in a conspicuous location for the public's view.

**Observation No. 5:**

A notice stating "Gifts, gratuities, and/or tips will not be accepted" was not posted in a conspicuous location for the public's view. According to staff, a notice had been posted; however, the notice may have fallen.

The County Auditor's Office requires a notice stating "Gifts, gratuities, and/or tips will not be accepted" be posted in a conspicuous location for the public's view.

Failure to post the required notice increases the risk of loss or misuse of County funds.

**HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TIERINA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

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ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

**Recommendation:**

Management should ensure that a notice stating "Gifts, gratuities, and/or tips will not be accepted" is posted in a conspicuous location for the public's view

**Observation No. 6:**

Although security cameras are utilized, the security cameras are not utilized where collections are receipted and safeguarded. According to staff, recent changes have been made and collections are receipted and safeguarded in a different location that does not have a security camera present.

The County Auditor's Office recommends that security alarms and/or security cameras be installed in areas where cash collections and receipts are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency. Furthermore, a notice stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored.

Failure to utilize security cameras where collections are receipted and safeguarded increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that security cameras are utilized where cash is receipted and safeguarded. As part of these procedures, management should consider re-locating some of the current cameras in use or purchase additional cameras.

**Observation No. 7:**

We noted during our review that procedures for processing mail-in payments require improvements as follows:

1. A continuous mail log instead of a daily mail log was utilized to record mail-in payments.
2. Collections received through the mail are not immediately stamped with a restrictive endorsement.

According to staff, they were not aware of the proper procedures for preparing the mail log.

The County Auditor's Office requires that mail be opened on the same day it is received. If this is not possible, mail must be kept in a locked safe in a secure area overnight and opened the following business day. The following procedures should be followed when processing mail:

1. Mail should be opened by an employee who is not responsible for receipting or maintaining accounting records.
2. Immediately upon receipt, the person responsible for opening the mail must restrictively endorse all checks "For Deposit Only" to the credit of the County.
3. Mail-in payments must be listed on a daily mail log. The mail log should include the following information for each mail-in payment received: date received, the name of the payer, the amount of the remittance, the form of the remittance (e.g., cash or check), and, if applicable, the check number.
4. The employee responsible for opening the mail and listing the mail-in payments must sign and date the mail log to document responsibility for verifying the cash received and preparing the listing.
5. Mail-in payments must then be transferred to the cashier. After issuing a receipt for the mail-in payment, the cashier must enter the receipt date and receipt number issued for the mail-in payment on the mail log.
6. An employee other than the cashier should verify that an official County receipt was issued for each mail-in payment. The employee conducting this verification must sign and date the mail log to document responsibility for the verification.
7. The "Customer Copy" of a receipt issued for a mail-in payment should be mailed to the payer if the payer included a stamped, self-addressed envelope with the mail-in payment. Otherwise, the "Customer Copy" of the receipt for the mail-in payment must be properly filed (e.g., case file).

Failure to ensure mail-in payments are properly processed and recorded on a mail log may result in the loss or misuse of County funds.

**Recommendation:**

Management should ensure that mail-in payments are properly processed and recorded on a mail log. At a minimum, the procedures noted above should be implemented.

**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIERNA  
JUDGE, 12<sup>TH</sup> D.C.

RODOLFO DELGADO  
JUDGE, 13<sup>TH</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 13<sup>TH</sup> D.C.

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JUDGE, 20<sup>TH</sup> D.C.

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JUDGE, 27<sup>TH</sup> D.C.

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JUDGE, 33<sup>RD</sup> D.C.

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JUDGE, 37<sup>TH</sup> D.C.  
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LETICIA LOPEZ  
JUDGE, 38<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 38<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 43<sup>RD</sup> D.C.

JESSE CONTRERAS  
JUDGE, 44<sup>TH</sup> D.C.

**Observation No. 8:**

A listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds has not been requested from the County Treasurer's Office; however, a hot checks listing will be requested.

The County Auditor's Office requires that a listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds be maintained. The hot check list should be referenced when receiving checks from customers.

Failure to maintain a hot check list may result in the loss of County funds.

**Recommendation:**

Management should request the "hot check" listing from the County Treasurer's Office.

Please provide written management responses to the observations noted above by January 5, 2015.

In addition, please provide us with copies of updated written procedures and internal controls, if any, established by your department for the handling of cash and cash equivalent transactions by January 5, 2015. The written procedures manual should include, at a minimum, the following:

- a. An office organizational chart;
- b. Location of cash collection points;
- c. Types of collections made by each cash collection point;
- d. A list of those positions involved with the handling of cash, a description of their duties, training that will be provided, and description of how segregation of duties will be maintained;
- e. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and
  6. Computer hardware and software used;
- f. List of the reports prepared/generated for the collection and the reporting of funds, including procedures for preparing the reports, who the reports should be submitted to, and when the reports are due;
- g. A schedule of how often deposits will be made; and
- h. Copies of any related forms/reports.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Crystal A. Puente, Internal Auditor II, at (956) 318-2511, ext. 4646, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,

  
Ray Eufrazio, CPA  
County Auditor

cc: Walde Guerra, Commissioners Court Executive Officer



**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERNA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 53<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

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JUDGE, 378<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 385<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 438<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 443<sup>RD</sup> D.C.

# COUNTY of HIDALGO

**HIDALGO COUNTY AUDITOR'S OFFICE**  
Hidalgo County Administration Building  
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EDINBURG, TEXAS 78539

December 23, 2014

The Honorable Rosa Trevino  
Hidalgo County Justice of the Peace Pct. 2, Pl. 2  
300 W. Hall Acres, St. B  
Pharr, Texas 78577

Ref: Cash Count  
Report No. 2014-557

Dear Judge Treviño:

We conducted a surprise cash count of the cash held at your office on November 6, 2014 as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count.

## Scope

The scope of our review was limited to a count of cash on hand as of the time of the cash count. In addition, we evaluated the procedures in place related to the 1.) the collections process, 2.) accounting of citations and civil cases filed with the court, and 3.) documenting the authorization of dismissed criminal cases for the period of September 1, 2014 through September 30, 2014. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, segregation of duties, filing of citations and civil cases, and documenting the authorization of dismissed cases.

## Conclusion:

At the time of the cash count, receipts had not been issued and collections had not been made. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

A separate locked cash box was not maintained by each employee responsible for handling collections. All cashiers were allowed access to the same cash box during a single shift. According to staff, separate cash boxes were not maintained since sufficient space was not available in the desk drawers to store more than one cash box.

The County Auditor's Office requires that separate locked cash drawers/boxes be assigned to each employee responsible for handling collections. Only one cashier should be allowed access to a specific cash drawer/box during a single shift. Employees should be required to count collections and prepare a transfer form when a shift change takes place.

## HIDALGO COUNTY DISTRICT JUDGES

JAIME E. TIERRA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 53<sup>RD</sup> D.C.

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ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

Failure to ensure that separate locked cash drawers/boxes are assigned to each cashier and that only one cashier is allowed access to a specific cash drawer/box during a single shift may result in the loss or misuse of County funds.

