

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



EDINBURG, TEXAS 78539

February 13, 2017

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 |
|--|--------------|---|
| Ms. Yvonne Ramon, Elections Administrator | \$ 2,046.94 | Oct. 2016 Monthly Report/Letter |
| Ms. Yvonne Ramon, Elections Administrator | \$ 43,236.89 | Nov. 2016 Monthly Report/Letter |
| Ms. Yvonne Ramon, Elections Administrator | \$ 14,873.83 | Dec. 2016 Monthly Report/Letter |
| Mr. T.J. Arredondo, Director of Planning | \$ 32,819.16 | Nov. 2016 Monthly Report/Letter |
| Mr. T.J. Arredondo, Director of Planning | \$ 13,001.35 | Dec. 2016 Monthly Report/Letter |
| Ms. Angie Chap, Law Librarian | \$ 899.00 | Nov. 2016 Monthly Report/Letter |
| Ms. Angie Chap, Law Librarian | \$ 1,092.25 | Dec. 2016 Monthly Report/Letter |
| Mr. Homero Garza, Fire Marshal | \$ 7,768.25 | Dec. 2016 Monthly Report/Letter |
| Mr. Eduardo Olivarez, Chief Administrator Officer Hidalgo County Health and Human Services Department | \$ 22,670.00 | Nov. 2016 Monthly Report/Letter |
| Mr. Eduardo Olivarez, Chief Administrator Officer Hidalgo County Health and Human Services Department | \$ 14,260.00 | Dec. 2016 Monthly Report/Letter |
| The Hon. David Fuentes, Commissioner Precinct No. 1 | \$ 16,150.00 | Nov. 2016 Monthly Report/Letter Sanitation Program |
| The Hon. David Fuentes, Commissioner Precinct No. 1 | \$ 11,675.00 | Dec. 2016 Monthly Report/Letter Sanitation Program |
| The Hon. David Fuentes, Commissioner Precinct No. 1 | \$ 40.00 | Dec. 2016 Monthly Report/Letter Delta Lake |
| The Hon. Eduardo Cantu, Commissioner Precinct No. 2 | \$ 5,900.00 | Dec. 2016 Monthly Report/Letter Sanitation Program |
| The Hon. Jose M. Flores, Commissioner Precinct No. 3 | \$ 35,625.00 | Nov. 2016 Monthly Report/Letter Sanitation Program |
| The Hon. Jose M. Flores, Commissioner Precinct No. 3 | \$ 34,025.00 | Dec. 2016 Monthly Report/Letter Sanitation Program |
| The Hon. Jose M. Flores, Commissioner Precinct No. 3 | \$ 224.00 | Dec. 2016 Monthly Report/Letter Anzalduas Park |
| The Hon. Joseph Palacios, Commissioner Precinct No. 4 | \$ 26,800.00 | Nov. 2016 Monthly Report/Letter Sanitation Program |
| The Hon. Joseph Palacios, Commissioner Precinct No. 4 | \$ 31,000.00 | Dec. 2016 Monthly Report/Letter Sanitation Program |

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
 JUDGE, 92ND D.C.

RODOLFO DELGADO
 JUDGE, 89TH D.C.

J. R. "BOBBY" FLORES
 JUDGE, 139TH D.C.

ROSE GUERRA REYNA
 JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
 JUDGE, 332ND D.C.

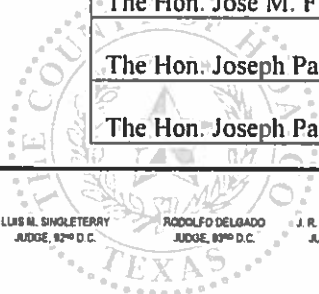
NOE GONZALEZ
 JUDGE, 370TH D.C.
 OVERBEER

LETICIA LOPEZ
 JUDGE, 389TH D.C.

L. KEHO VASQUEZ
 JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
 JUDGE, 400TH D.C.

RENEE R. BETANCOURT
 JUDGE, 449TH D.C.



| | | |
|---|--------------|---|
| The Hon. Celestino Avila Jr. Constable Precinct No. 1 | \$ 2,275.00 | Nov. 2016 Monthly Report/Letter |
| The Hon. Celestino Avila Jr. Constable Precinct No. 1 | \$ 3,719.00 | Dec. 2016 Monthly Report/Letter |
| The Hon. Martin Cantu, Constable Precinct No. 2 | \$ 17,099.00 | Nov. 2016 Monthly Report/Letter |
| The Hon. Martin Cantu, Constable Precinct No. 2 | \$ 8,777.00 | Dec. 2016 Monthly Report/Letter |
| The Hon. Lazaro Gallardo, Constable Precinct No. 3 | \$ 9,750.00 | Nov. 2016 Monthly Report/Letter |
| The Hon. Lazaro Gallardo, Constable Precinct No. 3 | \$ 1,750.00 | Dec. 2016 Monthly Report/Letter |
| The Hon. Atanacio Gaitan Jr. Constable Precinct No. 4 | \$ 705.00 | Nov. 2016 Monthly Report/Letter |
| The Hon. Atanacio Gaitan Jr. Constable Precinct No. 4 | \$ 705.00 | Dec. 2016 Monthly Report/Letter |
| The Hon. Eddie Guerra, Hidalgo County Sheriff | \$ 63,640.41 | Nov. 2016 Monthly Report/Letter Fee Report |
| The Hon. Eddie Guerra, Hidalgo County Sheriff | \$ 52,010.25 | Dec. 2016 Monthly Report/Letter Fee Report |

| Department | Description |
|--|---|
| The Hon. Eddie Guerra, Hidalgo County Sheriff | Review of Sheriff's Inmate Trust Financial Statements For the Month ended September 30, 2016 |
| The Hon. Eddie Guerra, Hidalgo County Sheriff | Review of Sheriff's "D" Monthly Fines and Fees Report and Supporting Documentation For the month ended October 31, 2016 |
| The Hon. Eddie Guerra, Hidalgo County Sheriff | Review of Sheriff's "D" Monthly Fines and Fees Report and Supporting Documentation For the month ended November 30, 2016 |
| The Hon. Eddie Guerra, Hidalgo County Sheriff | Review of Sheriff's "D" Monthly Fines and Fees Report and Supporting Documentation For the month ended December 31, 2016 |
| The Hon. Eddie Guerra, Hidalgo County Sheriff | Review of Sheriff's Regular Trust Fund Financial Statements For the Month Ended October 31, 2016 |
| The Hon. Eddie Guerra, Hidalgo County Sheriff | Review of Sheriff's Regular Trust Fund Financial Statements For the Month s Ended November 30, 2016 and December 31, 2016 |
| The Hon. Eddie Guerra, Hidalgo County Sheriff | Review of Sheriff's Fee Financial Statements For the Months Ended October 31, 2016 and November 30, 2016 |
| The Hon. Eddie Guerra, Hidalgo County Sheriff | Review of Sheriff's Fee Financial Statements For the Month of December 2016 |
| The Hon. Eddie Guerra, Hidalgo County Sheriff | Review of Sheriff's "B" Account Financial Statements For the Month ended October 31, 2016 |
| The Hon. Eddie Guerra, Hidalgo County Sheriff | Review of Sheriff's "B" Account Financial Statements For the Month ended November 30, 2016 |
| The Hon. Eddie Guerra, Hidalgo County Sheriff | Review of Sheriff's "B" Account Financial Statements For the Month ended December 31, 2016 |
| The Hon. Eddie Guerra, Hidalgo County Sheriff | Review of Sheriff's Investigation Fund Balance Sheets For the Month Ended October 31, 2016 |
| The Hon. Eddie Guerra, Hidalgo County Sheriff | Review of Sheriff's Investigation Fund Balance Sheets For the Month Ended November 30, 2016 |
| The Hon. Eddie Guerra, Hidalgo County Sheriff | Review of Sheriff's Investigation Fund Balance Sheets For the Month Ended December 31, 2016 |
| The Hon. Ricardo Rodriguez, Jr. Hidalgo County Criminal District Attorney | Review of the H.B. 65 Financial Statements For the month of October 2016 |
| The Hon. Ricardo Rodriguez, Jr. Hidalgo County Criminal District Attorney | Review of Hot Checks Processing Fees Reports and Supporting Documentation For the Month of November 2016 |
| The Hon. Ricardo Rodriguez, Jr. Hidalgo County Criminal District Attorney | Review of Hot Checks Processing Fees Reports and Supporting Documentation For the Month of December 2016 |

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
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JUAN R. PARTIDA
 JUDGE, 273RD D.C.

MARIO E. RAMIREZ, JR.
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ISRAEL RAMON, JR.
 JUDGE, 430TH D.C.

RENEE R. BETANCOURT
 JUDGE, 449TH D.C.

| | |
|--|---|
| The Hon. Ricardo Rodriguez, Jr. Hidalgo County Criminal District Attorney | Review of the Hot Checks Balance Sheet For the month of October 2016 |
| The Hon. Ricardo Rodriguez, Jr. Hidalgo County Criminal District Attorney | Review of the Hot Checks Balance Sheet For the month of November 2016 |
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| The Hon. Ricardo Rodriguez, Jr. Hidalgo County Criminal District Attorney | Review of the H.B. 65 Financial Statements For the month of December 2016 |
| The Hon. Ricardo Rodriguez, Jr. Hidalgo County Criminal District Attorney | Review of the HIDTA Financial Statements For the month of December 2016 |
| The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector | Review of Delinquent Tax Attorney Payment Request-December 2016 Report No. 2017-12 |
| Mr. Richard Hinojosa, City Manager, City of Edinburg | Reinvestment Zone No. 1, Edinburg, Texas, The Shoppes (THEB2) Report No. 2016-29 |
| Mr. Richard Hinojosa, City Manager, City of Edinburg | Reinvestment Zone No. 4, Edinburg, Texas, Entertainment Center (THEB4) Report No. 2016-31 |
| The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector | Review of Delinquent Tax Attorney Payment Request-November 2016 Report No. 2016-82 |
| The Hon. Atanacio Gaitan Jr. Constable Precinct No. 4 | Cash Count Audit No. 2016-81 |
| The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector | Pharr Motor Vehicle-Cash Count Report No. 2016-526 |
| The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector | Weslaco Motor Vehicle-Cash Count Report No. 2016-527 |
| The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector | Edinburg Motor Vehicle-Cash Count Report No. 2016-528 |
| The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector | Mission Motor Vehicle-Cash Count Audit No. 2016-531 |
| Mr. Arturo Guajardo, Jr. Hidalgo County Clerk | Main Office-Cash Count Report No. 2016-532 |
| The Hon. Jaime J. Munoz, Justice of the Peace Pct. 2 Pl. 2 | Cash Count Report No. 2016-538 |
| The Hon. Homer Jasso, Sr. Justice of the Peace Pct. 4 Pl. 2 | Cash Count Report No. 2016-542 |
| Mr. Eduardo Olivarez, Chief Administrator Officer Hidalgo County Health and Human Services Department | Edinburg Health Clinic-Cash Count Report No. 2016-547 |
| Mr. Eduardo Olivarez, Chief Administrator Officer Hidalgo County Health and Human Services Department | McAllen Health Clinic-Cash Count Report No. 2016-548 |
| Mr. Arnold K. Patrick, Director Community Supervision and Corrections Department | Cash Count Report No. 2016-552 |
| The Hon. Norma G. Garcia, Hidalgo County Treasurer | Cash Count Report No. 2016-554 |
| The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector | Alamo Tax Office-Cash Count Report No. 2016-558 |
| The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector | San Juan Office-Cash Count Report No. 2016-559 |
| The Hon. Marcos Ochoa, Justice of the Peace, Pct. 3 Pl. 2 | Cash Count Report No. 2016-566 |

Respectfully,


Ray Eufrazio, CPA
Hidalgo County Auditor

Attachments

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
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ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH D.C.

**HIDALGO COUNTY ELECTIONS DEPARTMENT
MONTHLY FEES REPORT
FOR THE MONTH ENDED October, 2016**

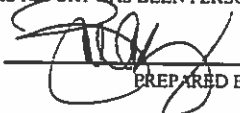
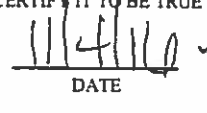
PART I: SUMMARY OF MONTHLY COLLECTIONS

| A | B Receipt Date | C Elections Receipt # Sequence | | E Revenues | | | G Total Collected | H COUNTY TREASURER | | | K OVER/ (SHORT) |
|--------------|-------------------|-----------------------------------|-------|----------------------|--------------------------|----------------|----------------------|-----------------------|-------------------|--------|--------------------|
| | | D BEG # | END # | Contractual Revenues | Non-Contractual Revenues | Receipt Amount | | I Receipt No. | J Receipt Date | | |
| | | | | | | | | | | | |
| 1 | 1-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 2 | 2-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 3 | 3-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 4 | 4-Oct-16 | 919 | 919 | \$ - | \$ 34.80 | \$ 34.80 | \$ 14.80 | 203184 | 10/06/16 | 2 days | |
| 5 | 5-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 6 | 6-Oct-16 | 920 | 921 | \$ 1,639.48 | \$ - | \$ 1,639.48 | \$ 1,639.48 | 203252 | 10/07/16 | 1 day | |
| 7 | 7-Oct-16 | 922 | 922 | \$ - | \$ 26.80 | \$ 26.80 | \$ 26.80 | 203340 | 10/11/16 | 1 day | |
| 8 | 8-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 9 | 9-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 10 | 10-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 11 | 11-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 12 | 12-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 13 | 13-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 14 | 14-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 15 | 15-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 16 | 16-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 17 | 17-Oct-16 | 923 | 923 | \$ - | \$ 17.50 | \$ 17.50 | \$ 17.50 | 203488 | 10/18/16 | 1 day | |
| 18 | 18-Oct-16 | 924 | 924 | \$ - | \$ 17.50 | \$ 17.50 | \$ 17.50 | 203525 | 10/19/16 | 1 day | |
| 19 | 19-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 20 | 20-Oct-16 | 925 | 925 | \$ - | \$ 17.50 | \$ 17.50 | \$ 17.50 | 203685 | 10/21/16 | 1 day | |
| 21 | 21-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 22 | 22-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 23 | 23-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 24 | 24-Oct-16 | 926 | 929 | \$ 192.94 | \$ 48.90 | \$ 241.84 | \$ 241.84 | 203787 | 10/25/16 | 1 day | |
| 25 | 25-Oct-16 | 930 | 930 | \$ - | \$ 17.50 | \$ 17.50 | \$ 17.50 | 203837 | 10/26/16 | 1 day | |
| 26 | 26-Oct-16 | 931 | 931 | \$ - | \$ 17.50 | \$ 17.50 | \$ 17.50 | 203909 | 10/27/16 | 1 day | |
| 27 | 27-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 28 | 28-Oct-16 | 932 | 932 | \$ 36.52 | \$ - | \$ 36.52 | \$ 36.52 | 203993 | 10/31/16 | 1 day | |
| 29 | 29-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 30 | 30-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| 31 | 31-Oct-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | | |
| TOTAL | | | | \$ 1,868.94 | \$ 178.00 | \$ 2,046.94 | | | | 0.00 | |


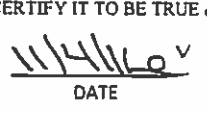
PART II: SUMMARY OF YEARLY COLLECTIONS:

| | | | |
|--------------|---------------|--------------|---------------|
| January | \$ 53,950.86 | July | \$ 1,174.20 |
| February | \$ 41,278.70 | August | \$ 91,754.38 |
| March | \$ 3,081.74 | September | \$ 20,717.05 |
| April | \$ 23,483.06 | October | \$ 2,046.94 |
| May | \$ 20,895.75 | November | |
| June | \$ 17,591.77 | December | |
| (1) Subtotal | \$ 160,281.88 | (2) Subtotal | \$ 115,692.55 |
| | | Total (1+2) | \$ 275,974.43 |

THIS REPORT HAS BEEN PERSONALLY PREPARED BY ME & I CERTIFY IT TO BE TRUE & CORRECT TO THE BEST OF MY KNOWLEDGE

 PREPARED BY
 DATE

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

 ELECTIONS ADMINISTRATOR
 DATE

This Report is Due in the Office of the County Auditor before the 5th day of the following month.
 COUNTY AUDITOR'S FORM: RE-CLL-001

AUDITED BY: THE HIDALGO COUNTY AUDITOR'S OFFICE
 DATE: 11-09-16 REVISID 01/15
 LPT 11/24/16

XI

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



EDINBURG, TEXAS 78539

December 15, 2016

Ms. Yvonne Ramon, Elections Administrator
Hidalgo County Elections Department
101 S. 10th Street
Edinburg, Texas 78539

Re: Review of *Monthly Fees Report* and Supporting Documentation
For the Month of October 2016

Dear Ms. Ramon:

We have conducted a limited scope review of the *Monthly Fees Report (Monthly Report)* and supporting documentation for the month of October 2016 pursuant to Local Government Code §115.002 (a) and (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 by your office on the *Monthly Report* for the month of October 2016. 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 the *Monthly Report*, fee schedules, and *Contract for Lease Election Services* approved by Commissioners Court. The following procedures were performed:

- Reviewed the submittal date of the *Monthly Report* to the County Auditor's Office to determine if the report and supporting documentation were received within 5 days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly 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 Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if fees were allocated and reported in the proper amounts.
- Verified that procedures for voided receipts were properly followed.
- Verified that collections per the *Monthly Report* agreed to: 1.) total deposits made with the County Treasurer and 2.) total deposits posted to *alio's* Undistributed Receipts general ledger account.
- Verified that the 10% administrative fee pursuant to Article VI Cost of Service and Billing in the *Contract for Lease Election Services* and Elections Code §31.100(d) was paid timely.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 92nd D C

RODOLFO DELGADO
JUDGE, 93rd D C

J R. "BOBBY" FLORES
JUDGE, 135th D C

ROSE GUERRA REYNA
JUDGE, 306th D C

JUAN R. PARTIDA
JUDGE, 275th D C

MARIO E. RAMIREZ, JR.
JUDGE, 312nd D C

NOE GONZALEZ
JUDGE, 370th D C
OVERSEER

LETICIA LOPEZ
JUDGE, 389th D C

AIDA SALINAS FLORES
JUDGE, 398th D C

ISRAEL RAMON, JR.
JUDGE, 430th D C

JESSE CONTRERAS
JUDGE, 449th D C

- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Report (Close-Out Reports)* and County Treasurer receipts to determine whether collections were properly accounted and deposited with the County Treasurer on a timely basis.
- Reviewed receipts issued to verify the proper completion and issuance in sequential order.
- Reviewed *Close-Out Reports* to verify proper completion.
- Verified that payments for Election Services were timely remitted.

Conclusion:

Total collections for the month of October 2016 were \$2,046.94. Based on the results of our review, we have concluded that fines, fees, and court costs were generally properly accounted and reported; however, the system of internal controls for the accounting and reporting of fines, fees, and court costs require improvement as noted in the following observation.

Observation No. 1:

We noted during our review that 2 of 5 Close-Out Reports selected and available for testing during the month of October 2016 did not contain the signature of the individual responsible for approving the amounts recorded on the report on *Part III Acknowledgement and Approval*. According to staff, the Close-Out Report was not properly prepared due to an oversight.

Pursuant to the "Cash Handling Guidelines and Procedures" prescribed by the County Auditor's Office, the cashier, witness, and the County official or his/her designee must sign under *Part III Acknowledgement and Approval* to document responsibility.

Recommendation:

Management should ensure that the Close-Out Report is properly prepared. Please refer to the "Daily Close-Out" section of the "Cash Handling Guidelines and Procedures" prescribed by the County Auditor's Office for the minimum procedures to be implemented when performing the daily close-out procedures.

Observation No. 2:

We noted during our review that one check accepted as payment was not properly completed as it did not have the "Payable to" filled out. According to staff, cashiers must verify that checks are correctly completed prior to acceptance; however, the cashier may have failed to make the required verification.

The County Auditor's Office requires that prior to accepting a check as payment the cashier must verify that the check is properly completed. This includes verifying that the check is made payable to Hidalgo County, Hidalgo County and the Elected or Public Official's title (i.e., Hidalgo County Elections Administrator).

Failure to ensure that checks accepted as payment are properly completed may result in the loss or misuse of County funds.

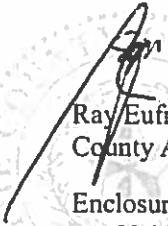
Recommendation:

Management should instruct staff to ensure that checks accepted as payment are properly completed. At a minimum, the procedures noted above should be implemented.

Please provide written management response to the observations noted above by December 6, 2016.

If you should have any questions or would like to schedule a meeting to discuss the above noted observations, please do not hesitate to contact Alejandra Santa Ana, MSA, 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
County Auditor

Enclosures: *Monthly Fees Report*
cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS H. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

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JESSE CONTRERAS
JUDGE, 449TH D.C.

**HIDALGO COUNTY ELECTIONS DEPARTMENT
MONTHLY FEES REPORT
FOR THE MONTH ENDED November 1, 2016**

PBC

PART I: SUMMARY OF MONTHLY COLLECTIONS

| A | B | C | | D | | E | | F | | G | H | | | I | J | K |
|--------------|-----------|---------------------|-------|----------------------|--------------------------|----------------|--------------|-----------------|------------------|---|---|---------------|--|---|---|------|
| | | Elections Receipt # | | Sequence | | Revenues | | Total Collected | COUNTY TREASURER | | | OVER/ (SHORT) | | | | |
| | | BEG # | END # | Contractual Revenues | Non-Contractual Revenues | Receipt Amount | Receipt No. | | Receipt Date | | | | | | | |
| 1 | 1-Nov-16 | 933 | 933 | \$ - | \$ 67.00 | \$ 67.00 | \$ 67.00 | \$ 67.00 | | | | | | | | |
| 2 | 2-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 3 | 3-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 4 | 4-Nov-16 | 934 | 935 | \$ 10,784.25 | \$ 6.60 | \$ 10,790.85 | \$ 10,790.85 | \$ 10,790.85 | | | | | | | | |
| 5 | 5-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 6 | 6-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 7 | 7-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 8 | 8-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 9 | 9-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 10 | 10-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 11 | 11-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 12 | 12-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 13 | 13-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 14 | 14-Nov-16 | 936 | 936 | \$ 22,985.43 | \$ - | \$ 22,985.43 | \$ 22,985.43 | \$ 22,985.43 | | | | | | | | |
| 15 | 15-Nov-16 | 937 | 937 | \$ 18,790.11 | \$ - | \$ 18,790.11 | \$ 18,790.11 | \$ 18,790.11 | | | | | | | | |
| 16 | 16-Nov-16 | 938 | 939 | \$ - | \$ 52.00 | \$ 52.00 | \$ 52.00 | \$ 52.00 | | | | | | | | |
| 17 | 17-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 18 | 18-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 19 | 19-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 20 | 20-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 21 | 21-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 22 | 22-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 23 | 23-Nov-16 | 940 | 940 | \$ 500.00 | \$ - | \$ 500.00 | \$ 500.00 | \$ 500.00 | | | | | | | | |
| 24 | 24-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 25 | 25-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 26 | 26-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 27 | 27-Nov-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| 28 | 28-Nov-16 | 941 | 941 | \$ - | \$ 17.50 | \$ 17.50 | \$ 17.50 | \$ 17.50 | | | | | | | | |
| 29 | 29-Nov-16 | 942 | 942 | \$ - | \$ 17.00 | \$ 17.00 | \$ 17.00 | \$ 17.00 | | | | | | | | |
| 30 | 30-Nov-16 | 943 | 943 | \$ - | \$ 17.00 | \$ 17.00 | \$ 17.00 | \$ 17.00 | | | | | | | | |
| 31 | 1-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | | | | | | | | |
| TOTAL | | | | \$ 43,059.79 | \$ 177.10 | \$ 43,236.89 | \$ 43,236.89 | \$ 43,236.89 | | | | | | | | 0.00 |

PART II: SUMMARY OF YEARLY COLLECTIONS:

| | | | |
|--------------|---------------|--------------|---------------|
| January | \$ 53,950.88 | July | \$ 1,174.20 |
| February | \$ 41,278.70 | August | \$ 91,754.36 |
| March | \$ 3,081.74 | September | \$ 20,717.05 |
| April | \$ 23,483.06 | October | \$ 2,046.94 |
| May | \$ 20,895.75 | November | \$ 43,236.89 |
| June | \$ 17,591.77 | December | |
| (1) Subtotal | \$ 160,281.88 | (2) Subtotal | \$ 158,929.44 |
| | | Total (1+2) | \$ 319,211.32 |

THIS REPORT HAS BEEN PERSONALLY PREPARED BY ME & I CERTIFY IT TO BE TRUE & CORRECT TO THE BEST OF MY KNOWLEDGE

PREPARED BY

DATE

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

ELECTIONS ADMINISTRATOR

DATE

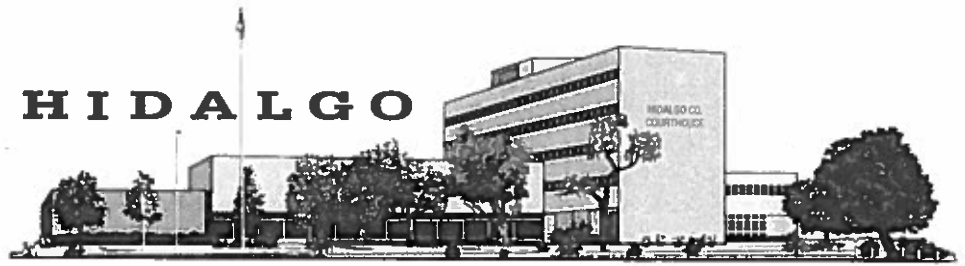
AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: 12-15-16
1/9/17

This Report is Due in the Office of the County Auditor before the 5th day of the following month
COUNTY AUDITOR'S FORM RE-CLL-001

REVISED 01/15

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



EDINBURG, TEXAS 78539

January 24, 2017

Ms. Yvonne Ramon, Elections Administrator
Hidalgo County Elections Department
101 S. 10th Street
Edinburg, Texas 78539

Re: Review of *Monthly Fees Report* and Supporting Documentation
For the Month of November 2016

Dear Ms. Ramon:

We have conducted a limited scope review of the *Monthly Fees Report (Monthly Report)* and supporting documentation for the month of November 2016 pursuant to Local Government Code §115.002 (a) and (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 by your office on the *Monthly Report* for the month of November 2016. 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 the *Monthly Report*, fee schedules, and *Contract for Lease Election Services* approved by Commissioners Court. The following procedures were performed:

- Reviewed the submittal date of the *Monthly Report* to the County Auditor's Office to determine if the report and supporting documentation were received within 5 days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly 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 Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if fees were allocated and reported in the proper amounts.
- Verified that procedures for voided receipts were properly followed.
- Verified that collections per the *Monthly Report* agreed to: 1.) total deposits made with the County Treasurer and 2.) total deposits posted to *alio's* Undistributed Receipts general ledger account.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 322ND D.C.

HCE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETAN
JUDGE, 448TH D.C.

Ms. Yvonne Ramon
January 24, 2017
Page 2 of 2

- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Report (Close-Out Reports)* and County Treasurer receipts to determine whether collections were properly accounted and deposited with the County Treasurer on a timely basis.
- Reviewed receipts issued to verify the proper completion and issuance in sequential order.
- Reviewed *Close-Out Reports* to verify proper completion.

Conclusion:

Total collections for the month of November 2016 were \$43,236.89. Based on the results of our review, we have concluded that fees were generally properly accounted and reported.

If you should have any questions, please do not hesitate to contact Yvonne Torres, Revenue Audit Supervisor, at 318-2511 ext. 4642, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

Enclosures: *Monthly Fees Report*
cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D C

RODOLFO DELGADO
JUDGE, 83RD D C

J. R. "BOBBY" FLORES
JUDGE, 139TH D C

ROSE GUERRA REYNA
JUDGE, 208TH D C

JUAN R. PARTIDA
JUDGE, 275TH D C

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D C

NOE GONZALEZ
JUDGE, 370TH D C
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D C

L. KENO VASQUEZ
JUDGE, 398TH D C

ISRAEL RAMON, JR.
JUDGE, 430TH D C

RENEE R. BETANCOURT
JUDGE, 449TH D C

**HIDALGO COUNTY ELECTIONS DEPARTMENT
MONTHLY FEES REPORT
FOR THE MONTH ENDED December 1, 2016**

PBC

PART I: SUMMARY OF MONTHLY COLLECTIONS

| A | B Receipt Date | C Elections Receipt # Sequence | | E Revenues | | G Total Collected | H COUNTY TREASURER | | | K OVER/ (SHORT) |
|--------------|-------------------|-----------------------------------|-------|----------------------|--------------------------|----------------------|-----------------------|------------------|----------|--------------------|
| | | D BEG # | END # | Contractual Revenues | Non-Contractual Revenues | | I Receipt Amount | J Receipt No. | Date | |
| | | | | | | | | | | |
| 1 | 1-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 2 | 2-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 3 | 3-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 4 | 4-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 5 | 5-Dec-16 | 944 | 945 | \$ 13,666.63 | \$ 0.80 | \$ 13,667.43 | \$ 13,667.43 | 205129 | 12/06/16 | 1 |
| 6 | 6-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 7 | 7-Dec-16 | 946 | 946 | \$ - | \$ 17.50 | \$ 17.50 | \$ 17.50 | 205267 | 12/12/16 | 3 |
| 8 | 8-Dec-16 | 947 | 948 | \$ 500.00 | \$ - | \$ 500.00 | \$ 500.00 | 205268 | 12/12/16 | 2 |
| 9 | 9-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 10 | 10-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 11 | 11-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 12 | 12-Dec-16 | 949 | 950 | \$ - | \$ 52.50 | \$ 52.50 | \$ 52.50 | 205388 | 12/14/16 | 2 |
| 13 | 13-Dec-16 | 951 | 952 | \$ - | \$ 36.20 | \$ 36.20 | \$ 36.20 | 205517 | 12/19/16 | 4 |
| 14 | 14-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 15 | 15-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 16 | 16-Dec-16 | 953 | 953 | \$ - | \$ 62.80 | \$ 62.80 | \$ 62.80 | 205553 | 12/20/16 | 2 |
| 17 | 17-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 18 | 18-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 19 | 19-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 20 | 20-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 21 | 21-Dec-16 | 954 | 954 | \$ 500.00 | \$ - | \$ 500.00 | \$ 500.00 | 205827 | 12/29/16 | 4 |
| 22 | 22-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 23 | 23-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 24 | 24-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 25 | 25-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 26 | 26-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 27 | 27-Dec-16 | 955 | 956 | \$ - | \$ 37.40 | \$ 37.40 | \$ 37.40 | 205777 | 12/28/16 | 1 |
| 28 | 28-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 29 | 29-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 30 | 30-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| 31 | 31-Dec-16 | 0 | 0 | \$ - | \$ - | \$ - | | | | - |
| TOTAL | | | | \$ 14,666.63 | \$ 207.20 | \$ 14,873.83 | x3; x2-a | | | 0.00 |