**Recommendation:**

Management should ensure that a separate locked cash drawer/box is assigned to each employee responsible for handling collections and that only one cashier is allowed access to a specific cash drawer/box during a single shift. As part of these procedures, sufficient space to store the cash drawers/boxes should be made available. In the alternative, only one cashier should accept collections and be allowed access to a specific cash drawer/box during a single shift.

**Observation No. 2:**

We noted during our review that segregation of duties over the handling of collections requires improvement. The Court Coordinator performs the following incompatible duties:

- Custody: Receives money, issues receipts, opens and lists mail receipts, balances receipts against cash drawer, maintains a cash drawer, prepares the bank deposit, and has access to the inventory of unused receipts.
- Authorization: Compares listed mail receipts to recorded cash receipts and verifies that voided original receipts are kept and reviewed.
- Recording: Accounts for numerical sequence of cash receipts, has ability to dismiss cases on *AbleTerm*, and prepares reports of cash received/dispensed.

In addition, the Court Clerk performs the following incompatible duties:

- Custody: Receives money, issues receipts, balances receipts against cash drawer, maintains a cash drawer, and has access to the inventory of unused receipts.
- Authorization: Compares listed mail receipts to recorded cash receipts and verifies that voided original receipts are kept and reviewed.
- Recording: Accounts for numerical sequence of cash receipts, has ability to dismiss cases on *AbleTerm*, and prepares reports of cash received.

According to staff, due to limited staff, segregation of duties is difficult to implement.

The responsibility for sound internal controls rests with management. Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for receiving money, issuing receipts, opening and listing mail receipts, balancing receipts against the cash drawer, maintaining a cash drawer, preparing the bank deposit, and having access to the inventory of unused receipts should be different from the individual responsible for comparing listed mail receipts to recorded cash receipts and verifying that voided original receipts are kept and reviewed. In addition, the individuals noted above should be different from the individual responsible for accounting for the numerical sequence of cash receipts, having the ability to dismiss cases on *AbleTerm*, and preparing reports of cash received/dispensed.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to ensure that incompatible duties are adequately segregated or that compensating controls are implemented increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that incompatible duties are adequately segregated such as those noted above. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

**HIDALGO COUNTY DISTRICT JUDGES**

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JUDGE, 92<sup>ND</sup> D.C.

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J. R. "BOBBY" FLORES  
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JUDGE, 378<sup>TH</sup> D.C.  
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LETICIA LOPEZ  
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JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 436<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

**Observation No. 3:**

A listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds has not been requested from the County Treasurer's Office. According to staff, the County Treasurer's Office makes the collections on hot checks; therefore, a copy of the hot check list has not been requested from the County Treasurer's Office.

The County Auditor's Office requires that a listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds be maintained. The hot check list should be referenced when receiving checks from customers.

Failure to maintain a hot check list may result in the loss of County funds.

**Recommendation:**

Management should request the "hot check" listing from the County Treasurer's Office.

**Observation No. 4:**

Passwords to gain access to *AbleTerm*, the County's justice information system, are not changed at least every 90 days. According to staff, they were not aware that passwords needed to be changed at least every 90 days.

The Information Technology (IT) Securities Policy requires that passwords be changed at least every 90 days.

Failure to change passwords may increase the risk of unauthorized access to *AbleTerm*.

**Recommendation:**

Management should contact the software provider and the Information Technology Department to request that *AbleTerm* is programmed to prompt and require users to change passwords at least every 90 days. If this is not feasible, management should monitor that employees change their passwords at least every 90 days.

**Observation No. 5:**

We noted that although security cameras were utilized, the security cameras were not utilized where cash was being receipted and safeguarded. In addition, a notice stating that the area was being monitored by a security camera was not posted in a conspicuous location for the public's view. According to staff, installation of the cameras was done by the Precinct 2 Commissioner's Office and they did not have any input as to the placement of the cameras. In addition, a notice of the monitoring by security camera has never been posted.

The County Auditor's Office recommends that security alarms and/or security cameras be installed in areas where cash collections and receipts are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency. Furthermore, a notice stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored.

Failure to utilize security cameras where cash is receipted and safeguarded and posting a notice to the public that the area is being monitored by security camera increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that security cameras are utilized where cash is receipted and safeguarded. In addition, management should ensure that a notice stating an area is being monitored by security camera is posted in a conspicuous location for the public's view.

**Observation No. 6:**

A notice stating "A \$\_\_ fee will be collected on all returned checks" was not posted in a conspicuous location for the public's view. According to staff, posting the notice is not necessary since only business checks and not personal checks are accepted.

The County Auditor's Office requires that a notice stating "A \$\_\_ fee will be collected on all returned checks" be posted in a conspicuous location for the public's view.

Failure to post the required notice increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that a notice stating "A \$\_\_ fee will be collected on all returned checks" is posted in a conspicuous location for the public's view.

**HIDALGO COUNTY DISTRICT JUDGES**

**Observation No. 7:**

A notice stating “Gifts, gratuities, and/or tips will not be accepted” was not posted in a conspicuous location for the public’s view. According to staff, they were not aware that the notice needed to be posted; however, the notice would be posted only if the Justice of the Peace deems it necessary.

The County Auditor’s Office requires a notice stating “Gifts, gratuities, and/or tips will not be accepted” be posted in a conspicuous location for the public’s view.

Failure to post the required notice increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that a notice stating “Gifts, gratuities, and/or tips will not be accepted” is posted in a conspicuous location for the public’s view.

**Observation No. 8:**

We noted during our review that procedures for the accounting of citations received from law enforcement agencies and civil cases filed with the court require improvement as follows:

1. Citations received from law enforcement agencies and civil cases filed with the court are not recorded on a log. A reconciliation of citations and civil cases filed at the court to those recorded on *AbleTerm*, the case management system, was not conducted and formally documented; and
2. Duties related to citations and civil cases are not properly segregated. Individuals responsible for issuing receipts (custody responsibility) are also responsible for entering citations into *AbleTerm* (recording responsibility).

According to staff, due to a heavy case load and limited staff, procedures for the accounting of citations and civil case filings have not been improved.