PART II: SUMMARY OF YEARLY COLLECTIONS:

| | | | | | | |
|--------------|---------------|------------|--------------|---------------|-------------|---------------|
| January | \$ 7,870.17 | 53,450.80 | July | \$ 117,886.00 | 1,174.20 | |
| February | \$ 41,820.13 | 41,278.70 | August | \$ 93,088.84 | 41,754.30 | |
| March | \$ 248,200.88 | 3081.74 | September | \$ 496.30 | 20,717.05 | |
| April | \$ 244,006.07 | 23,483.06 | October | \$ 26,981.95 | 2,046.94 | |
| May | \$ 2,345.00 | 20,895.75 | November | \$ 70,143.00 | 43,236.89 | |
| June | \$ 6,212.74 | 17,591.77 | December | \$ 14,873.83 | | |
| (1) Subtotal | \$ 456,734.86 | 160,281.88 | (2) Subtotal | \$ 203,469.92 | 173,603.29 | |
| | | | | | Total (1+2) | \$ 660,204.78 |

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


PREPARED BY

11/4/2017
DATE

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


ELECTIONS ADMINISTRATOR

11/4/17
DATE

AUDITED BY: THE HIDALGO COUNTY AUDITOR'S OFFICE
DATE: 12/05/17

This Report is Due in the Office of the County Auditor before the 5th day of the following month.
COUNTY AUDITOR'S FORM: RE-CLL-001

47-113/17 REVISED 01/15

X1

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

EDINBURG, TEXAS 78539

January 25, 2017

Ms. Yvonne Ramon, Elections Administrator
Hidalgo County Elections Department
101 S. 10th Street
Edinburg, Texas 78539

Re: Review of *Monthly Fees Report* and Supporting Documentation
For the Month of December 2016

Dear Ms. Ramon:

We have conducted a limited scope review of the *Monthly Fees Report (Monthly Report)* and supporting documentation for the month of December 2016 pursuant to Local Government Code §115.002 (a) and (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 by your office on the *Monthly Report* for the month of December 2016. 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 the *Monthly Report*, fee schedules, and *Contract for Lease Election Services* approved by Commissioners Court. The following procedures were performed:

- Reviewed the submittal date of the *Monthly Report* to the County Auditor's Office to determine if the report and supporting documentation were received within 5 days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly 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 Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if fees were allocated and reported in the proper amounts.
- Verified that procedures for voided receipts were properly followed.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92nd D.C.

RODOLFO DELGADO
JUDGE, 93rd D.C.

J. R. "BOBBY" FLORES
JUDGE, 139th D.C.

ROSE GUERRA REYNA
JUDGE, 208th D.C.

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

MARIO E. RAMÍREZ, JR.
JUDGE, 312nd D.C.

NOE GONZALEZ
JUDGE, 370th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389th D.C.

L. KEHO VASQUEZ
JUDGE, 398th D.C.

ISRAEL RAMON, JR.
JUDGE, 430th D.C.

RENEE R. BETANCOURT
JUDGE, 449th D.C.

Ms. Yvonne Ramon
January 25, 2017
Page 2 of 2

- Verified that collections per the *Monthly Report* agreed to: 1.) total deposits made with the County Treasurer and 2.) total deposits posted to *alio's* Undistributed Receipts general ledger account.
- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Report (Close-Out Reports)* and County Treasurer receipts to determine whether collections were properly accounted and deposited with the County Treasurer on a timely basis.
- Reviewed receipts issued to verify the proper completion and issuance in sequential order.
- Reviewed *Close-Out Reports* to verify proper completion.

Conclusion:

Total collections for the month of December 2016 were \$14,873.83. Based on the results of our review, we have concluded that fees were generally properly accounted and reported.

If you should have any questions, please do not hesitate to contact Yvonne Torres, Revenue Audit Supervisor, at 318-2511 ext. 4642, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray E. Fracacio, CPA
County Auditor

Enclosures: *Monthly Fees Report*

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 396TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

**HIDALGO COUNTY PLANNING DEPARTMENT
MONTHLY FEES REPORT**

FOR THE MONTH OF: **November 2016**

PAGE 1 OF 6

Part I: RECAP OF COLLECTIONS

| | | |
|--|-----------------|---------------------|
| A. TOTAL CASH COLLECTED | | \$ 32,819.16 |
| 1 HELD IN ESCROW | | |
| a. EDINBURG | \$ - | |
| b. MISSION | \$ - | |
| c. WESLACO | \$ - | \$ - |
| 2 UTILITY CERTIFICATE FEE | | |
| a. EDINBURG | \$ 4,500.00 x3 | |
| b. MISSION | \$ 2,100.00 x4 | |
| c. WESLACO | \$ 3,240.00 x5 | \$ 9,840.00 |
| 3 SUBDIVISION FEES | | |
| a. EDINBURG | \$ 22,979.16 x2 | |
| b. MISSION | \$ - | |
| c. WESLACO | \$ - | \$ 22,979.16 |
| TOTAL AMOUNT DUE TO THE COUNTY TREASURER: | | \$ 32,819.16 |

AUDITED BY: THE HIDALGO COUNTY AUDITOR'S OFFICE
DATE: 1-3-17

J.C. 1/17/17

Part II: SUMMARY OF COLLECTIONS REMITTED TO THE CO. TREASURER

| Name of Fee Collected | Statutory Reference | Fee Amt. | GL Account Number | Amount Collected |
|--|--|--------------------|-----------------------------------|-----------------------|
| 1/3 Paving Escrow | | | Account is Determined per Project | \$ - |
| Septic Tank-Held in Escrow | LGC § 232.027 | \$1500/septic | 1100-211-00-000-018-0-000 | \$ - |
| Other-Held in Escrow | | | 1100-211-00-000-026-0-000 | \$ - |
| Utility Subdivision Fees | LGC § 232.028(g) 8/7/07 CT Approval | \$30 | 1100-341-30-210-003-0-000 | \$ 9,840.00 x3, x1 x5 |
| Subdivision Fees | LGC § 232.0021 11/29/2011 CT | Varies per acreage | 1100-341-30-210-001-0-000 | \$ 22,979.16 x2 |
| TOTAL AMOUNT DUE TO THE COUNTY TREASURER: | | | | \$ 32,819.16 |

variance should => "0"

PREPARED BY: *Flora J. Castillo* DATE PREPARED: December 19, 2016

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

RECEIVED
DEC 19 2016

[Signature]
DIRECTOR OF PLANNING
DATE: 12-19-16

**HIDALGO COUNTY PLANNING DEPARTMENT
 DETAIL ON MONTHLY FEES COLLECTED
 FOR THE MONTH OF: November 2016**

Part III: SUMMARY OF FEES COLLECTED

1 HELD IN ESCROW

| | | |
|----------------|-------------|-------------|
| a. 1/3 PAVING | <u>\$ -</u> | |
| b. SEPTIC TANK | <u>\$ -</u> | |
| c. OTHER | <u>\$ -</u> | <u>\$ -</u> |

2 UTILITY CERTIFICATE FEE

\$ 9,840.00

3 SUBDIVISION FEES

| | | |
|----------------------|---------------------|---------------------|
| a. FILING/REVIEW FEE | <u>\$ 610.00</u> | |
| b. 2% INSPECTION FEE | <u>\$ 22,369.16</u> | |
| c. MAPS | <u>\$ -</u> | <u>\$ 22,979.16</u> |
| d. SUBD. RULES BOOK | <u>\$ -</u> | |
| e. OTHER | <u>\$ -</u> | |

} X3

TOTAL AMOUNT COLLECTED

\$ 32,819.16
 78

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



EDINBURG, TEXAS 78539

January 16, 2017

Mr. T.J. Arredondo, Director of Planning
Hidalgo County Planning Department
1304 S. 25th St.
Edinburg, Texas 78539

Re: Review of *Monthly Fees Report* and Supporting Documentation
For the month of November 2016

Dear Mr. Arredondo:

We conducted a review of the Planning Department's *Monthly Fees Report* and all supporting documentation for the month of November 2016 in accordance with Local Government Code §115.002(a) and (b). The objective of the review was to determine whether collections 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 November 2016. 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.

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, the *Monthly Fees Report*, and fee schedules. The following procedures were performed:

- Reviewed the submittal date of the *Monthly Fees Report* 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 that receipts issued followed a sequential order.
- Verified that procedures for voided receipts were properly followed.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 131TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 312ND D.C.

NOÉ GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 396TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 448TH D.C.

Mr. T.J. Arredondo
January 16, 2017
Page 2 of 2


- Reviewed the *Revenue Detail Report by Account* generated from *alio* 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 Fees Report* agreed to total receipts issued and the deposits made with the County Treasurer.
- Reviewed receipts issued and *Monthly Fees Report* to verify proper completion.

Conclusion:

Total collections for the month of November 2016 were \$32,819.16. 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 call Ricardo Nuñez, Internal Auditor I, at 318-2511 ext. 4644, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 19th D.C.

J. R. "BOBBY" FLORES
JUDGE, 13th D.C.

ROSE GUERRA REYNA
JUDGE, 20th D.C.

JUAN R. PARTIDA
JUDGE, 27th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 33rd D.C.

NOE GONZALEZ
JUDGE, 37th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38th D.C.

L. KENO YASQUEZ
JUDGE, 39th D.C.

ISRAEL RAMON, JR.
JUDGE, 43rd D.C.

RENEE R. BETANCOUR
JUDGE, 48th D.C.

**HIDALGO COUNTY PLANNING DEPARTMENT
MONTHLY FEES REPORT**

FOR THE MONTH OF: **December 2016**

PAGE 1 OF 6

Part I: REGAP OF COLLECTIONS

A. TOTAL CASH COLLECTED

\$ 13,001.35

1 HELD IN ESCROW

| | |
|-------------|------|
| a. EDINBURG | \$ - |
| b. MISSION | \$ - |
| c. WESLACO | \$ - |

AUDITED BY: THE HIDALGO COUNTY AUDITOR'S OFFICE

DATE: 12-1-17
J.C. 2/2/17

2 UTILITY CERTIFICATE FEE

| | | | |
|-------------|-------------|-----|-------------|
| a. EDINBURG | \$ 3,755.00 | x 3 | |
| b. MISSION | \$ 2,790.00 | x 4 | |
| c. WESLACO | \$ 2,670.00 | x 5 | \$ 9,215.00 |

3 SUBDIVISION FEES

| | | | |
|-------------|-------------|-----|-------------|
| a. EDINBURG | \$ 3,786.35 | x 2 | |
| b. MISSION | \$ - | | |
| c. WESLACO | \$ - | | \$ 3,786.35 |

TOTAL AMOUNT DUE TO THE COUNTY TREASURER:

\$ 13,001.35

Part II: SUMMARY OF COLLECTIONS REMITTED TO THE CO. TREASURER

| Name of Fee Collected | Statutory Reference | Fee Amt. | GL Account Number | Amount Collected |
|-----------------------|---------------------|----------|-------------------|------------------|
|-----------------------|---------------------|----------|-------------------|------------------|

| | | | | |
|----------------------------|--|--------------------|-----------------------------------|-------------|
| 1/3 Paving Escrow | | | Account is Determined per Project | \$ - |
| Septic Tank-Held in Escrow | LGC § 232.027 | \$1500/septic | 1100-211-00-000-018-0-000 | \$ - |
| Other-Held in Escrow | | | 1100-211-00-000-026-0-000 | \$ - |
| Utility Subdivision Fees | LGC § 232.028(g) 8/7/07 CT Approval | \$30 | 1100-341-30-210-003-0-000 | \$ 9,215.00 |
| Subdivision Fees | LGC § 232.0021 11/29/2011 CT | Varies per acreage | 1100-341-30-210-001-0-000 | \$ 3,786.35 |

TOTAL AMOUNT DUE TO THE COUNTY TREASURER:

\$ 13,001.35

variance should => "0"

PREPARED BY:

[Signature]

DATE PREPARED: January 25, 2017

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

RECEIVED

JAN 25 2017

[Signature]
1-25-17
DIRECTOR OF PLANNING DATE

This Report is Due to the County Auditor before the (5th) workday of the following month.

x1

**HIDALGO COUNTY PLANNING DEPARTMENT
 DETAIL ON MONTHLY FEES COLLECTED
 FOR THE MONTH OF: December 2016**

Part III: SUMMARY OF FEES COLLECTED

1 HELD IN ESCROW

| | |
|----------------|-------------|
| a. 1/3 PAVING | <u>\$ -</u> |
| b. SEPTIC TANK | <u>\$ -</u> |
| c. OTHER | <u>\$ -</u> |

\$ -

2 UTILITY CERTIFICATE FEE

\$ 9,215.00 From
X1

3 SUBDIVISION FEES

| | |
|----------------------|--------------------|
| a. FILING/REVIEW FEE | <u>\$ 3,230.00</u> |
| b. 2% INSPECTION FEE | <u>\$ 200.35</u> |
| c. MAPS | <u>\$ 56.00</u> |
| d. SUBD. RULES BOOK | <u>\$ -</u> |
| e. OTHER | <u>\$ 300.00</u> |

\$ 3,786.35 TO
X1

From
X3

TOTAL AMOUNT COLLECTED

\$ 13,001.35
FA

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



EDINBURG, TEXAS 78539

February 2, 2017

Mr. T.J. Arredondo, Director of Planning
Hidalgo County Planning Department
1304 S. 25th St.
Edinburg, Texas 78539

Re: Review of *Monthly Fees Report* and Supporting Documentation
For the month of December 2016

Dear Mr. Arredondo:

We conducted a review of the Planning Department's *Monthly Fees Report* and all supporting documentation for the month of December 2016 in accordance with Local Government Code §115.002(a) and (b). The objective of the review was to determine whether collections 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 December 2016. 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.

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, the *Monthly Fees Report*, and fee schedules. The following procedures were performed:

- Reviewed the submittal date of the *Monthly Fees Report* 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 that receipts issued followed a sequential order.
- Verified that procedures for voided receipts were properly followed.

HIDALGO COUNTY DISTRICT JUDGES

LIFE M. SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 93rd 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, 312nd D.C.

NOE GONZALEZ
JUDGE, 370th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389th D.C.

L. KENO VASQUEZ
JUDGE, 394th D.C.

ISRAEL RAMON, JR.
JUDGE, 439th D.C.

RENEE R. BETANCOURT
JUDGE, 441st D.C.

- Reviewed the *Revenue Detail Report by Account* generated from *alio* 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 Fees Report* agreed to total receipts issued and the deposits made with the County Treasurer.
- Reviewed receipts issued and *Monthly Fees Report* to verify proper completion.

Conclusion:

Total collections for the month of December 2016 were \$13,001.35. 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 call Ricardo Nuñez, Internal Auditor I, at 318-2511 ext. 4644, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Enfracio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J.R. "BOBBY" FLORES
JUDGE, 128TH D.C.

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

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

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JUDGE, 312ND D.C.

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JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 448TH D.C.

HIDALGO COUNTY LAW LIBRARY
MONTHLY FEES REPORT
FOR THE MONTH ENDED **November 30, 2016**

PBC

PART I: SUMMARY OF MONTHLY COLLECTIONS

| A | B Receipt Date | C Law Library Receipt # Sequence | | E Total Collected | F COUNTY TREASURER | | | I OVER/ (SHORT) |
|----|-------------------|--|-------|----------------------|-----------------------|-------------|--------------|-----------------------|
| | | BEG # | END # | | Receipt Amount | Receipt No. | Receipt Date | |
| | | | | | | | | |
| 1 | 1-Nov-16 | 59259 | 59264 | \$ 39.75 | \$ 39.75 | 204063 | 11/02/16 | - |
| 2 | 2-Nov-16 | 59265 | 59268 | \$ 27.50 | \$ 27.50 | 204103 | 11/03/16 | - |
| 3 | 3-Nov-16 | 59269 | 59280 | \$ 55.00 | \$ 55.00 | 204164 | 11/04/16 | - |
| 4 | 4-Nov-16 | 59281 | 59288 | \$ 99.75 | \$ 99.75 | 204280 | 11/08/16 | - |
| 5 | 5-Nov-16 | 0 | 0 | \$ - | | | | - |
| 6 | 6-Nov-16 | 0 | 0 | \$ - | | | | - |
| 7 | 7-Nov-16 | 59289 | 59294 | \$ 24.50 | \$ 24.50 | 204281 | 11/08/16 | - |
| 8 | 8-Nov-16 | 59295 | 59304 | \$ 63.75 | \$ 63.75 | 204305 | 11/09/16 | - |
| 9 | 9-Nov-16 | 59305 | 59309 | \$ 22.25 | \$ 22.25 | 204362 | 11/10/16 | - |
| 10 | 10-Nov-16 | 59310 | 59316 | \$ 47.50 | \$ 47.50 | 204415 | 11/14/16 | - |
| 11 | 11-Nov-16 | Holiday | 0 | \$ - | | | | - |
| 12 | 12-Nov-16 | 0 | 0 | \$ - | | | | - |
| 13 | 13-Nov-16 | 0 | 0 | \$ - | | | | - |
| 14 | 14-Nov-16 | 59317 | 59324 | \$ 25.75 | \$ 25.75 | 204488 | 11/16/16 | - |
| 15 | 15-Nov-16 | 59325 | 59330 | \$ 53.75 | \$ 53.75 | 204489 | 11/16/16 | - |
| 16 | 16-Nov-16 | 59331 | 59342 | \$ 84.00 | \$ 84.00 | 204546 | 11/17/16 | - |
| 17 | 17-Nov-16 | 59343 | 59346 | \$ 34.50 | \$ 34.50 | 204697 | 11/22/16 | - |
| 18 | 18-Nov-16 | 59347 | 59350 | \$ 43.75 | \$ 43.75 | 204698 | 11/22/16 | - |
| 19 | 19-Nov-16 | 0 | 0 | \$ - | | | | - |
| 20 | 20-Nov-16 | 0 | 0 | \$ - | | | | - |
| 21 | 21-Nov-16 | 59351 | 59354 | \$ 22.00 | \$ 22.00 | 204742 | 11/23/16 | - |
| 22 | 22-Nov-16 | 59355 | 59361 | \$ 42.00 | \$ 42.00 | 204743 | 11/23/16 | - |
| 23 | 23-Nov-16 | 59362 | 59364 | \$ 15.25 | \$ 15.25 | 204876 | 11/29/16 | - |
| 24 | 24-Nov-16 | Holiday | 0 | \$ - | | | | - |
| 25 | 25-Nov-16 | Holiday | 0 | \$ - | | | | - |
| 26 | 26-Nov-16 | 0 | 0 | \$ - | | | | - |
| 27 | 27-Nov-16 | 0 | 0 | \$ - | | | | - |
| 28 | 28-Nov-16 | 59365 | 59376 | \$ 83.75 | \$ 83.75 | 204877 | 11/29/16 | - |
| 29 | 29-Nov-16 | 59377 | 59380 | \$ 34.50 | \$ 34.50 | 204932 | 11/30/16 | - |
| 30 | 30-Nov-16 | 59381 | 59390 | \$ 79.75 | \$ 79.75 | 205007 | 12/01/16 | - |
| 31 | 1-Dec-16 | | | | | | | - |

TOTAL RECEIPTS AND FUNDS COLLECTED 899.00 **FOR RECEIPT #(s):** _____

LESS: REIMBURSEMENTS _____

TOTAL REVENUE COLLECTIONS 899.00

PART II: SUMMARY OF YEARLY COLLECTIONS:

| | | | |
|--------------|--------------------|--------------|--------------------|
| January | \$ 949.00 | July | \$ 1,183.75 |
| February | \$ 1,201.50 | August | \$ 1,196.75 |
| March | \$ 1,278.25 | September | \$ 1,325.00 |
| April | \$ 1,148.00 | October | \$ 1,085.25 |
| May | \$ 978.25 | November | \$ 899.00 |
| June | \$ 1,199.25 | December | \$ - |
| (1) Subtotal | <u>\$ 6,754.25</u> | (2) Subtotal | <u>\$ 5,689.75</u> |

HIDALGO COUNTY AUDITOR'S OFFICE

APPROVED BY: _____
 DATE: 12/15/16

Total (1+2) \$ 12,444.00

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

Angie Z. Chapala
 LAW LIBRARIAN OF HIDALGO COUNTY, TX

**HIDALGO COUNTY LAW LIBRARY
MONTHLY FEES REPORT
FOR THE MONTH ENDED December 31, 2016**

PBC

PART I: SUMMARY OF MONTHLY COLLECTIONS

| A | B Receipt Date | C Law Library Receipt # Sequence | | E Total Collected | F COUNTY TREASURER | | | I OVER/ (SHORT) |
|----|-------------------|--|------------|----------------------|-----------------------|------------------|-------------------|-----------------------|
| | | G BEG # | D END # | | F Receipt Amount | G Receipt No. | H Receipt Date | |
| | | | | | | | | |
| 1 | 1-Dec-16 | 59391 | 59398 | \$ 450.50 | \$ 50.50 | 205095 | 12/05/16 | - |
| 2 | 2-Dec-16 | 59399 | 59409 | \$ 126.00 | 126.00 | 205096 | 12/05/16 | - |
| 3 | 3-Dec-16 | 0 | 0 | \$ - | | | | - |
| 4 | 4-Dec-16 | 0 | 0 | \$ - | | | | - |
| 5 | 5-Dec-16 | 59410 | 59419 | \$ 75.50 | 75.50 | 205107 | 12/06/16 | - |
| 6 | 6-Dec-16 | 59420 | 59430 | \$ 42.25 | 42.25 | 205160 | 12/07/16 | - |
| 7 | 7-Dec-16 | 59431 | 59436 | \$ 43.00 | 43.00 | 205190 | 12/08/16 | - |
| 8 | 8-Dec-16 | 59437 | 59444 | \$ 48.50 | 48.50 | 205304 | 12/12/16 | - |
| 9 | 9-Dec-16 | 59445 | 59450 | \$ 48.00 | 48.00 | 205305 | 12/12/16 | - |
| 10 | 10-Dec-16 | 0 | 0 | \$ - | | | | - |
| 11 | 11-Dec-16 | 0 | 0 | \$ - | | | | - |
| 12 | 12-Dec-16 | 59451 | 59464 | \$ 82.50 | 82.50 | 205416 | 12/14/16 | - |
| 13 | 13-Dec-16 | 59465 | 59472 | \$ 78.25 | 78.25 | 205418 | 12/14/16 | - |
| 14 | 14-Dec-16 | 59473 | 59480 | \$ 106.00 | 106.00 | 205511 | 12/19/16 | - |
| 15 | 15-Dec-16 | 59781 | 59484 | \$ 56.50 | 56.50 | 205513 | 12/19/16 | - |
| 16 | 16-Dec-16 | 59485 | 59490 | \$ 52.50 | 52.50 | 205512 | 12/19/16 | - |
| 17 | 17-Dec-16 | 0 | 0 | \$ - | | | | - |
| 18 | 18-Dec-16 | 0 | 0 | \$ - | | | | - |
| 19 | 19-Dec-16 | 59491 | 59496 | \$ 61.00 | 61.00 | 205576 | 12/21/16 | - |
| 20 | 20-Dec-16 | 59497 | 59498 | \$ 20.00 | 20.00 | 205599 | 12/21/16 | - |
| 21 | 21-Dec-16 | 59499 | 59502 | \$ 34.50 | 34.50 | 205623 | 12/21/16 | - |
| 22 | 22-Dec-16 | 59503 | 59509 | \$ 45.25 | 45.25 | 205875 | 12/29/16 | - |
| 23 | 23-Dec-16 | Holiday | 0 | \$ - | | | | - |
| 24 | 24-Dec-16 | 0 | 0 | \$ - | | | | - |
| 25 | 25-Dec-16 | | 0 | \$ - | | | | - |
| 26 | 26-Dec-16 | holiday | 0 | \$ - | | | | - |
| 27 | 27-Dec-16 | 59510 | 59514 | \$ 30.25 | 30.25 | 205876 | 12/29/16 | - |
| 28 | 28-Dec-16 | 59515 | 59519 | \$ 37.00 | 37.00 | 205877 | 12/29/16 | - |
| 29 | 29-Dec-16 | 59520 | 59523 | \$ 54.75 | 54.75 | 206098 | 01/09/17 | - |
| 30 | 30-Dec-16 | holiday | 0 | \$ - | | | | - |
| 31 | 31-Dec-16 | 0 | 0 | \$ - | | | | - |

TOTAL RECEIPTS AND FUNDS COLLECTED 1,092.25

LESS: REIMBURSEMENTS 0.00

TOTAL REVENUE COLLECTIONS 1,092.25

FOR RECEIPT #(s):

124-124a

2017 JAN 13 PM 11
RECEIVED BY
COMPTROLLER

PART II: SUMMARY OF YEARLY COLLECTIONS:

| | | | |
|--------------|--------------------|--------------|--------------------|
| January | \$ 949.00 | July | \$ 1,183.75 |
| February | \$ 1,201.50 | August | \$ 1,196.75 |
| March | \$ 1,278.25 | September | \$ 1,325.00 |
| April | \$ 1,148.00 | October | \$ 1,085.25 |
| May | \$ 978.25 | November | \$ 899.00 |
| June | \$ 1,199.25 | December | \$ 1,092.25 |
| (1) Subtotal | <u>\$ 6,754.25</u> | (2) Subtotal | <u>\$ 6,782.00</u> |

HIDALGO COUNTY AUDITOR'S OFFICE

APPROVED BY: *Bonnie*
DATE: *1/13/17*

Revised

Total (1+2) \$ 13,536.25

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

Auzie Chapa
LAW LIBRARIAN OF HIDALGO COUNTY, TX

XI

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



EDINBURG, TEXAS 78539

January 16, 2017

Ms. Angie Chapa, Law Librarian
Hidalgo County Law Library
100 N. Clossner
Edinburg, Texas 78539

Re: Review of *Monthly Fees Reports* and Supporting Documentation
For the months of November 2016 and December 2016

Dear Ms. Chapa:

We have conducted a limited scope review of the *Monthly Fee Reports* and supporting documentation for the months of November 2016 and December 2016 pursuant to Local Government Code §115.002 (a) and (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 by your office on the *Monthly Fee Reports* for the months of November 2016 and December 2016. 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 Fee Reports* 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 Fee 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 Fee 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 *Daily Remittances/Close-Out Forms* to determine whether fees collected were properly accounted and deposited with the County Treasurer on a daily basis.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 131ST D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 312ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
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LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 394TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUP
JUDGE, 449TH D.C.

Ms. Angie Chapa
January 16, 2017
Page 2 of 2


- Verified that the collections per the *Monthly Fee Reports* agreed to total receipts issued and the deposits made with the County Treasurer.
- Reviewed receipts issued, *Daily Remittance/Close-Out Forms*, and *Monthly Fees Reports* to verify proper completion.

Conclusion:

Total collections for the months of November 2016 and December were \$899.00 and \$1,092.25, 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 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, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 137TH 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, 337TH D.C.

NOE GONZALEZ
JUDGE, 378TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 388TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 431TH D.C.

RENEE R. BETHACOUR
JUDGE, 448TH D.C.

HIDALGO COUNTY FIRE MARSHAL MONTHLY REPORT FOR THE MONTH OF DECEMBER

PBC

| | APPLICANT | RECEIPT | Ω | Ω | Ω | TYPE OF | TREASURER | AMOUNTS |
|----------|---------------------------------|--------------------|----------------|----------------|----------|------------------------------------|---------------------|-------------------------|
| DATE | NAME | NUMBER | Cash | Check | MO | SERVICE | RECEIPT | IDENTITY |
| 12/01/16 | JOSE ZAMORA | 14615 \downarrow | | X \checkmark | | BURN PERMIT \downarrow | 205093 \downarrow | \$25.00 \downarrow |
| 12/01/16 | MARIA GONZALEZ | 14616 \downarrow | X \checkmark | | | DUPLICATE BURN PERMIT \downarrow | 205093 \downarrow | \$5.00 \downarrow |
| 12/01/16 | ELEAZAR RODRIGUEZ | 14617 \downarrow | | X \checkmark | | BURN PERMIT \downarrow | 205093 \downarrow | \$25.00 \downarrow |
| 12/01/16 | JAMES ATKINS | 14618 \downarrow | | X \checkmark | | BURN PERMIT \downarrow | 205093 \downarrow | \$25.00 \downarrow |
| 12/01/16 | JAMES ATKINS | 14619 \downarrow | | X \checkmark | | BURN PERMIT \downarrow | 205093 \downarrow | \$25.00 \downarrow |
| 12/01/16 | JAMES ATKINS | 14620 \downarrow | | X \checkmark | | BURN PERMIT \downarrow | 205093 \downarrow | \$25.00 \downarrow |
| 12/01/16 | JAMES ATKINS | 14621 \downarrow | | X \checkmark | | BURN PERMIT \downarrow | 205093 \downarrow | \$25.00 \downarrow |
| 12/01/16 | JUAN HERNANDEZ | 14622 \downarrow | X \checkmark | | | BURN PERMIT \downarrow | 205093 \downarrow | \$25.00 \downarrow |
| 12/01/16 | REYMAND GARCIA BALL ROOM | 14623 \downarrow | X \checkmark | | | BUSINESS OCCUPANCY \downarrow | 205093 \downarrow | \$75.00 \downarrow |
| 12/01/16 | RIGOBERTO PADRON | 14624 \downarrow | X \checkmark | | | BURN PERMIT \downarrow | 205093 \downarrow | \$25.00 \downarrow |
| 12/01/16 | HERVEY LOPEZ | 14625 \downarrow | X \checkmark | | | BURN PERMIT \downarrow | 205093 \downarrow | \$25.00 \downarrow |
| 12/01/16 | DULCE GONZALEZ | 14626 \downarrow | X \checkmark | | | DUPLICATE BURN PERMIT \downarrow | 205093 \downarrow | \$5.00 \downarrow |
| 12/01/16 | YADIRA GONZALEZ | 14627 \downarrow | X \checkmark | | | BURN PERMIT \downarrow | 205093 \downarrow | \$25.00 \downarrow |
| 12/01/16 | ESMERALDA M ACOSTA | 14628 \downarrow | | X \checkmark | | BURN PERMIT \downarrow | 205093 \downarrow | \$25.00 \downarrow |
| 12/01/16 | MARIANO RAMOS | 14629 \downarrow | | X \checkmark | | BURN PERMIT \downarrow | 205093 \downarrow | \$25.00 \downarrow |
| 12/02/16 | ANTERO VILLANUEVA | 14630 \downarrow | X \checkmark | | | BURN PERMIT \downarrow | 205094 \downarrow | \$25.00 \downarrow |
| 12/02/16 | NM CONTRACTING EDINBURG CISD | 14631 \downarrow | | X \checkmark | | BUILDING PERMIT \downarrow | 205094 \downarrow | \$1,092.25 \downarrow |
| 12/02/16 | EMILIO ALVAREZ | 14632 \downarrow | X \checkmark | | | BURN PERMIT \downarrow | 205094 \downarrow | \$25.00 \downarrow |
| 12/02/16 | FELIX GRACIA | 14633 \downarrow | X \checkmark | | | BURN PERMIT \downarrow | 205094 \downarrow | \$25.00 \downarrow |
| 12/02/16 | PABLO LEDESMA | 14634 \downarrow | X \checkmark | | | BURN PERMIT \downarrow | 205094 \downarrow | \$25.00 \downarrow |
| 12/02/16 | ROGELIO CASTANO | 14635 \downarrow | X \checkmark | | | BURN PERMIT \downarrow | 205094 \downarrow | \$25.00 \downarrow |