The County Auditor’s Office requires that a reconciliation of citations and civil cases filed at the court be conducted and formally documented. This reconciliation may be conducted and formally documented by completing a citation/civil cases filed log (log). Citations/civil cases should be entered into *AbleTerm/Odyssey*, the case management systems, the same day they are received. Any exceptions should be brought to the attention of the Supervisor, placed in a locked area, and processed on the next business day. The following procedures should be followed when processing citations:

- a. The person responsible for opening the mail and/or accepting the delivery of citations/civil cases should immediately list citations/civil cases on the log before distribution to the person responsible for entering them on *Ableterm/Odyssey*. Since the person responsible for entering the citations/civil cases on *Ableterm/Odyssey* has recording responsibilities, he/she should not be responsible for accepting payments.
- b. The person responsible for opening the mail and/or accepting the delivery of citations/civil cases should note, at a minimum, the following on the log: date received, citation number, name of violator/plaintiff, and name of officer who issued the citation, as applicable. The person responsible for noting this information should provide his/her signature on the “Prepared by” line of the log.
- c. The person responsible for entering the citations on *Ableterm/Odyssey* should enter the date of entry and docket number assigned to the citation/civil case on the log and provide his/her signature on the “Entered by” line of the log.
- d. The “New Cases” and “Cases Filed” reports for the specified date should be generated from *Ableterm/Odyssey* and reconciled to the log by a person other than the person responsible for entering the citations on *Ableterm/Odyssey*. Any variances should be noted on the log, with a detailed explanation, and immediately brought up to the attention of the Justice of the Peace. In addition, the person conducting this reconciliation should provide his/her signature on the log as acknowledgment of the reconciliation.
- e. Citations should be placed in the applicable file.
- f. The Justice of the Peace should request periodic reports regarding the citations filed with the courts from law enforcement agencies and reconcile the reports to the citations recorded in *Ableterm/Odyssey*.
- g. Copies of the citation logs and periodic reports received from law enforcement agencies shall be maintained by the Justice of the Peace Office. This documentation shall be made available to the County Auditor’s Office for review upon request.

Maintaining adequate internal controls over citations is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of

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a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations.

Failure to ensure that citations and civil cases are properly accounted and reconciled or that compensating controls are implemented increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that citations and civil cases are properly accounted and reconciled. The procedures noted above should be implemented. If the procedures cannot be implemented, management should ensure that compensating controls are implemented.

**Observation No. 9:**

We randomly selected 20 of 202 (10%) dismissed criminal cases for the period of September 1, 2014 through September 30, 2014 to determine if authorization for the dismissal of criminal cases was properly documented. A review of the 20 randomly selected dismissals revealed the following:

- 15 (80%) dismissals were properly documented. The dismissals contained a "Motion to Dismiss" submitted by the District Attorney's Office, an "Order to Dismiss" signed by the Justice of the Peace, and reason(s) for the dismissal noted in the applicable docket book.
- 5 (20%) dismissals were not properly documented. Of the 5 dismissals, 3 contained reason(s) for the dismissal noted in the applicable docket and copies of the documents utilized as proof of dismissal based on the judge's discretion (i.e., renewal of license plates, fishing license, etc.); however, the dismissals did not contain an "Order to Dismiss" signed by the Justice of the Peace. The remaining 2 dismissals contained reason(s) for the dismissal noted in the applicable docket and the Justice's of the Peace initials noted on the citation; however, the dismissals did not contain a "Motion to Dismiss" submitted by the District Attorney's Office and an "Order to Dismiss" signed by the Justice of the Peace.

According to staff, not all dismissals require the "Motion to Dismiss" from the District Attorney or the "Order to Dismiss" signed by the Justice of the Peace.

Pursuant to the Justices of the Peace Manual, Justices of the Peace may dismiss cases in criminal proceedings only when specifically authorized to do so by statute or when directed to do so by the prosecution (i.e., district attorney) in accordance with Code of Criminal Procedure Art. 32.02. All dismissals should be noted in the applicable docket book along with the reason(s) for dismissal.

A properly authorized dismissed criminal case should include in the case files and/or the docket book the following:

- "Motion to Dismiss" submitted by the District Attorney's Office, an "Order to Dismiss" signed by the Justice of the Peace, and reason(s) for the dismissal noted in the applicable docket; or
- "Order to Dismiss" and/or judgment signed by the Justice of the Peace, copies of documents as proof of dismissal based on the judge's discretion in accordance with state statutes (i.e. copies of a commercial vehicle service logs, motor vehicle registration, valid driver's license, etc.), and reason(s) for the dismissal noted in the applicable docket.

Failure to properly document dismissals may result in sanctions from the State Commission on Judicial Conduct and/or loss or misuse of County funds.

**Recommendation:**

Management should ensure the authorizations to dismiss cases are properly documented. At a minimum, the procedures noted above should be implemented.

**Observation No. 10:**

A schedule of authorized fines and fees was not posted in a conspicuous location for the public's view. According to staff, the notice has never been posted in the office.

The County Auditor's Office requires that a schedule of authorized fines and fees be posted in a conspicuous location for the public to see. The schedule sets forth those fines and fees to be charged by the County pursuant to state statutes and Commissioners Court approval.

Failure to post the required schedule increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that a schedule of authorized fines and fees is posted in a conspicuous location for the public's view.

**HIDALGO COUNTY DISTRICT JUDGES**

**Observation No. 11:**

The "Cash Handling Guidelines and Procedures Receipt Acknowledgement" forms (acknowledgement receipts) for the Justice of the Peace was not maintained on file. According to staff, they were not aware that the acknowledgement receipt needed to be maintained on file.

The County Auditor's Office requires that departments train all employees responsible for handling cash regarding proper cash handling procedures. The employees handling cash must read the "Cash Handling Guidelines and Procedures" and sign a receipt acknowledging their understanding of these guidelines and procedures. The acknowledgment receipt should be kept on file.

Failure to train and ensure that employees handling cash are required to read and sign a receipt acknowledging their understanding of the guidelines and procedures increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that employees handling cash are required to read and sign a receipt acknowledging their understanding of the guidelines and procedures. In addition, the acknowledgment receipt should be maintained on file for the Justice of the Peace.

Please provide written management responses to the observations noted above by December 30, 2014.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you should have any questions or would like to schedule a meeting to discuss this cash count, please do not hesitate to contact Alejandra Santa Ana, Internal Auditor I, at 318-2511 ext. 4647, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext.4604.

Respectfully,

  
Ray Eufrazio, CPA  
Hidalgo County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer



**HIDALGO COUNTY DISTRICT JUDGES**

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JUDGE, 92<sup>ND</sup> D.C.

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aida SALINAS FLORES  
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# COUNTY OF HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

November 10, 2014

Honorable Marcos Ochoa  
Justice of the Peace Precinct 3, Place 2  
730 N. Breyfogle  
Mission, TX 78572

Ref: Cash Count  
Report No. 2014-559

Dear Judge Ochoa:

We conducted a surprise cash count of the cash held at the Justice of the Peace Precinct 3, Place 2 Office on October 3, 2014, as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count.

## Scope:

The scope of our review was limited to a count of cash on hand as of the time of the cash count. In addition, we evaluated the procedures in place related to 1.) the collections process, 2.) accounting of citations and civil cases filed with the court, and 3.) documenting the authorization of dismissed criminal cases for the period of September 1, 2014 through September 30, 2014. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, segregation of duties, filing of citations and civil cases, and documenting the authorization of dismissed cases.

## Conclusion:

Total collections at the time of the cash count were \$3,200.31. Based on the results of our review, we have concluded that the total cash did reconcile to the total receipts issued for the day up to the time of the cash count. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

Passwords to gain access to *AbleTerm*, the County's justice information system, are not changed at least every 90 days. According to the Court Coordinator, *AbleTerm* has not been programmed to prompt and require users to change passwords at least every 90 days. In addition, staff does not believe there is a need to update the passwords, since a new system, *Odyssey*, will be installed.

## HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 449<sup>TH</sup> D.C.

The Information Technology (IT) Securities Policy requires that passwords be changed at least every 90 days. Failure to change passwords may increase the risk of unauthorized access to *AbleTerm*.

**Recommendation:**

Management should contact the software provider to request that *AbleTerm* be programmed to prompt and require users to change passwords at least every 90 days. The Information Technology Department should be contacted to request their assistance regarding this recommendation. If this is not feasible, management should monitor that employees change their passwords at least every 90 days.

**Observation No. 2:**

We randomly selected 6 of 14 (43%) dismissed criminal cases for the period of September 1, 2014 through September 30, 2014 to determine if the authorization for dismissal of criminal cases was properly documented. Of the 6 cases files, 1 case file could not be located by staff. A review of the remaining 5 dismissed criminal cases revealed the following:

- 4 (80%) dismissals were properly documented. Of the 4 dismissals, 3 contained an "Order to Dismiss" signed by the Justice of the Peace, copies of documents as proof of dismissal based on the judge's discretion in accordance with state statutes (i.e., copies of hunter education certificate, inspection certificate, etc.), and reason(s) for the dismissal noted in the applicable docket. The remaining dismissal contained a "Motion to Dismiss" submitted by the District Attorney's Office, "Order to Dismiss" signed by the Justice of the Peace, and reason(s) for the dismissal noted in the applicable docket book.
- 1 (20%) dismissal was not properly documented. The dismissal contained an "Order to Dismiss" signed by the Justice of the Peace and reason(s) for the dismissal noted in the applicable docket; however, copies of the document utilized as proof of dismissal based on the judge's discretion (i.e., fishing license) was not maintained in the case file.

According to the Court Coordinator, staff obtains copies of applicable documents for case dismissals; however, staff may have forgotten to obtain copies of the fishing license.

Pursuant to the Justices of the Peace Manual, Justices of the Peace may dismiss cases in criminal proceedings only when specifically authorized to do so by statute or when directed to do so by the prosecution (i.e., district attorney) in accordance with Code of Criminal Procedure Art. 32.02. All dismissals should be noted in the applicable docket book along with the reason(s) for dismissal.

A properly authorized dismissed criminal case should include in the case files and/or the docket book the following:

- "Motion to Dismiss" submitted by the District Attorney's Office, an "Order to Dismiss" signed by the Justice of the Peace, and reason(s) for the dismissal noted in the applicable docket; or
- "Order to Dismiss" and/or judgment signed by the Justice of the Peace, copies of documents as proof of dismissal based on the judge's discretion in accordance with state statutes (i.e. copies of a commercial vehicle service logs, motor vehicle registration, valid driver's license, etc.), and reason(s) for the dismissal noted in the applicable docket.

Failure to properly document dismissals may result in sanctions from the State Commission on Judicial Conduct and/or loss or misuse of County funds.

**Recommendation:**

Management should ensure the authorizations to dismiss cases are properly documented. At a minimum, the procedures noted above should be implemented.

**Observation No. 3:**

We noted during our review that procedures for the accounting of citations received from law enforcement agencies and civil cases filed with the court require improvement as follows:

1. Citations received from law enforcement agencies were not recorded on a log. In addition, a log is maintained for civil cases; however, the civil cases are not consistently recorded on the log;
2. A reconciliation of citations and civil cases filed at the court to those recorded on *AbleTerm*, the case management system, was not conducted and formally documented; and
3. Duties related to citations and civil cases are not properly segregated. Individuals responsible for issuing receipts (custody responsibility) are also responsible for entering citations into *AbleTerm* (recording responsibility).

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JUDGE, 449<sup>TH</sup> D.C.

According to staff, due to a heavy case load and limited staff, procedures for the accounting of citations and civil case filings have not been improved.

The County Auditor's Office requires that a reconciliation of citations and civil cases filed at the court be conducted and formally documented. This reconciliation may be conducted and formally documented by completing a citation/civil cases filed log (log). Citations/civil cases should be entered into *AbleTerm/Odyssey*, the case management systems, the same day they are received. Any exceptions should be brought to the attention of the Supervisor, placed in a locked area, and processed on the next business day. The following procedures should be followed when processing citations:

- a. The person responsible for opening the mail and/or accepting the delivery of citations/civil cases should immediately list citations/civil cases on the log before distribution to the person responsible for entering them on *Ableterm/Odyssey*. Since the person responsible for entering the citations/civil cases on *Ableterm/Odyssey* has recording responsibilities, he/she should not be responsible for accepting payments.
- b. The person responsible for opening the mail and/or accepting the delivery of citations/civil cases should note, at a minimum, the following on the log: date received, citation number, name of violator/plaintiff, and name of officer who issued the citation, as applicable. The person responsible for noting this information should provide his/her signature on the "Prepared by" line of the log.
- c. The person responsible for entering the citations on *Ableterm/Odyssey* should enter the date of entry and docket number assigned to the citation/civil case on the log and provide his/her signature on the "Entered by" line of the log.
- d. The "New Cases" and "Cases Filed" reports for the specified date should be generated from *Ableterm/Odyssey* and reconciled to the log by a person other than the person responsible for entering the citations on *Ableterm/Odyssey*. Any variances should be noted on the log, with a detailed explanation, and immediately brought up to the attention of the Justice of the Peace. In addition, the person conducting this reconciliation should provide his/her signature on the log as acknowledgment of the reconciliation.
- e. Citations should be placed in the applicable file.
- f. The Justice of the Peace should request periodic reports regarding the citations filed with the courts from law enforcement agencies and reconcile the reports to the citations recorded in *Ableterm/Odyssey*.
- g. Copies of the citation logs and periodic reports received from law enforcement agencies shall be maintained by the Justice of the Peace Office. This documentation shall be made available to the County Auditor's Office for review upon request.

Maintaining adequate internal controls over citations is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations.

Failure to ensure that citations and civil cases are properly accounted and reconciled or that compensating controls are implemented increases the risk of loss or misuse of County funds.

#### **Recommendation:**

Management should ensure that citations and civil cases are properly accounted and reconciled. The procedures noted above should be implemented. If the procedures cannot be implemented, management should ensure that compensating controls are implemented.

#### **Observation No. 4:**

A listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds has not been requested from the County Treasurer's Office. According to Court Coordinator, staff was not aware that a hot check list needed to be maintained. In addition, staff only accepts money orders and business checks. Since payments received by check are minimal and personal checks are not accepted, staff believes the possibility of accepting a hot check is decreased.

The County Auditor's Office requires that a listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds be maintained. The hot check list should be referenced when receiving checks from customers.

Failure to maintain a hot check list may result in the loss of County funds.

#### **HIDALGO COUNTY DISTRICT JUDGES**

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JUDGE, 436<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 448<sup>TH</sup> D.C.

**Recommendation:**

Management should request the “hot check” listing from the County Treasurer’s Office.

**Observation No. 5:**

A schedule of authorized fines and fees was not posted in a conspicuous location for the public’s view. According to the Court Coordinator, staff was not aware the schedule of fines and fees was not in display.