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|----------|--|-------|---|---|--|-----------------------------|--------|----------|
| 12/02/16 | YANIRA RIOS | 14636 | X | | | BURN PERMIT | 205094 | \$25.00 |
| 12/02/16 | LLOYD ANTHONY | 14637 | X | | | BURN PERMIT | 205094 | \$25.00 |
| 12/02/16 | FORTINO CASAS | 14638 | X | | | BURN PERMIT | 205094 | \$25.00 |
| 12/05/16 | PEDRO CERDA | 14639 | X | | | BURN PERMIT | 205113 | \$25.00 |
| 12/02/16 | MARIA C SOSA | 14640 | | X | | BURN PERMIT | 205094 | \$25.00 |
| 12/05/16 | MARY GAMEZ | 14641 | X | | | BURN PERMIT | 205113 | \$25.00 |
| 12/05/16 | ELOY HERNANDEZ | 14642 | X | | | BURN PERMIT | 205113 | \$25.00 |
| 12/05/16 | EDDIE RIVAS | 14643 | | X | | BURN PERMIT | 205113 | \$25.00 |
| 12/05/16 | WILLIAM CRAFT | 14644 | X | | | BURN PERMIT | 205113 | \$25.00 |
| 12/05/16 | JOSE HERNANDEZ | 14645 | X | | | BURN PERMIT | 205113 | \$25.00 |
| 12/05/16 | FLOYD C BOND | 14646 | X | | | BURN PERMIT | 205113 | \$25.00 |
| 12/05/16 | NANCY EARNEST | 14647 | | X | | BURN PERMIT | 205113 | \$25.00 |
| 12/05/16 | ROSENDO ALANIZ | 14648 | X | | | BURN PERMIT | 205113 | \$25.00 |
| 12/06/16 | JUAN TRUJILLO | 14649 | X | | | BURN PERMIT | 205211 | \$25.00 |
| 12/06/16 | JULIO HERNANDEZ | 14650 | X | | | BURN PERMIT | 205211 | \$25.00 |
| 12/06/16 | MARLEN AYALA | 14651 | X | | | BURN PERMIT | 205211 | \$25.00 |
| 12/06/16 | JESUS ALMAGER | 14652 | X | | | BURN PERMIT | 205211 | \$25.00 |
| 12/06/16 | ROLANDO GUERRA | 14653 | | X | | BURN PERMIT | 205211 | \$25.00 |
| 12/06/16 | JESUS CHAVEZ | 14654 | X | | | BURN PERMIT | 205211 | \$25.00 |
| 12/06/16 | ISABEL ESCOBEDO | 14655 | | X | | BURN PERMIT | 205211 | \$25.00 |
| 12/07/16 | CLAUDIA CERRDA | 14656 | X | | | BURN PERMIT | 205212 | \$25.00 |
| 12/07/16 | JUAN VERDIN | 14657 | X | | | BURN PERMIT | 205212 | \$25.00 |
| 12/07/16 | MANUEL GONZALEZ | 14658 | X | | | BURN PERMIT | 205212 | \$25.00 |
| 12/07/16 | ALL AMERICAN SECURITY LLC VOLCAN MUSIC HALL | 14659 | | X | | FIRE ALARM SYSTEM PERMIT | 205212 | \$116.00 |
| 12/07/16 | ILIANA LOPEZ LAS POTRANCAS | 14660 | X | | | BUILDING PERMIT | 205212 | \$200.00 |

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|----------|---|-------|----|----|---------------------------|--------|----------|
| 12/07/16 | ELIAS PEREZ JR VAROS DRIVE THRU | 14661 | X✓ | | BUSINESS OCCUPANCY | 205212 | \$75.00 |
| 12/07/16 | ALFREDO GOMEZ | 14662 | X✓ | | BURN PERMIT | 205212 | \$25.00 |
| 12/07/16 | ROGERIO GARCIA T-MOBILE #5751 | 14663 | | X✓ | BUSINESS OCCUPANCY | 205212 | \$75.00 |
| 12/07/16 | FRANCISCA GARZA | 14664 | | X✓ | BUSINESS OCCUPANCY | 205212 | \$75.00 |
| 12/07/16 | DAVID GONZALEZ | 14665 | X✓ | | BURN PERMIT | 205212 | \$25.00 |
| 12/07/16 | MARIVEL CARRIZALES | 14666 | X✓ | | BURN PERMIT | 205212 | \$25.00 |
| 12/07/16 | ALMA CULLAR LAREDO PACK & SHIP | 14667 | X✓ | | BUSINESS OCCUPANCY | 205212 | \$75.00 |
| 12/07/16 | SUSANA GALINDO HOT DOG CART | 14668 | X✓ | | BUSINESS OCCUPANCY | 205212 | \$75.00 |
| 12/08/16 | VILLARREAL PAVING & DEMO CONSUELO VILLARREAL | 14669 | | X✓ | COMMERCIAL BURN PERMIT | 205236 | \$100.00 |
| 12/08/16 | MARTIN GARZA | 14670 | X✓ | | BURN PERMIT | 205236 | \$25.00 |
| 12/09/16 | DONATO SERNA | 14671 | X✓ | | BURN PERMIT | 205386 | \$25.00 |
| 12/09/16 | RAUL GARCIA | 14672 | X✓ | | BURN PERMIT | 205386 | \$25.00 |
| 12/09/16 | CARLOS GOANA | 14673 | X✓ | | BURN PERMIT | 205386 | \$25.00 |
| 12/12/16 | MARCO CAVAZOS | 14674 | X✓ | | BURN PERMIT (2) | 205387 | \$50.00 |
| 12/12/16 | GERARDO ESPINOSA | 14675 | X✓ | | BURN PERMIT | 205387 | \$25.00 |
| 12/12/16 | ROSA YBARRA | 14676 | X✓ | | BURN PERMIT | 205387 | \$25.00 |
| 12/12/16 | LEONOR CANTU | 14677 | X✓ | | BURN PERMIT | 205387 | \$25.00 |
| 12/12/16 | ROGELIO MONSIVAIZ | 14678 | X✓ | | BURN PERMIT | 205387 | \$25.00 |
| 12/12/16 | CAMELIA BELTRAN | 14679 | X✓ | | BURN PERMIT | 205387 | \$25.00 |
| 12/12/16 | EDUARDO MALDONADO | 14680 | X✓ | | BURN PERMIT | 205387 | \$25.00 |
| 12/12/16 | LORENZO SOLIS | 14681 | X✓ | | BURN PERMIT | 205387 | \$25.00 |
| 12/12/16 | MARTIN ARTIAGA | 14682 | X✓ | | BURN PERMIT | 205387 | \$25.00 |
| 12/12/16 | FELIX GUAJARDO | 14683 | X✓ | | BURN PERMIT | 205387 | \$25.00 |
| 12/12/16 | MARIA LOZANO | 14684 | X✓ | | COMMERCIAL BURN PERMIT | 205387 | \$100.00 |
| 12/13/16 | MARIA CANTU | 14685 | X✓ | | BURN PERMIT | 205439 | \$25.00 |

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|----------|---|-------|----|----|--|------------------------|--------|----------|
| 12/13/16 | DANIEL RODRIGUEZ | 14686 | | X✓ | | BURN PERMIT | 205439 | \$25.00 |
| 12/13/16 | HECTOR LARA | 14687 | | X✓ | | BURN PERMIT | 205439 | \$25.00 |
| 12/13/16 | MANUEL DE RUEDA | 14688 | X✓ | | | BURN PERMIT | 205439 | \$25.00 |
| 12/13/16 | DOUG DAVIS | 14689 | | X✓ | | BURN PERMIT | 205439 | \$25.00 |
| 12/13/16 | BOBBY STEWART | 14690 | | X✓ | | COMMERCIAL BURN PERMIT | 205439 | \$100.00 |
| 12/13/16 | VOID | 14691 | | | | VOID | 205439 | \$0.00 |
| 12/13/16 | MANUEL BALDERAS | 14692 | X✓ | | | BURN PERMIT | 205439 | \$25.00 |
| 12/13/16 | ORLANDO VILLARREAL | 14693 | | X✓ | | BURN PERMIT | 205439 | \$25.00 |
| 12/14/16 | RODRIGO FERNANDEZ R & M AUTO SALES | 14694 | X✓ | | | BUSINESS OCCUPANCY | 205440 | \$75.00 |
| 12/14/16 | YOLANDA GARZA | 14695 | X✓ | | | BURN PERMIT | 205440 | \$25.00 |
| 12/14/16 | GUSTAVO CHAPA | 14696 | | X✓ | | COMMERCIAL BURN PERMIT | 205440 | \$100.00 |
| 12/14/16 | LARRY LIESNER JR | 14697 | | X✓ | | BURN PERMIT | 205440 | \$25.00 |
| 12/14/16 | FERNANDO ESTRADA FOOD STAND | 14698 | X✓ | | | BUSINESS OCCUPANCY | 205440 | \$75.00 |
| 12/14/16 | YADIRA R RODRIGUEZ LITTLE LEARNING PLAYSCHOOL | 14699 | | X✓ | | BUSINESS OCCUPANCY | 205440 | \$75.00 |
| 12/14/16 | ARMANDO SOTO | 14700 | X✓ | | | BURN PERMIT | 205440 | \$25.00 |
| 12/14/16 | TONY ARROYO BAR | 14701 | X✓ | | | BUILDING PERMIT | 205440 | \$200.00 |
| 12/14/16 | FRANCISCO NAVA | 14702 | X✓ | | | BURN PERMIT | 205440 | \$25.00 |
| 12/14/16 | RAMONA MEDRANO | 14703 | X✓ | | | BURN PERMIT | 205440 | \$25.00 |
| 12/14/16 | ROSA GARCIA | 14704 | X✓ | | | BURN PERMIT | 205440 | \$25.00 |
| 12/14/16 | INDIRA DE LEON TACO STAND | 14705 | X✓ | | | BUSINESS OCCUPANCY | 205440 | \$75.00 |
| 12/14/16 | JUAN MARTINEZ | 14706 | | X✓ | | BURN PERMIT | 205440 | \$25.00 |
| 12/14/16 | DALILA DORIA J&D PLANCHADORIA | 14707 | X✓ | | | BUSINESS OCCUPANCY | 205440 | \$75.00 |
| 12/14/16 | JESUS PENA | 14708 | X✓ | | | BURN PERMIT | 205440 | \$25.00 |
| 12/14/16 | MARIA LOERA GYM | 14709 | X✓ | | | BUSINESS OCCUPANCY | 205440 | \$75.00 |
| 12/14/16 | GERARDO GARCIA | 14710 | X✓ | | | BURN PERMITA | 205440 | \$25.00 |

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|----------|------------------------------------|-------|---|---|---------------------------|--------|----------|
| 12/14/16 | ROBERT HINOJOSA | 14711 | X | | BURN PERMIT | 205440 | \$25.00 |
| 12/14/16 | ALFONSO VALENZUELA | 14712 | X | | BURN PERMIT | 205440 | \$25.00 |
| 12/14/16 | VOID | 14713 | | | VOID | 205440 | \$0.00 |
| 12/14/16 | ROSA MCCARTHY | 14714 | X | | BURN PERMIT | 205440 | \$25.00 |
| 12/15/16 | FURTINO GARCIA | 14715 | X | | BURN PERMIT | 205544 | \$25.00 |
| 12/15/16 | JOSE SALAZAR | 14716 | X | | BURN PERMIT | 205544 | \$25.00 |
| 12/15/16 | DORA VILLALOBOS | 14717 | X | | BURN PERMIT | 205544 | \$25.00 |
| 12/15/16 | JUVENTINO CASTILLO | 14718 | X | | BURN PERMIT | 205544 | \$25.00 |
| 12/15/16 | MARIO OLGUIN | 14719 | X | | BURN PERMIT | 205544 | \$25.00 |
| 12/16/16 | SANTIAGO MENDOZA | 14720 | X | | BURN PERMIT | 205545 | \$25.00 |
| 12/16/16 | CYNTHIA GUERRERO | 14721 | X | | BURN PERMIT | 205545 | \$25.00 |
| 12/16/16 | REYMUNDO REYES PALM GARDENS INC | 14722 | | X | COMMERCIAL BURN PERMIT | 205545 | \$100.00 |
| 12/16/16 | RAUL BALDERAS | 14723 | X | | BURN PERMIT | 205545 | \$25.00 |
| 12/16/16 | HORTENCIA SOSA | 14724 | X | | BURN PERMIT | 205545 | \$25.00 |
| 12/19/16 | DANNY ALVARADO | 14725 | X | | DUPLICATE BURN PERMIT | 205546 | \$5.00 |
| 12/19/16 | JUAN VIAZ | 14726 | X | | BURN PERMIT | 205546 | \$25.00 |
| 12/19/16 | RICARDO CAZARES | 14727 | X | | BURN PERMIT | 205546 | \$25.00 |
| 12/19/16 | MARICELA LAZO | 14728 | X | | BURN PERMIT | 205546 | \$25.00 |
| 12/19/16 | JOSEPH RAMON | 14729 | X | | BURN PERMIT | 205546 | \$25.00 |
| 12/19/16 | RAFAEL GONZALEZ | 14730 | X | | BURN PERMIT | 205546 | \$25.00 |
| 12/20/16 | ALBERTO SALAS | 14731 | X | | BURN PERMIT | 205629 | \$25.00 |
| 12/20/16 | LETICIA VEGA | 14732 | X | | BURN PERMIT | 205629 | \$25.00 |
| 12/20/16 | MARIA LAZARO | 14733 | X | | BURN PERMIT | 205629 | \$25.00 |
| 12/20/16 | CRISTIAN LOZANO | 14734 | X | | BURN PERMIT | 205629 | \$25.00 |
| 12/20/16 | MARIA NATAREN | 14735 | X | | DUPLICATE BURN PERMIT | 205629 | \$5.00 |

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| 12/20/16 | ALFREDO TIJERINA | 14736 _d | | X✓ | | BURN PERMIT _d | 205629 _d | \$25.00 _d |
| 12/20/16 | CONNIE RUIZ | 14737 _d | X✓ | | | BURN PERMIT _d | 205629 _d | \$25.00 _f |
| 12/20/16 | LINDA GUERRA | 14738 _d | X✓ | | | BURN PERMIT _d | 205629 _d | \$25.00 _e |
| 12/20/16 | EVA PARRENO | 14739 _d | X✓ | | | BURN PERMIT _d | 205629 _d | \$25.00 _f |
| 12/20/16 | RICARDO RAMOS | 14740 _d | X✓ | | | BURN PERMIT _d | 205629 _d | \$25.00 _e |
| 12/20/16 | JOSE CANTU | 14741 _d | X✓ | | | BURN PERMIT _d | 205629 _d | \$25.00 _e |
| 12/21/16 | LUIS TRISTAN | 14742 _d | X✓ | | | BURN PERMIT _d | 205630 _d | \$25.00 _e |
| 12/21/16 | ROGELIO DELGADO | 14743 _d | X✓ | | | BURN PERMIT _d | 205630 _d | \$25.00 _d |
| 12/21/16 | CARMEN DE LA CRUZ HAPPY DOG | 14744 _d | X✓ | | | BUSINESS OCCUPANCY _d | 205630 _d | \$75.00 _e |
| 12/21/16 | ANDERSON CONSTRUCTION ASPHALT PLANT | 14745 _d | | X✓ | | BUSINESS OCCUPANCY _d | 205630 _d | \$75.00 _e |
| 12/21/16 | DULCE CARICIAS ADULT DAYCARE | 14746 _d | | X✓ | | BUSINESS OCCUPANCY _d | 205630 _d | \$75.00 _f |
| 12/20/16 | PABLO RAMIREZ | 14747 _d | X✓ | | | BURN PERMIT _d | 205630 _d | \$25.00 _e |
| 12/20/16 | ERIKA ZUNIGA MOBILE FOOD CARE | 14748 _d | X✓ | | | BUSINESS OCCUPANCY _d | 205630 _d | \$75.00 _f |
| 12/21/16 | SEYED MIRI RASPA STAND | 14749 _d | X✓ | | | BUSINESS OCCUPANCY _d | 205630 _d | \$75.00 _f |
| 12/21/16 | RAUL BALDERAS FOSTER HOME | 14750 _d | | X✓ | | BUSINESS OCCUPANCY _d | 205630 _d | \$75.00 _f |
| 12/21/16 | MARIA PEDRAZA | 14751 _d | X✓ | | | BURN PERMIT _d | 205630 _d | \$25.00 _f |
| 12/21/16 | JESUSITO YANZEL | 14752 _d | X✓ | | | BURN PERMIT _d | 205630 _d | \$25.00 _e |
| 12/21/16 | VINCENT GERARD & ASSOCIATES INC. | 14753 _d | | X✓ | | BUILDING PERMIT _d | 205630 _d | \$200.00 _f |
| 12/21/16 | ALVARO LOPEZ | 14754 _d | X✓ | | | BURN PERMIT _d | 205630 _d | \$25.00 _d |
| 12/21/16 | DAVID MONTEMAYOR | 14755 _d | | X✓ | | COMMERCIAL BURN PERMIT _d | 205630 _d | \$100.00 _e |
| 12/22/16 | LUIS QUINTANILLA | 14756 _d | X✓ | | | BURN PERMIT _d | 205769 _d | \$25.00 _e |
| 12/22/16 | FRANCES HINOJOSA | 14757 _d | | X✓ | | BURN PERMIT _d | 205769 _d | \$25.00 _e |
| 12/22/16 | MANUEL CARDOZA | 14758 _d | X✓ | | | BURN PERMIT _d | 205769 _d | \$25.00 _d |
| 12/22/16 | JOSE ARGUELLO | 14759 _d | | X✓ | | BURN PERMIT _d | 205769 _d | \$25.00 _e |
| 12/22/16 | MOISES LARA | 14760 _d | X✓ | | | BURN PERMIT _d | 205769 _d | \$25.00 _d |

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|----------|--|-------|----|----|--------------------------|--------|----------|
| 12/22/16 | VICTORINO CHAVEZ | 14761 | X✓ | | BURN PERMIT | 205769 | \$25.00 |
| 12/22/16 | ORLANDO CAVAZOS | 14762 | X✓ | | COMMERCIAL BURN PERMIT | 205769 | \$100.00 |
| 12/22/16 | JOSE CAVAZOS | 14763 | X✓ | | DUPLICATE BURN PERMIT | 205769 | \$5.00 |
| 12/22/16 | GLEN WIED | 14764 | | X✓ | BURN PERMIT | 205769 | \$25.00 |
| 12/27/16 | FELICITAS CANTU | 14765 | X✓ | | BURN PERMIT | 205783 | \$25.00 |
| 12/27/16 | ERASMO FLORES | 14766 | X✓ | | BURN PERMIT | 205783 | \$25.00 |
| 12/27/16 | CATARINO SANCHEZ | 14767 | X✓ | | BURN PERMIT | 205783 | \$25.00 |
| 12/27/16 | MIGUEL GUERRA | 14768 | X✓ | | BURN PERMIT | 205783 | \$25.00 |
| 12/27/16 | JOEL CONTRERAS | 14769 | X✓ | | BURN PERMIT | 205783 | \$25.00 |
| 12/27/16 | BELARMINO CAMARILLO | 14770 | X✓ | | BURN PERMIT | 205783 | \$25.00 |
| 12/27/16 | LORENZO GARCIA | 14771 | X✓ | | BURN PERMIT | 205783 | \$25.00 |
| 12/27/16 | NORA MEJIA | 14772 | X✓ | | BURN PERMIT | 205783 | \$25.00 |
| 12/27/16 | PABLO ALEGRIA | 14773 | X✓ | | BURN PERMIT | 205783 | \$25.00 |
| 12/28/16 | AGUSTIN SANCHEZ | 14774 | X✓ | | BURN PERMIT | 205974 | \$25.00 |
| 12/28/16 | JOSE VILLALOBOS APT DUPLEX | 14775 | | X✓ | BUSINESS OCCUPANCY | 205974 | \$75.00 |
| 12/28/16 | RAYMOND BUCHER | 14776 | X✓ | | BURN PERMIT | 205974 | \$25.00 |
| 12/28/16 | MARICELA CANTU | 14777 | X✓ | | BUSINESS OCCUPANCY | 205974 | \$75.00 |
| 12/28/16 | JAMES STEPHENS | 14778 | X✓ | | BURN PERMIT | 205974 | \$25.00 |
| 12/28/16 | ALL SAFE FIRE IGLESIA GRACIA Y VERDAD | 14779 | | X✓ | FIRE ALARM SYSTEM PERMIT | 205974 | \$100.00 |
| 12/28/16 | EDWINA TREVINO | 14780 | | X✓ | BURN PERMIT | 205974 | \$25.00 |
| 12/28/16 | RONALD CASTILLO | 14781 | | X✓ | BURN PERMIT | 205974 | \$25.00 |
| 12/28/16 | FRANCISCO SEPULVEDA RNR DISTRIBUTORS | 14782 | X✓ | | BUILDING PERMIT | 205974 | \$200.00 |
| 12/29/16 | KATIE KOENEKE | 14783 | | X✓ | BURN PERMIT | 205975 | \$25.00 |
| 12/29/16 | CELSO RODRIGUEZ | 14784 | X✓ | | DUPLICATE BURN PERMIT | 205975 | \$5.00 |
| 12/29/16 | JOSE C MIRELES JR | 14785 | X✓ | | BURN PERMIT | 205975 | \$25.00 |

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|----------|-----------------|--------------------|----|--|--|------------------------------------|---------------------|----------------------|
| 12/29/16 | MARIA SANDOVAL | 14786 _k | X✓ | | | DUPLICATE BURN PERMIT _k | 205975 _k | \$5.00 _k |
| 12/29/16 | MARIA VALDEZ | 14787 _k | X✓ | | | BURN PERMIT _k | 205975 _k | \$25.00 _k |
| 12/29/16 | ANTONIO FLORES | 14788 _k | X✓ | | | BURN PERMIT _k | 205975 _k | \$25.00 _k |
| 12/29/16 | AGLADEE SILERIO | 14789 _k | X✓ | | | BURN PERMIT _k | 205975 _k | \$25.00 _k |
| 12/29/16 | RUBEN ANZALDUA | 14790 _k | X✓ | | | BURN PERMIT _k | 205975 _k | \$25.00 _k |
| 12/29/16 | BELEN GUZMAN | 14791 _k | X✓ | | | BURN PERMIT _k | 205975 _k | \$25.00 _k |
| 12/29/16 | RICHARD GRACIA | 14792 _k | X✓ | | | BURN PERMIT _k | 205975 _k | \$25.00 _k |
| 12/29/16 | IRMA RODRIGUEZ | 14792 _k | X✓ | | | BURN PERMIT _k | 205975 _k | \$25.00 _k |
| | | | | | | | <i>Grand Total</i> | \$7,768.25 |

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

Approved by: *[Signature]* 1/4/17 Date
 Fire Marshal
 Prepared by: *Elizabeth Castro* 1/4/17 Date
 Administrative Assistant

Print Name: Homero Garza 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

2017 JAN 9 PM 10 26
 COUNTY AUDITOR

HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: *[Signature]*
 DATE: 1/24/17

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COUNTY *of* HIDALGO



EDINBURG, TEXAS 78539

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

February 2, 2017

Mr. Homero Garza, Fire Marshal
Hidalgo County Fire Marshal's Office
1903 N. Knights Drive
Pharr, Texas 78577

Re: Review of *Monthly Fees Report* and Supporting Documentation
For the Month of December 2016

Dear Mr. Garza:

We have conducted a limited scope review of the *Monthly Fees Report* and supporting documentation for the month of December 2016 pursuant to Local Government Code §115.002 (a) and (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 Fees Report* for the month of December 2016. 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, the *Monthly Fees Report*, and fee schedules. The following procedures were performed:

- Reviewed the submittal date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report and 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 reports.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 131TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOÉ GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 394TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

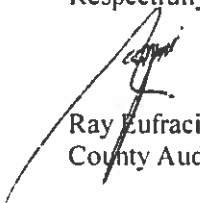
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified receipts issued followed a sequential order.
- Verified that procedures for voided receipts were properly followed.
- Reviewed *Daily Remittance* to determine whether fees collected were properly accounted and deposited with the County Treasurer on or before the fifth day after the day on which the funds were received.
- Verified that the collections per the *Monthly Fees Report* agreed to total receipts issued and the deposits made with the County Treasurer.
- Reviewed receipts issued, *Daily Remittance*, and *Monthly Fees Report* to verify proper completion.

Conclusion:

Total collections for the month of December 2016 were \$7,768.25. 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, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

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JUDGE, 430TH D.C.

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JUDGE, 448TH D.C.

**HIDALGO COUNTY HEALTH DEPARTMENT
ENVIRONMENTAL HEALTH DIVISION
MONTHLY FEES REPORT
FOR THE MONTH OF: NOVEMBER 2016**

PBC

Part I: RECAP OF COLLECTIONS

A. TOTAL CASH COLLECTED

\$22,670.00

1. ON-SITE SEWAGE DISPOSAL INSPECTION PERMIT FEES

a. INSTALLATION PERMIT FEE

| | | |
|-------------|-------------------|------------|
| 1. EDINBURG | <u>\$5,185.00</u> | <i>X12</i> |
| 2. MISSION | <u>\$-</u> | |
| 3. WESLACO | <u>\$-</u> | |

\$5,185.00 *X12*

X11-X12

b. FINAL INSPECTION PERMIT FEE

| | | |
|-------------|-------------------|------------|
| 1. EDINBURG | <u>\$3,660.00</u> | <i>X12</i> |
| 2. MISSION | <u>\$-</u> | |
| 3. WESLACO | <u>\$-</u> | |

\$3,660.00 *X12, X9*

2. RESTAURANT INSPECTION FEE

\$13,825.00 *X11*

3. FOOD HANDLER'S CERTIFICATE FEES

\$-

4. MOBILE UNIT DECAL FEES

\$-

TOTAL AMOUNT DUE TO THE COUNTY TREASURER: (Should Match Amt in Part II)

\$22,670.00

X11-X12

Part II: SUMMARY OF COLLECTIONS REMITTED TO THE CO. TREASURER

| Name of Fee Collected | Fee Amt. | Statute Ref. | # Issued | GL Account Number | Amount Collected |
|--------------------------------|---------------------|-------------------|----------------------|---------------------------|----------------------------------|
| LOCAL FEES | | | | | |
| Installation Permit Fee | \$75 | HSC § 366.001 (A) | <u>61</u> <i>X6</i> | 1100-345-21-340-000-0-000 | <u>\$4,575.00</u> <i>X6, X7</i> |
| Final Inspection Permit Fee | \$60 | HSC § 366.001 (A) | <u>61</u> <i>X9</i> | 1100-345-25-340-000-0-000 | <u>\$3,660.00</u> <i>X9, X10</i> |
| Restaurant Inspection Fee | \$150, \$125, \$100 | HSC § 437.012 | <u>133</u> <i>X3</i> | 1100-345-22-340-000-0-000 | <u>\$13,825.00</u> <i>X3, X4</i> |
| Food Handler's Certificate Fee | \$10 | HSC § 438.047 | <u>0</u> | 1100-345-23-340-001-0-000 | <u>\$-</u> |
| Mobile Unit Decal Fee | \$5 | HSC § 121.006 (a) | <u>0</u> | 1100-345-24-340-000-0-000 | <u>\$-</u> |

STATE FEES

| | | | | | |
|----------------------|------|---------------|---------------------|---------------------------|-------------------------------|
| TCEQ Waste Water Fee | \$10 | HSC § 367.010 | <u>61</u> <i>X6</i> | 1100-207-20-000-002-0-000 | <u>\$610.00</u> <i>X6, X8</i> |
|----------------------|------|---------------|---------------------|---------------------------|-------------------------------|

TOTAL AMOUNT DUE TO THE COUNTY TREASURER:

\$22,670.00

X11-X12

variance should => "0"

Milledal
PREPARED BY

12/15/16
DATE

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

12-15-16
DATE

Elyardo Ramos
HEALTH DEPARTMENT DIRECTOR

This Report is Due in the Office of the County Auditor before the (5th) workday of the following month.

HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: *Bmo*
DATE: 1/4/17

X1

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



EDINBURG, TEXAS 78539

January 16, 2017

Mr. Eduardo Olivarez
Chief Administrative Officer
Hidalgo County Health & Human Services Department
1304 S. 25th Street
Edinburg, Texas 78539

Re: Review of the *Monthly Fees Report* and Supporting Documentation
For the month of November 2016

Dear Mr. Olivarez:

We have conducted a limited scope review of the Environmental Health Division *Monthly Fees Report* and supporting documentation for the month of November 2016 pursuant to Local Government Code §115.002 (a) and (b). The objective of the review was to determine if fees collected were properly accounted and reported.

Scope:

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Methodology:

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- Reviewed the submittal date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report and 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 that receipts followed sequential order.
- Verified that procedures for voided receipts were properly followed.

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 12th D.C.

RODOLFO DELGADO
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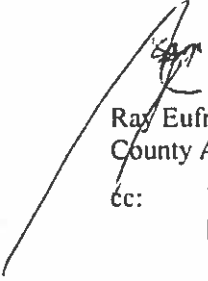
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- Verified that the collections per the *Monthly Fees Report* agreed to total receipts issued and the deposits made with the County Treasurer.
- Reviewed receipts issued, *Daily Remittance/Close-Out Reports*, and the *Monthly Fees Report*, among other supporting documentation, to verify proper completion.