The County Auditor’s Office requires that a schedule of authorized fines and fees be posted in a conspicuous location for the public to see. The schedule sets forth those fines and fees to be charged by the County pursuant to state statutes and Commissioners Court approval.

Failure to post the required schedule increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that a schedule of authorized fines and fees is posted in a conspicuous location for the public’s view.

**Observation No. 6:**

We noted during our review that the Close-Out Reports for October 1, 2014, October 2, 2014 and October 3, 2014 were not properly completed. Part III of the Close-Out Report did not contain the signatures of the individuals responsible for counting and witnessing the cash reconciliation and the signature of the Justice of the Peace approving the Close-Out Report. According to the Court Coordinator, the office is currently understaffed since the Assistant Court Coordinator is out on maternity leave.

The County Auditor’s Office requires that cashiers reconcile collections to receipts issued and the approved change fund, if any, on a daily basis by utilizing the *Cashier’s Daily Close-Out Report/Daily Remittance Form* (Close-Out Report). As part of the reconciliation procedures, the individual responsible for counting the cash collected and witnessing the cash reconciliation, must provide his/her signature on Part III of the Close-Out Report. In addition, the Justice of the Peace must sign and date the Close-Out Report to document responsibility for reviewing and approving the Close-Out Report.

Failure to ensure that the signatures of the individuals responsible for counting the cash collected, witnessing the cash reconciliation, and approving the Close-Out Report are noted on Part III of the Close-Out Report increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that the signatures of the individuals responsible for counting the cash collected, witnessing the cash reconciliation, and approving the Close-Out Report are noted on Part III of the Close-Out Report.

Please provide written management responses to the observations noted above by December 2, 2014.

In addition, management should develop and implement procedures for the handling of cash transactions. Please provide our office with copies of the procedures by December 2, 2014. The procedures should include, at a minimum, the following:

- a. An office organizational chart;
- b. Location of cash collection points;
- c. Types of collections made by each cash collection point;
- d. A list of those positions involved with the handling of cash, a description of their duties, and description of how segregation of duties will be maintained;
- e. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and
  6. Computer hardware and software used;
- f. List of the reports prepared/generated for the collection and the reporting of funds, including procedures for preparing the reports, who the reports should be submitted to, and when the reports are due;
- g. A schedule of how often deposits will be made; and

**HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. “BOBBY” FLORES  
JUDGE, 139<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 332<sup>ND</sup> D.C.

NIDE GONZALEZ  
JUDGE, 378<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

ADA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

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JUDGE, 438<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

h. Copies of any related forms/reports.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Gricelda Quintero, Internal Auditor I, at 318-2511 ext. 4643, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Arcy B. Duran, Director of Audit, at ext. 4645, or me at ext.4604.

Respectfully,

  
Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer



HIDALGO COUNTY DISTRICT JUDGES

JAMIE E. TIJERINA  
JUDGE, 92<sup>ND</sup> D.C.

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OVERSEER

LETICIA LOPEZ  
JUDGE, 385<sup>TH</sup> D.C.

aida salinas flores  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

# COUNTY of HIDALGO

## HIDALGO COUNTY AUDITOR'S OFFICE

County Administration Building  
2808 South Business Highway 281  
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WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 23, 2014

The Honorable Charlie Espinoza  
Justice of the Peace, Pct.4, Pl. 1  
212 N. 12<sup>th</sup> Avenue  
Edinburg, TX 78539

Re: Cash Count  
Report No. 2014-561

Dear Judge Espinoza:

We conducted a surprise cash count of the cash held at your office on November 17, 2014, as required by Local Government Code § 115.0035. The objective of the cash count was to determine that total cash on hand reconciled to the total receipts issued up to the time of the cash count and the approved change fund.

### Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. In addition, we evaluated the procedures in place related to the 1.) collections process, 2.) accounting of citations and civil cases filed with the court and 3.) documenting the authorization of dismissed criminal cases for the period of October 1, 2014 through October 31, 2013. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also interviewed staff and reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, segregation of duties, filing of citations and civil cases, and documenting the authorization of dismissed cases.

### Conclusion:

Total collections at the time of the cash count were \$834.00. Based on the results of our review, we have concluded that total cash on hand did reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$50.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

### Observation No. 1:

We noted during our review that a mail log was not utilized to record payments received through the mail. In addition, checks/money orders received through the mail were not immediately restrictively endorsed "For Deposit Only" by the person responsible for opening the mail. Instead, the checks/money orders were restrictively endorsed by the cashiers at the time receipt was issued. According to staff, the Justice of the Peace receives, opens,

#### HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 82<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

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JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

and distributes the mail-in payments to clerks; however, due to time constraints, does not log in all incoming mail or restrictively endorses the checks/money orders "For Deposit Only."

The County Auditor's Office requires that payments received through the mail be recorded on the *Daily Mail Collection Report* (mail log). The person responsible for opening the mail should immediately endorse all checks/ money orders with a restrictive endorsement stamp "For Deposit Only" and list them on the mail log before distribution to the cashier(s).

Failure to ensure that all mail-in payments are properly recorded on a mail log and immediately restrictively endorsed "For Deposit Only" may result in the loss or misuse of County funds.

**Recommendation:**

Management should ensure that all mail-in payments are properly recorded on a mail log and immediately restrictively endorsed "For Deposit Only". Please refer to the Cash Handling Guidelines and Procedures for specific procedures to follow while completing the *Daily Mail Collection Report*.

**Observation No. 2:**

We noted during our review that procedures for the accounting of citations received from law enforcement agencies and civil cases filed with the court require improvement as follows:

1. A reconciliation of citations and civil cases filed at the court to those recorded on *AbleTerm/Odyssey*, the case management system, was not conducted and formally documented; and
2. Duties related to citations and civil cases are not properly segregated. Individuals responsible for issuing receipts (custody responsibility) are also responsible for entering citations and civil cases into *AbleTerm/Odyssey* (reporting responsibility).

According to staff, due to a heavy case load and limited staff, procedures for the accounting of citations and civil case filings have not been improved.

The County Auditor's Office requires that a reconciliation of citations and civil cases filed at the court be conducted and formally documented. This reconciliation may be conducted and formally documented by completing a citation/civil cases filed log (log). Citations/civil cases should be entered into *AbleTerm/ Odyssey*, the case management systems, the same day they are received. Any exceptions should be brought to the attention of the Supervisor, placed in a locked area, and processed on the next business day. The following procedures should be followed when processing citations:

- a. The person responsible for opening the mail and/or accepting the delivery of citations/civil cases should immediately list citations/civil cases on the log before distribution to the person responsible for entering them on *Ableterm/Odyssey*. Since the person responsible for entering the citations/civil cases on *Ableterm/Odyssey* has recording responsibilities, he/she should not be responsible for accepting payments.
- b. The person responsible for opening the mail and/or accepting the delivery of citations/civil cases should note, at a minimum, the following on the log: date received, citation number, name of violator/plaintiff, and name of officer who issued the citation, as applicable. The person responsible for noting this information should provide his/her signature on the "Prepared by" line of the log.
- c. The person responsible for entering the citations on *Ableterm/Odyssey* should enter the date of entry and docket number assigned to the citation/civil case on the log and provide his/her signature on the "Entered by" line of the log.
- d. The "New Cases" and "Cases Filed" reports for the specified date should be generated from *Ableterm/ Odyssey* and reconciled to the log by a person other than the person responsible for entering the citations on *Ableterm/Odyssey*. Any variances should be noted on the log, with a detailed explanation, and immediately brought up to the attention of the Justice of the Peace. In addition, the person conducting this reconciliation should provide his/her signature on the log as acknowledgment of the reconciliation.
- e. Citations should be placed in the applicable file.
- f. The Justice of the Peace should request periodic reports regarding the citations filed with the courts from law enforcement agencies and reconcile the reports to the citations recorded in *Ableterm/Odyssey*.
- g. Copies of the citation logs and periodic reports received from law enforcement agencies shall be maintained by the Justice of the Peace Office. This documentation shall be made available to the County Auditor's Office for review upon request.

**HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TIJERINA  
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RODOLFO DELGADO  
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JUDGE, 135<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
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JUAN R. PARTIDA  
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JUDGE, 449<sup>TH</sup> D.C.

Maintaining adequate internal controls over citations is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations.

Failure to ensure that citations and civil cases are properly accounted and reconciled or that compensating controls are implemented increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that citations and civil cases are properly accounted and reconciled. The procedures noted above should be implemented. If the procedures cannot be implemented, management should ensure that compensating controls are implemented.

**Observation No. 3:**

A notice stating "A \$\_\_ fee will be collected on all returned checks" was not posted in a conspicuous location for the public's view. According to staff, the required notice was posted; however, due wear and tear, the notice fell off and it was not replaced.

The County Auditor's Office requires that a notice stating "A \$\_\_ fee will be collected on all returned checks" be posted in a conspicuous location for the public's view.

Failure to post the required notice increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that a notice stating "A \$\_\_ fee will be collected on all returned checks" is posted in a conspicuous location for the public's view.

**Observation No. 4:**

A listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds is not maintained. According to staff, a copy of the hot check list has not been requested from the County Treasurer's Office. In addition, if staff notices that a patron previously made payment with an insufficient funds check, checks will no longer be accepted as payment from the patron.

The County Auditor's Office requires that a listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds be maintained. The hot check list should be referenced when receiving checks from customers.

Failure to maintain a hot check list may result in the loss of County funds.

**Recommendation:**

Management should request the "hot check" listing from the County Treasurer's Office.

**Observation No. 5:**

Passwords to gain access to *AbleTerm*, the County's justice information system, are not changed at least every 90 days since. According to staff, *AbleTerm* has not been programmed to prompt and require users to change passwords at least every 90 days. In addition, a change of passwords is not necessary since usernames and passwords are kept private.

The Information Technology (IT) Securities Policy requires that passwords be changed at least every 90 days.

Failure to change passwords may increase the risk of unauthorized access to *AbleTerm*.

**Recommendation:**

Management should contact the software provider to request that *AbleTerm* be programmed to prompt and require users to change passwords at least every 90 days. The Information Technology Department should be contacted to request their assistance regarding this recommendation. If this is not feasible, management should monitor that employees change their passwords at least every 90 days.

Please provide written management responses to the observations noted above by January 16, 2015.

**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TLIERNA  
JUDGE, 32<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 33<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 138<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

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JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

In addition, management should develop and implement procedures for the handling of cash transactions. These procedures should include, at a minimum, the following:

- a. An office organizational chart;
- b. Location of cash collection points;
- c. Types of collections made by each cash collection point;
- d. A list of those positions involved with the handling of cash, a description of their duties, and description of how segregation of duties will be maintained;
- e. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and
  6. Computer hardware and software used;
- f. List of the reports prepared/generated for the collection and the reporting of funds, including procedures for preparing the reports, who the reports should be submitted to, and when the reports are due;
- g. A schedule of how often deposits will be made; and
- h. Copies of any related forms/reports.

Please provide our office with copies of the procedures by January 16, 2015.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Alejandra Santa Ana, Internal Auditor I, at 318-2511 ext. 4647, Yvonne Torres, Revenue Audit Supervisor, at ext. 4645, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Sincerely,

  
Ray Enfracio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer



**HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TUERINA  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
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# COUNTY of HIDALGO

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EDINBURG, TEXAS 78539

November 24, 2014

Honorable Pablo (Paul) Villarreal Jr., RTA  
Hidalgo County Tax Assessor/Collector  
2804 South Business Highway 281  
Edinburg, Texas 78539

Re: Cash Count  
Report No. 2014-567

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the Alamo Motor Vehicle Substation on November 4, 2014, as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

## Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

## Conclusion:

Total cash on hand at the time of the cash count was \$16,368.73. Based on the results of our review, we have concluded that generally total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$2,300.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

## Observation No. 1:

*Web Agent*, a web-based motor vehicle registration and titling application, was recently implemented by the Motor Vehicle Division to help speed registration renewals. *Web Agent* is occasionally used when the Motor Vehicle Division is very busy. According to staff, *Web Agent* does not allow cashiers to select the method of payment; instead, *Web Agent* automatically records "check" as the method of payment.

The County Auditor's Office requires that receipts contain sufficient information to create an adequate audit trail that ensures proper allocation of funds. At a minimum the cash receipt must include fields for the date,

## HIDALGO COUNTY DISTRICT JUDGES

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JESSE CONTRERAS  
JUDGE, 448<sup>TH</sup> D.C.

payer name, form of payment, check number, amount, account name to be credited, description (e.g., account number, permit number, case number, style of case number, etc), and the initials or signature of the cashier.

*Web Agent* has not been programmed to allow the proper method of payment to be recorded on receipts. This increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should contact the software provider to request that *Web Agent* be modified to allow the proper method of method of payment to be recorded on receipts. In the alternative, *Web Agent* should only be utilized to receipt transactions paid by check.

**Observation No. 2:**

According to staff, a listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds has not been requested from the County Treasurer's Office. Since payments received by check are minimal and personal checks are not accepted, staff believes the possibility of accepting a hot check is decreased.

The County Auditor's Office requires that a listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds be maintained. The hot check list should be referenced when receiving checks from customers.

Failure to maintain a hot check list increases the risk of loss of County funds.

**Recommendation:**

Management should ensure that all Motor Vehicle locations have an updated listing of the names of customers whose checks have been returned by the bank due to insufficient funds, closed accounts, unauthorized signatures, etc.

**Observation No. 3:**

During the cash count, we were informed that the safe's combination, where the change fund and collections are safeguarded, was not changed when the previous Supervisor retired. According to staff, they were not aware that the safe's combination needed to be changed.

The County Auditor's Office requires that keys, access passwords, or safe combinations to restricted areas should be issued to as few employees as possible. Access passwords and safe combinations must be changed at lease every two years or when an employee with knowledge of the access password or safe combination is transferred or terminates employment. In addition, employees must be required to return keys prior to terminating employment or when a change in responsibilities occurs.