Conclusion:

Total collections for the month of November 2016 were \$22,670.00. Based on the results of our review, we have concluded that 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, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer
Elizardo Ramos, Environmental Health Services Division Manager

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**HIDALGO COUNTY HEALTH DEPARTMENT
ENVIRONMENTAL HEALTH DIVISION
MONTHLY FEES REPORT
FOR THE MONTH OF: DECEMBER 2016**

PBC

Part I: RECAP OF COLLECTIONS

A. TOTAL CASH COLLECTED

\$14,260.00

1. ON-SITE SEWAGE DISPOSAL INSPECTION PERMIT FEES

a. INSTALLATION PERMIT FEE

- 1. EDINBURG \$3,230.00 *x12*
- 2. MISSION \$-
- 3. WESLACO \$-

\$3,230.00 *x12*

b. FINAL INSPECTION PERMIT FEE

- 1. EDINBURG \$2,280.00 *x12*
- 2. MISSION \$-
- 3. WESLACO \$-

\$2,280.00 *x12, x9*

2. RESTAURANT INSPECTION FEE

\$8,750.00 *x11, x9*

3. FOOD HANDLER'S CERTIFICATE FEES

\$-

4. MOBILE UNIT DECAL FEES

\$-

TOTAL AMOUNT DUE TO THE COUNTY TREASURER: (Should Match Amt in Part II)

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STATE FEES

TCEQ Waste Water Fee \$10 HSC § 367.010 38 *x6* 1100-207-20-000-002-0-000 \$380.00 *x6, x8*

TOTAL AMOUNT DUE TO THE COUNTY TREASURER:

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variance should => "0"

Malleal

PREPARED BY

1/17/17
DATE

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

1-17-17
DATE

Elyardo Ramos
HEALTH DEPARTMENT DIRECTOR

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HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: *[Signature]*
DATE: 1/31/17 *[Signature]*

RECEIVED BY
COUNTY AUDITOR
1/17/17

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
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WEBSITE: www.co.hidalgo.tx.us/auditor



EDINBURG, TEXAS 78539

February 6, 2017

Mr. Eduardo Olivarez
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Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer
Elizardo Ramos, Environmental Health Services Division Manager

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JUDGE, 39TH D.C.

ISRAEL RAMON, JR.
JUDGE, 43RD D.C.

RENEE R. BETANCOURT
JUDGE, 44TH D.C.

AUDITED BY: THE HIDALGO COUNTY AUDITOR'S OFFICE
 DATE: 1-12-17

COUNTY OF HIDALGO, TEXAS
 SCHEDULE OF RECIPITS AND DEPOSITS FOR THE MONTH OF:
 PRECINCT 1, SANITATION PROGRAM

J. C. [Signature]
 Nov-16

| Receipt Date | Receipt # Sequence | | Total Collected | Credit Card Amount (Direct Deposit) | LONE STAR NATIONAL BANK | | | COUNTY TREASURER | | | OVER (SHORT) | |
|--------------|--------------------|-------|-----------------|-------------------------------------|-------------------------|-----------------|---------------------|------------------|----------------|---------------|--------------|---------|
| | BEG # | END # | | | Deposit Amount | Date of Deposit | Deposit Slip Number | Receipt Date | Receipt Number | Diff on Dates | | |
| 1 | 1-Nov | 18160 | 18189 | \$ 850.00 | \$ 25.00 | \$ 825.00 | 11-1-2016 | 212 00469 | 11/10/2016 | 204409 | -9 | \$ |
| 2 | 2-Nov | 18190 | 18215 | \$ 850.00 | \$ 200.00 | \$ 650.00 | 11-3-2016 | 212 00470 | 11/14/2016 | 204411 | -11 | \$ |
| 3 | 3-Nov | 18216 | 18256 | \$ 1,425.00 | \$ 175.00 | \$ 1,250.00 | 11-3-2016 | 212 00471 | 11/14/2016 | 204412 | -11 | \$ |
| 4 | 4-Nov | 18257 | 18291 | \$ 1,175.00 | \$ 150.00 | \$ 1,025.00 | 11-4-2016 | 212 00472 | 11/16/2016 | 204516 | -12 | \$ |
| 5 | 5-Nov | | | | | | | 212 | | | 0 | \$ |
| 6 | 6-Nov | | | | | | | 212 | | | 0 | \$ |
| 7 | 7-Nov | 18292 | 18329 | \$ 1,150.00 | \$ 75.00 | \$ 1,075.00 | 11-7-2016 | 212 00473 | 11/16/2016 | 204517 | -9 | \$ |
| 8 | 8-Nov | 18330 | 18349 | \$ 500.00 | \$ 100.00 | \$ 400.00 | 11-8-2016 | 212 00474 | 11/16/2016 | 204518 | -8 | \$ |
| 9 | 9-Nov | 18350 | 18364 | \$ 400.00 | \$ 75.00 | \$ 325.00 | 11-9-2016 | 212 00475 | 11/16/2016 | 204519 | -7 | \$ |
| 10 | 10-Nov | 18365 | 18400 | \$ 1,000.00 | \$ 225.00 | \$ 775.00 | 11-10-2016 | 212 00476 | 11/17/2016 | 204552 | -7 | \$ |
| 11 | 11-Nov | | | | | | | 212 | | | 0 | \$ |
| 12 | 12-Nov | | | | | | | 212 | | | 0 | \$ |
| 13 | 13-Nov | | | | | | | 212 | | | 0 | \$ |
| 14 | 14-Nov | 18401 | 18431 | \$ 1,025.00 | \$ 275.00 | \$ 750.00 | 11-14-2016 | 212 00477 | 11/17/2016 | 204556 | -3 | \$ |
| 15 | 15-Nov | 18432 | 18444 | \$ 350.00 | \$ 50.00 | \$ 300.00 | 11-15-2016 | 212 00478 | 11/18/2016 | 204641 | -3 | \$ |
| 16 | 16-Nov | 18445 | 18465 | \$ 650.00 | \$ 125.00 | \$ 525.00 | 11-16-2016 | 212 00479 | 11/18/2016 | 204642 | -2 | \$ |
| 17 | 17-Nov | 18466 | 18486 | \$ 675.00 | \$ 75.00 | \$ 600.00 | 11-17-2016 | 212 00480 | 11/29/2016 | 204906 | -12 | \$ |
| 18 | 18-Nov | 18487 | 18514 | \$ 1,000.00 | \$ 350.00 | \$ 650.00 | 11-18-2016 | 212 00481 | 11/29/2016 | 204907 | -11 | \$ |
| 19 | 19-Nov | | | | | | | 212 | | | 0 | \$ |
| 20 | 20-Nov | | | | | | | 212 | | | 0 | \$ |
| 21 | 21-Nov | 18515 | 18544 | \$ 850.00 | \$ 75.00 | \$ 775.00 | 11-22-2016 | 212 00482 | 11/29/2016 | 204909 | -7 | \$ |
| 22 | 22-Nov | 18545 | 18584 | \$ 1,050.00 | \$ 225.00 | \$ 825.00 | 11-22-2016 | 212 00483 | 11/29/2016 | 204910 | -7 | \$ |
| 23 | 23-Nov | 18585 | 18608 | \$ 675.00 | \$ 125.00 | \$ 550.00 | 11-23-2016 | 212 00484 | 11/29/2016 | 204911 | -6 | \$ |
| 24 | 24-Nov | | | | | | | 212 | | | 0 | \$ |
| 25 | 25-Nov | | | | | | | 212 | | | 0 | \$ |
| 26 | 26-Nov | | | | | | | 212 | | | 0 | \$ |
| 26 | 27-Nov | | | \$ 1,450 | | | | 212 | | | 0 | \$ |
| 27 | 28-Nov | 18609 | 18657 | \$ 1,425.00 | \$ 325.00 | \$ 1,100.00 | 11-28-2016 | 212 00485 | 12/1/2016 | 205034 | -3 | \$ - 25 |
| 29 | 29-Nov | 18658 | 18678 | \$ 550.00 | \$ 100.00 | \$ 450.00 | 11-29-2016 | 212 00486 | 12/1/2016 | 205035 | -2 | \$ |
| 30 | 30-Nov | 18679 | 18695 | \$ 550.00 | \$ 25.00 | \$ 525.00 | 11-30-2016 | 212 487 | 12/12/2016 | 205300 | -12 | \$ |
| 31 | 1-Dec | | | | | | | 212 | | | 0 | \$ |
| TOTALS | | | \$ 16,150.00 | \$ 2,775.00 | \$ 13,375.00 | | | | | | | \$ |

| | | |
|---|----|-----------|
| TOTAL AMOUNT DUE TO GENERAL FUND-----1100-322-70-121-000-0-000----- | \$ | 16,150.00 |
| LESS: TOTAL AMOUNT REMITTED TO GENERAL FUND (DIRECT DEPOSIT)----- | \$ | 2,775.00 |
| TOTAL FUNDS DUE TO THE COUNTY TREASURER----- | \$ | 13,375.00 |

PREPARED BY: [Signature]

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

[Signature]
 APPROVED BY

RECEIVED

JAN 11 2017

12-15-17
 DATE

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

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



EDINBURG, TEXAS 78539

January 26, 2017

Honorable David Fuentes
Hidalgo County Commissioner Pct. No. 1
1902 Joe Stephens Suite 101
Weslaco, Texas 78596

Re: Review of the Precinct 1 Sanitation Program *Monthly Fees Report* and Supporting Documentation
For the month of November 2016

Dear Commissioner Fuentes:

We conducted a limited scope review of the Precinct 1 Sanitation Program *Monthly Fees Report* and all supporting documentation for the month of November 2016 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 Report* for the month of November 2016. 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 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 that receipts and permits issued followed a sequential order.
- Verified that procedures for voided receipts and permits were properly followed.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 83RD D.C.

J. R. BOBBY FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

JUAN R. PARTIDA
JUDGE, 775TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 378TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BE'ANCOLI
JUDGE, 449TH D.C.

- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Forms (Close-Out Report)* 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 Fees Report* agreed to total receipts issued and the deposits made with the County Treasurer.
- Verified the *Close-Out Report Forms* and *Monthly Fees Report* were properly completed.

Conclusion:

Total collections for the month of November 2016 were \$16,150.00. Based on the results of our review, we have concluded that fees collected were not properly accounted and reported (see Observation No. 1).

Observation No. 1:

Collections for November 28, 2016 were short by \$25.00. According to staff, the shortage occurred when a receipt was issued for \$50.00 (180 day permit); however, only \$25.00 was charged to the payer's credit card. After the County Auditor's staff inquiry, the permit activation period was reduced to 90 days by the Precinct staff to agree to the actual permit amount received.

The County Auditor's Office requires cashiers verify that the payment received agrees to the receipt amount prior to issuing the receipt.

Failure to ensure that cashiers to verify that the payment received agrees to the receipt amount prior to issuing the receipt may result in the loss of County revenue.

Recommendation:

Management should ensure that cashiers verify that the payment received agrees to the receipt amount prior to issuing the receipt.

Observation No. 2:

Receipt number 18348 was voided without obtaining the Supervisor's signature of approval. According to staff, the receipt was voided without obtaining the Supervisor's signature of approval due to an oversight.

The County Auditor's Office requires that approval be obtained prior to voiding a receipt. Approval of void receipts should be limited to supervisors. The supervisors should ensure the original and all copies of the void receipt contain on the face of the receipt the word "void", an explanation for the void, the date receipt was voided, and the supervisor's signature of approval. In addition, the properly authorized voided receipt must be submitted to the Auditor's Office along with the monthly reports.

Failure to ensure that receipts are properly voided may result in the loss of County funds.

Recommendation:

Management should ensure that all receipts are properly voided. At a minimum, the procedures noted above should be implemented.

Observation No. 3:

The *Monthly Fees Report* and applicable supporting documentation were not filed with the County Auditor's Office within five days after the last day of the month pursuant to Local Government Code §114.001 (b). The report was submitted 42 days late.

Local Government Code §114.001 (b) requires monthly reports to be filed with the County Auditor's Office within five days after the last day of each month.

Failure to ensure that the monthly report is filed with the County Auditor's Office within five days after the last day of the month will result in non-compliance with Local Government Code §114.001 (b).

Recommendation:

Management should ensure that the *Monthly Fees Report* and supporting documentation are filed with the County Auditor's Office within five days after the last day of the month.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 312ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.


ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 449TH D.C.

Honorable David Fuentes
January 26, 2017
Page 3 of 3

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, Linda Fong, First Assistant Auditor, at ext. 4648, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LINA M SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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

MARIO E. RAMÍREZ, JR.
JUDGE, 312ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 394TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

Revised - Sign

AUDITED BY: THE HIDALGO
 COUNTY AUDITOR'S OFFICE
 DATE: 12-2-17
LC 12/2/17
 Dec-16

COUNTY OF HIDALGO, TEXAS
 SCHEDULE OF RECEIPTS AND DEPOSITS FOR THE MONTH OF:
 PRECINCT 1, SANITATION PROGRAM

| Receipt Date | Receipt # Sequence | | Total Collected | Credit Card Amount (Direct Deposit) | LONE STAR NATIONAL BANK | | | COUNTY TREASURER | | | OVER/ (SHORT) | | |
|--------------|--------------------|-------|-----------------|-------------------------------------|-------------------------|-----------------|---------------------|------------------|----------------|---------------|---------------|-----|------|
| | BEG # | END # | | | Deposit Amount | Date of Deposit | Deposit Slip Number | Receipt Date | Receipt Number | Diff on Dates | | | |
| 1 | 1-Dec | 18696 | 18715 | \$ + 500.00 | \$ + 50.00 | \$ + 450.00 | 12-1-2016 | 212 | +00488 | + 12/12/2016 | + 205301 | -11 | \$ - |
| 2 | 2-Dec | 18716 | 18737 | \$ + 700.00 | \$ + 200.00 | \$ + 500.00 | 12-2-2016 | 212 | +00489 | + 12/12/2016 | + 205303 | -10 | \$ - |
| 3 | 3-Dec | | | | | | | 212 | | | | 0 | \$ - |
| 4 | 4-Dec | | | | | | | 212 | | | | 0 | \$ - |
| 5 | 5-Dec | 18738 | 18789 | \$ + 825.00 | \$ + 25.00 | \$ + 800.00 | 12-5-2016 | 212 | +00490 | + 12/12/2016 | + 205307 | -7 | \$ - |
| 6 | 6-Dec | 18770 | 18785 | \$ + 475.00 | \$ + 150.00 | \$ + 325.00 | 12-6-2016 | 212 | +00491 | + 12/15/2016 | + 205505 | -9 | \$ - |
| 7 | 7-Dec | 18786 | 18807 | \$ + 400.00 | \$ - | \$ + 400.00 | 12-7-2016 | 212 | +00492 | + 1/3/2017 | + 205906 | -27 | \$ - |
| 8 | 8-Dec | 18786 | 18807 | \$ + 275.00 | \$ + 25.00 | \$ + 250.00 | 12-8-2016 | 212 | +00493 | + 12/15/2016 | + 205506 | -7 | \$ - |
| 9 | 9-Dec | 18808 | 18829 | \$ + 650.00 | \$ - | \$ + 650.00 | 12-9-2016 | 212 | +00494 | + 12/15/2016 | + 205508 | -6 | \$ - |
| 10 | 10-Dec | | | | | | | 212 | | | | 0 | \$ - |
| 11 | 11-Dec | | | | | | | 212 | | | | 0 | \$ - |
| 12 | 12-Dec | 18830 | 18854 | \$ + 800.00 | \$ + 200.00 | \$ + 600.00 | 12-12-2016 | 212 | +00495 | + 12/27/2016 | + 205688 | -15 | \$ - |
| 13 | 13-Dec | 18855 | 18868 | \$ + 475.00 | \$ + 125.00 | \$ + 350.00 | 12-13-2016 | 212 | +00496 | + 12/28/2016 | + 205714 | -15 | \$ - |
| 14 | 14-Dec | 18889 | 18884 | \$ + 525.00 | \$ + 200.00 | \$ + 325.00 | 12-14-2016 | 212 | +00497 | + 12/28/2016 | + 205715 | -14 | \$ - |
| 15 | 15-Dec | 18885 | 18895 | \$ + 300.00 | \$ - | \$ + 300.00 | 12-15-2016 | 212 | +00498 | + 1/4/2017 | + 206008 | -20 | \$ - |
| 16 | 16-Dec | 18896 | 18916 | \$ + 600.00 | \$ + 75.00 | \$ + 525.00 | 12-16-2016 | 212 | +00499 | + 12/29/2016 | + 205837 | -13 | \$ - |
| 17 | 17-Dec | | | | | | | 212 | | | | 0 | \$ - |
| 18 | 18-Dec | | | | | | | 212 | | | | 0 | \$ - |
| 19 | 19-Dec | 18917 | 18934 | \$ + 500.00 | \$ + 50.00 | \$ + 450.00 | 12-19-2016 | 212 | +00500 | + 12/29/2016 | + 205842 | -10 | \$ - |
| 20 | 20-Dec | 18936 | 18955 | \$ + 600.00 | \$ + 75.00 | \$ + 525.00 | 12-20-2016 | 212 | +00501 | + 12/29/2016 | + 205843 | -9 | \$ - |
| 21 | 21-Dec | 18966 | 18969 | \$ + 450.00 | \$ + 100.00 | \$ + 350.00 | 12-21-2016 | 212 | +00502 | + 12/29/2016 | + 205844 | -8 | \$ - |
| 22 | 22-Dec | 18970 | 18989 | \$ + 600.00 | \$ + 75.00 | \$ + 525.00 | 12-22-2016 | 212 | +00503 | + 1/10/2017 | + 206128 | -19 | \$ - |
| 23 | 23-Dec | | | | | | | 212 | | | | 0 | \$ - |
| 24 | 24-Dec | | | | | | | 212 | | | | 0 | \$ - |
| 25 | 25-Dec | | | | | | | 212 | | | | 0 | \$ - |
| 26 | 26-Dec | | | | | | | 212 | | | | 0 | \$ - |
| 26 | 27-Dec | 18990 | 19040 | \$ + 1,725.00 | \$ + 575.00 | \$ + 1,150.00 | 12-27-2016 | 212 | 00504 | + 1/5/2017 | + 206062 | -9 | \$ - |
| 27 | 28-Dec | 19041 | 19061 | \$ + 550.00 | \$ + 75.00 | \$ + 475.00 | 12-28-2016 | 212 | 00505 | + 1/6/2017 | + 206063 | -9 | \$ - |
| 29 | 29-Dec | 19062 | 19084 | \$ + 725.00 | \$ + 150.00 | \$ + 575.00 | 12-29-2016 | 212 | 00506 | + 1/6/2017 | + 206064 | -8 | \$ - |
| 30 | 30-Dec | | | | | | | 212 | | | | 0 | \$ - |
| 31 | 31-Dec | | | | | | | 212 | | | | 0 | \$ - |
| TOTALS | | | \$ 11,675.00 | \$ 2,150.00 | \$ 9,525.00 | | | | | | | | \$ - |