Failure to ensure that the safe's combination is changed when an employee with knowledge of the combination retires increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that the safe's combination is changed when an employee with knowledge of the combination is transferred or terminates employment. In addition, management should ensure that employees handling cash read section B.18 of the "Cash Handling Guidelines and Procedures" regarding the changing/updating of passwords.

Please provide a written management response to the observations noted above by December 12, 2014.

Procedures established by your department for the handling of cash were previously provided to the Auditor's Office; however, the procedures did not address the following:

- a. The training that will be provided at the collection point and description of how segregation of duties will be maintained;
- b. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and

**HIDALGO COUNTY DISTRICT JUDGES**

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NOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

- 6. Computer hardware and software used; and
- c. A schedule of how often deposits will be made.

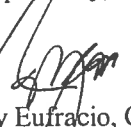
In addition, since there has been a change in office personnel provide the following:

- d. An office organizational chart;
- e. A list of those positions involved with the handling of cash, a description of their duties, and description of how segregation of duties will be maintained.

Please provide our office with copies of the procedures listed above and any updated procedures, if applicable, by December 12, 2014.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Crystal A. Puente, Internal Auditor II, at (956) 318-2511, ext. 4646, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Arcy B. Duran, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,

  
Ray Eufrazio, CPA  
County Auditor

cc: Valde Guerra, Executive Officer of Commissioners Court  
Santos Castilleja, Motor Vehicle Division Manager  
Norma Ochoa, Mission Motor Vehicle Substation Supervisor



**HIDALGO COUNTY DISTRICT JUDGES**

JAMIE E. TIJERINA, JR.  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 53<sup>RD</sup> D.C.

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JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

# COUNTY of HIDALGO

**HIDALGO COUNTY AUDITOR'S OFFICE**  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

December 15, 2014

The Honorable Pablo (Paul) Villarreal, Jr., RTA  
Hidalgo County Tax Assessor/Collector  
2804 South Business Highway 281  
Edinburg, Texas 78539

Re: Cash Count  
Report No. 2014-573

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the Alamo Tax Office on November 4, 2014, as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

#### Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

#### Conclusion:

Total cash on hand at the time of the cash count was \$32,316.46. Based on the results of our review, we have concluded that generally total cash on hand did not reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$300.00 (see observation No. 1). In addition, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

#### Observation No. 1:

Total receipts for the day up to the time of the cash count did not reconcile to the cash on hand. Cash on hand was over by \$10.00. According to staff, a cashier failed to provide a taxpayer with the correct change.

The County Auditor's Office requires that the correct change be provided to taxpayers. Therefore, the cashier must count currency and coins in front of the taxpayer when change is being provided.

Failure to ensure that the correct change is provided to taxpayers may result in the loss or misuse of County funds.

#### HIDALGO COUNTY DISTRICT JUDGES

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ISRAEL RAMON, JR.  
JUDGE, 436<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

**Recommendation:**

Management should ensure that the correct change is provided to taxpayers. The cashier must count currency and coins in front of the taxpayer when change is being provided.

**Observation No. 2:**

During the cash count, we were informed that the safe's combination, where the change fund and collections are safeguarded, was not changed when the previous Supervisor retired. According to staff, they were not aware that the safe's combination needed to be changed.

The County Auditor's Office requires that keys, access passwords, or safe combinations to restricted areas should be issued to as few employees as possible. Access passwords and safe combinations must be changed at least every two years or when an employee with knowledge of the access password or safe combination is transferred or terminates employment. In addition, employees must be required to return keys prior to terminating employment or when a change in responsibilities occurs.

Failure to ensure that the safe's combination is changed when an employee with knowledge of the combination retires may result in the loss or misuse of County funds.

**Recommendation:**

Management should ensure that the safe's combination is changed when an employee with knowledge of the combination is transferred or terminates employment. In addition, management should ensure that employees handling cash read section B.18 of the "Cash Handling Guidelines and Procedures" regarding the changing/updating of passwords.

Please provide a written management response to the observations noted above by January 5, 2014. In addition, please provide our office with copies of the procedures listed below and any updated procedures, if applicable, by January 5, 2015.

- a. Location of cash collection points;
- b. Types of collections made by each cash collection point;
- c. The training that will be provided at the collection point and description of how segregation of duties will be maintained;
- d. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and
  6. Computer hardware and software used; and
- e. A schedule of how often deposits will be made.

In addition, since there has been a change in office personnel please provide: 1.) an office organizational chart, and 2.) a list of those positions involved with the handling of cash, a description of their duties, and description of how segregation of duties will be maintained.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Abigail Guajardo, MSA, Internal Auditor I, at (956) 318-2511, ext. 4652, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,

  
Ray Eufrazio, CPA  
County Auditor

cc: Eva Mireles, Chief of Operations  
Daisy Perez, Assistant Substation Supervisor  
Valde Guerra, Commissioners Court Executive Officer

**HIDALGO COUNTY DISTRICT JUDGES**

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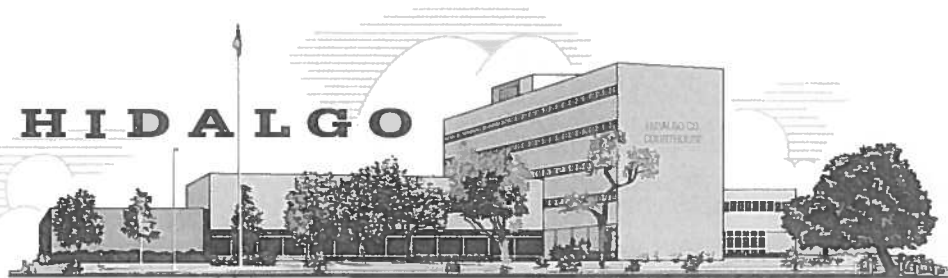
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JUDGE, 430<sup>TH</sup> D.C.

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JUDGE, 449<sup>TH</sup> D.C.

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EDINBURG, TEXAS 78539

December 23, 2014

The Honorable Norma G. Garcia  
Hidalgo County Treasurer  
2810 South Business Highway 281  
Edinburg, TX 78539-6243

Re: Cash Count  
Report No. 2014-576

Dear Ms. Garcia:

We conducted a surprise cash count of the cash held at the County Treasurer's Office on October 9, 2014 pursuant to Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

**Scope:**

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

**Conclusion:**

Cash on hand at the time of the cash count, including credit memos, totaled \$431,058.23. Based on the results of our review, we have concluded that total cash on hand did reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$50.00. In addition, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

**Observation No. 1:**

A notice stating "Gifts, gratuities, and/or tips will not be accepted" was not posted in a conspicuous location for the public's view. According to the Chief Deputy, the sign will be posted.

The County Auditor's Office requires that a notice stating "Gifts, gratuities, and/or tips will not be accepted" be posted in a conspicuous location for the public's view.

Failure to post the required notice increases the risk of loss or misuse of County funds.

**HIDALGO COUNTY DISTRICT JUDGES**

JAIME E. TIJERINA  
JUDGE, 52<sup>ND</sup> D.C.

RODOLFO DELGADO  
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JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 448<sup>TH</sup> D.C.

**Recommendation:**

Management should ensure that a notice stating "Gifts, gratuities, and/or tips will not be accepted" is posted in a conspicuous location for the public's view.

**Observation No. 2:**

We noted during our review that procedures for processing mail require improvement as noted below:

1. A continuous mail log instead of a daily mail log was utilized to record mail-in payments.
2. The person responsible for opening the mail does not immediately restrictively endorse checks received "For Deposit Only."
3. The signature of the person responsible for receipting the mail-in payments was not noted on the mail log.
4. The signature of the person responsible for verifying that an official County receipt was issued for each mail-in payment was not noted on the mail log.

According to the Chief Deputy, improvements to the procedures for processing mail are being developed and will be implemented when completed.

The County Auditor's Office requires that mail-in payments be listed on a daily mail log. The employee responsible for opening the mail and listing the mail-in payments must sign and date the mail log to document responsibility for verifying the cash received and preparing the listing. Mail-in payments must then be transferred to the cashier. After issuing a receipt for the mail-in payment, the cashier must enter the receipt date and receipt number issued for the mail-in payment on the mail log. The cashier must also sign and date the mail log to document responsibility for issuing the receipts. In addition, an employee other than the cashier should verify that an official County receipt was issued for each mail-in payment. The employee conducting this verification must sign and date the mail log to document responsibility for the verification.

Failure to ensure that the mail log is properly prepared may result in the loss or misuse of County funds.

**Recommendation:**

Management should ensure that the mail log is properly prepared. Please refer to the mail log section of the "Cash Handling Policy, Guidelines, and Procedures" prescribed by the County Auditor's Office for the minimum procedures to be implemented regarding mail-in payments.

**Observation No. 3:**

We noted during our review that the daily balancing procedures utilizing the *Daily Deposit Control Master Form* (Close-Out Report) were not properly completed. The reconciliation of cash on hand to receipts issued by each cashier was conducted by the Accountant and not witnessed by an individual.

According to the Accountant, no distractions or interruptions must be made when performing the daily reconciliation procedures; therefore, the reconciliation is not witnessed by an individual.

The County Auditor's Office requires that cash on hand be reconciled to receipts issued and the approved change fund, if any, on a daily basis. The reconciliation should be documented on the Close-Out Report. The following procedures should be consistently implemented when preparing the Close-Out Report:

1. The Cashier shall count the money and fill in the appropriate amounts on the Close-Out Report.
2. The Witness shall total the actual receipts issued for the day of collection and note the beginning and ending receipt and batch numbers on the appropriate line of the Close-Out Report.
3. The Witness shall then generate the *Summary of Monies Collected* and *Cash Receipts Edit List* for the date of collection and verify that the beginning and ending receipt number and total collections noted on the *Summary of Monies Collected* and *Cash Receipts Edit List* agree to those verified on Step 2.
4. The Witness shall then confirm the amount counted by the Cashier for each bank account on the Close-Out Report agrees to the receipts issued and the approved change fund amount, if any. Any variances should be noted on the Comments Section, with a detailed explanation.
5. Both the Cashier and the Witness shall verify that the Close-Out Report is completely filled out. Both the Cashier and Witness shall provide their signature on the certification section of the Close-Out Report.
6. A deposit slip shall be prepared for each bank account. If possible, deposit slips should be prepared by someone other than the Cashier. Any and all overages shall be included in the deposit. The deposit slip shall be identified by noting the date of collection and batch/receipt sequence for which the deposit is being made. The check numbers, money order numbers, cashier check numbers, etc., shall be noted on

**HIDALGO COUNTY DISTRICT JUDGES**

the deposit slip. If this is not possible, copies of these items shall be maintained and attached to the Close-Out Report.

7. The Witness shall enter the deposit slip number, the total amount to be deposited, and the general ledger account number to which the funds shall be credited on the Close-Out Report.
8. The validated deposit slip shall be compared to the Close-Out Report by the Treasurer or Chief Deputy. Both amounts should agree. The Close-Out Report shall include a line where the Treasurer or Chief Deputy shall acknowledge this verification by providing his/her signature on the appropriate line of the Close-Out Report.
9. The Treasurer or Chief Deputy shall approve the Close-Out Report by providing his/her signature on the certification section of the Close-Out Report.
10. Copies of the Close-Out Report, validated deposit slip, and checks/ money orders/cashier's checks etc., shall be maintained by the Treasurer's Office. This documentation shall be made available to the County Auditor's Office for review upon request.

Failure to ensure that the daily balancing procedures are witnessed by an individual increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that the daily balancing procedures are witnessed by an individual. At a minimum, the procedures noted above should be implemented.

**Observation No. 4:**

According to staff, unissued checks are safeguarded in a locked storage room; however, all employees have access to the room during work hours. According to the Chief Deputy, all employees with the exception of the individual responsible for printing checks have been notified that unissued checks should not be removed from the locked storage room.

The County Auditor's Office requires that departments designate an employee responsible for maintaining custody of unissued checks in a secure place. Access to the secure place must be limited to as few employees as possible.

Failure to ensure that access to unissued checks is limited to as few employees as possible increases the risk of loss or misuse of County funds.

**Recommendation:**

Management should ensure that access to unissued checks is limited to as few employees as possible. At a minimum, the procedures noted above should be implemented.

Please provide written management responses to the observations noted above by January 16, 2015.

In addition, please provide us with copies of the written procedures and internal controls established by your department for the handling of cash and cash equivalent transactions. The written procedures should include, at a minimum, the following:

- a. An office organizational chart;
- b. Location of cash collection points;
- c. Types of collections made by each cash collection point;
- d. A list of those positions involved with the handling of cash, a description of their duties, training that will be provided, and description of how segregation of duties will be maintained;
- e. A complete start to finish description of the following:
  1. Process for accounting and safeguarding of the change fund, if any;
  2. Process for safeguarding cash until it is deposited;
  3. Process for accounting and safeguarding mail-in payments;
  4. Process for reconciling collections, including frequency of reconciliation;
  5. Bookkeeping system used, and how it is maintained; and
  6. Computer hardware and software used;
- f. List of the reports prepared/generated for the collection and the reporting of funds, including procedures for preparing the reports, who the reports should be submitted to, and when the reports are due;
- g. A schedule of how often deposits will be made; and

**HIDALGO COUNTY DISTRICT JUDGES**

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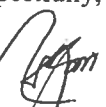
JESSE CONTRERAS  
JUDGE, 449<sup>TH</sup> D.C.

h. Copies of any related forms/reports.

Please provide our office with copies of the procedures by January 16, 2015.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions or would like to schedule a meeting to discuss this cash count, please contact Abigail Guajardo, MSA, Internal Auditor I, at (956) 318-2511, ext. 4652, Yvonne Torres, Revenue Audit Supervisor, ext. 4642, Arcy B. Duran, CPA, Director of Audit, ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufacio, CPA  
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer  
Fred Zamarripa, Chief Deputy



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**HIDALGO COUNTY DISTRICT JUDGES**

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