| | | |
|---|----|-----------|
| TOTAL AMOUNT DUE TO GENERAL FUND-----1100-322-70-121-000-0-000----- | \$ | 11,675.00 |
| LESS: TOTAL AMOUNT REMITTED TO GENERAL FUND (DIRECT DEPOSIT)----- | \$ | 2,150.00 |
| TOTAL FUNDS DUE TO THE COUNTY TREASURER----- | \$ | 9,525.00 |

PREPARED BY: *LA W*

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

APPROVED BY: *Dec King*

2-2-17
DATE

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

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



EDINBURG, TEXAS 78539

February 3, 2017

Honorable David Fuentes, Commissioner
Hidalgo County Precinct No. 1
1902 Joe Stephens Suite 101
Weslaco, Texas 78596

Re: Review of the Precinct 1 Sanitation Program *Monthly Fees Report* and Supporting Documentation
For the month of December 2016

Dear Commissioner Fuentes:

We conducted a limited scope review of the Precinct 1 Sanitation Program *Monthly Fees Report* and all supporting documentation for the month of December 2016 pursuant to Local Government Code §115.002 (a) and (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 Report* for the month of December 2016. 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 date 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 that receipts and permits issued followed a sequential order.
- Verified that procedures for voided receipts and permits were properly followed.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA FLORES
JUDGE, 206TH D.C.

JUAN P. PARTIDA
JUDGE, 215TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 312TH D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 396TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH 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 Fees Report* agreed to total receipts issued and the deposits made with the County Treasurer.
- Verified the *Close-Out Report Forms* and *Monthly Fees Report* were properly completed.

Conclusion:

Total collections for the month of December 2016 were \$11,657.00. 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:

We noted during our review that receipt numbers 19047 and 19048 were not properly voided. The receipts did not contain the supervisor's signature of approval. According to staff, the receipts were voided without obtaining the supervisor's signature due to an oversight.

The County Auditor's Office requires that approval of a void receipt be obtained prior to voiding a receipt. Approval of void receipts should be limited to supervisors. The supervisors should ensure the original and all copies of the void receipt contain on the face of the receipt the word "void", an explanation for the void, the date receipt was voided, and the supervisor's signature of approval. In addition, the properly authorized voided receipt must be submitted to the Auditor's Office along with the monthly reports.

Failure to ensure that receipts are properly voided may result in the loss of County funds.

Recommendation:

Management should ensure that all receipts are properly voided. At a minimum, the procedures noted above should be implemented.

Observation No. 2:

The *Monthly Fees Report* and applicable supporting documentation were not filed with the County Auditor's Office within five days after the last day of the month pursuant to Local Government Code §114.001 (b). The report was submitted 18 days late.

Local Government Code §114.001 (b) requires monthly reports to be filed with the County Auditor's Office within five days after the last day of each month.

Failure to ensure that the monthly report is filed with the County Auditor's Office within five days after the last day of the month will result in non-compliance with Local Government Code §114.001 (b).


Recommendation:

Management should ensure that the *Monthly Fees Report* and supporting documentation are filed with the County Auditor's Office within five days after the last day of the month.

Please provide a written management response to the observations noted above by February 17, 2017.

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, Linda Fong, First Assistant Auditor, at ext. 4648, or me at ext. 4604.

Respectfully,


Ray Efracio, CPA
County Auditor

cc: Valde Guerra, Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELJADO
JUDGE, 93RD D.C.

J. P. "BOBBY" FLORES
JUDGE, 131TH D.C.

ROSE GUERRA PEYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

MOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 649TH D.C.

HIDALGO COUNTY, TEXAS
 DELTA LAKE PARK, PRECINCT 1
 MONTHLY REPORT FOR THE MONTH ENDING
 December 2016

PBC

| DATE | BEGINNING RECEIPT NUMBER | ENDING RECEIPT NUMBER | TOTAL RECEIPTS ISSUED | TOTAL RECEIPT AMOUNT | COUNTY TREASURER | | | DEPOSIT SLIP NUMBER |
|------|--------------------------|-----------------------|-----------------------|----------------------|------------------|-----------------|----------------|---------------------|
| | | | | | DEPOSIT AMOUNT | DATE OF DEPOSIT | RECEIPT NUMBER | |
| 1 | 12/1/2016 | | | \$ - | \$ - | | | 211 0 |
| 2 | 12/2/2016 | | | \$ - | \$ - | | | 211 0 |
| 3 | 12/3/2016 | | | \$ - | \$ - | | | 211 0 |
| 4 | 12/4/2016 | 317286 | 5 | \$ 10.00 | \$ 10.00 | 12/6/2016 | 205217 | 211 02525 |
| 5 | 12/5/2016 | | | \$ - | \$ - | | | 211 0 |
| 6 | 12/6/2016 | | | \$ - | \$ - | | | 211 0 |
| 7 | 12/7/2016 | | | \$ - | \$ - | | | 211 0 |
| 8 | 12/8/2016 | | | \$ - | \$ - | | | 211 0 |
| 9 | 12/9/2016 | | | \$ - | \$ - | | | 211 0 |
| 10 | 12/10/2016 | | | \$ - | \$ - | | | 211 0 |
| 11 | 12/11/2016 | 317291 | 14 | \$ 28.00 | \$ 28.00 | 12/12/2016 | 205568 | 211 02526 |
| 12 | 12/12/2016 | | | \$ - | \$ - | | | 211 0 |
| 13 | 12/13/2016 | | | \$ - | \$ - | | | 211 0 |
| 14 | 12/14/2016 | | | \$ - | \$ - | | | 211 0 |
| 15 | 12/15/2016 | | | \$ - | \$ - | | | 211 0 |
| 16 | 12/16/2016 | | | \$ - | \$ - | | | 211 0 |
| 17 | 12/17/2016 | | | \$ - | \$ - | | | 211 0 |
| 18 | 12/18/2016 | 317305 | 1 | \$ 2.00 | \$ 2.00 | 12/19/2016 | 205569 | 211 02527 |
| 19 | 12/19/2016 | | | \$ - | \$ - | | | 211 0 |
| 20 | 12/20/2016 | | | \$ - | \$ - | | | 211 0 |
| 21 | 12/21/2016 | | | \$ - | \$ - | | | 211 0 |
| 22 | 12/22/2016 | | | \$ - | \$ - | | | 211 0 |
| 23 | 12/23/2016 | | | \$ - | \$ - | | | 211 0 |
| 24 | 12/24/2016 | | | \$ - | \$ - | | | 211 0 |
| 25 | 12/25/2016 | HOLIDAY | | \$ - | \$ - | | | 211 HOLIDAY |
| 26 | 12/26/2016 | | | \$ - | \$ - | | | 211 0 |
| 27 | 12/27/2016 | | | \$ - | \$ - | | | 211 0 |
| 28 | 12/28/2016 | | | \$ - | \$ - | | | 211 0 |
| 29 | 12/29/2016 | | | \$ - | \$ - | | | 211 0 |
| 30 | 12/30/2016 | | | \$ - | \$ - | | | 211 0 |
| 31 | 12/31/2016 | | | \$ - | \$ - | | | 211 0 |
| | | | | 20 | \$ - | | | |
| | | | | 20 | \$ 40.00 | | | |

TOTAL RECEIPTS AND FUNDS COLLECTED:

20 x \$2.00 = \$ 40.00

TOTAL AMOUNT DUE TO GENERAL FUND-----1100-347-40-121-000-0-000-----
 LESS: TOTAL AMOUNTS REMITTED TO GENERAL FUND-----
 TOTAL FUNDS DUE TO THE COUNTY TREASURER-----

\$ 40.00
 \$ 40.00
 \$ -

PREPARED BY: Delma Cadena

DATE: 1/3/17

THIS REPORT HAS BEEN PERSONALLY REVIEWED BY ME AND I CERTIFY IT TO BE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.
David L. Fuentes
 DAVID L. FUENTES
 COMMISSIONER PCT. NO. 1

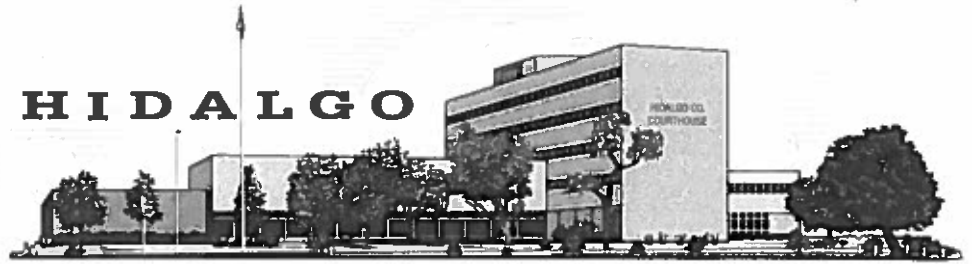
HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: *Bmo*
 DATE: 2/3/17

1/4/17 Revised 2/3/2017
 DATE

Revised

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



EDINBURG, TEXAS 78539

February 6, 2017

Honorable David Fuentes
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 month of December 2016

Dear Commissioner Cuellar:

We conducted a limited scope review of the Delta Lake *Monthly Fees Report* and all supporting documentation for the month of December 2016 pursuant to Local Government Code §115.002 (a) and (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 Report* for the month of December 2016. 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, the *Monthly Fees Report* and fee schedules. The following procedures were performed:

- Reviewed the submittal date 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 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 (Close-Out Report)* to determine whether fees collected were properly accounted & deposited with the County Treasurer on a daily basis.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 379TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 396TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

- Verified that the collections per the *Monthly Fees Report* agreed to total tickets issued and the deposits made with the County Treasurer.
- Verified the *Close-Out Report Forms* and *Monthly Fees Report* were properly completed.

Conclusion:

Total collections for the month of December 2016 were \$40.00. 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.

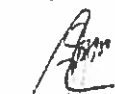
Recommendation:

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

Please provide a written management response to the observation noted above by February 24, 2017.

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, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,


Ray Eufracio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

| | | | | | | | | | | |
|---|---|---|--|--|--|---|--|--|--|--|
| LUIS M. SINGLETERRY JUDGE, 12 TH D.C. | RODOLFO DELGADO JUDGE, 13 TH D.C. | J. R. "BOBBY" FLORES JUDGE, 138 TH D.C. | ROSE GUERRA REYNA JUDGE, 204 TH D.C. | JUAN R. PARTIDA JUDGE, 275 TH D.C. | MARIO E. RAMIREZ, JR. JUDGE, 312 TH D.C. | NCE GONZALEZ JUDGE, 370 TH D.C. OVERSEER | LETICIA LOPEZ JUDGE, 388 TH D.C. | L. KENO VASQUEZ JUDGE, 394 TH D.C. | ISRAEL RAMON, JR. JUDGE, 430 TH D.C. | RENEE R. BETANCOURT JUDGE, 441 TH D.C. |
|---|---|---|--|--|--|---|--|--|--|--|

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF RECEIPTS AND DEPOSITS FOR THE MONTH OF:
PRECINCT 2, SANITATION PROGRAM

Dec-16

pbc

| Receipt Date | Receipt # Sequence | | Total Collected | Credit Card Amount (Direct Deposit) | LONE STAR NATIONAL BANK | | | COUNTY TREASURER | | | | OVER/ (SHORT) |
|--------------|--------------------|-----------|-----------------|-------------------------------------|-------------------------|-----------------|---------------------|------------------|--------------|----------------|---------------|---------------|
| | BEG # | END # | | | Deposit Amount | Date of Deposit | Deposit Slip Number | Receipt Amount | Receipt Date | Receipt Number | Diff on Dates | |
| 1-1-Dec | 222-04089 | 222-04095 | \$ 275.00 | \$ - | \$ 275.00 | 12/02/2016 | 222 00465 | \$ 275.00 | 12/9/2016 | 205244 | -7 | \$ |
| 2-1-Dec | 222-04096 | 222-04113 | \$ 575.00 | \$ - | \$ 575.00 | 12/02/2016 | 222 00466 | \$ 575.00 | 12/9/2016 | 205245 | -7 | \$ |
| 3-1-Dec | CLOSED | | | | | | 222 | | | | 0 | \$ |
| 4-1-Dec | CLOSED | | | | | | 222 | | | | 0 | \$ |
| 5-1-Dec | 222-04114 | 222-04132 | \$ 600.00 | \$ - | \$ 600.00 | 12/05/2016 | 222 00467 | \$ 600.00 | 12/9/2016 | 205246 | -4 | \$ |
| 6-1-Dec | 222-04133 | 222-04141 | \$ 325.00 | \$ 50.00 | \$ 275.00 | 12/06/2016 | 222 00468 | \$ 325.00 | 12/9/2016 | 205248 | -3 | \$ |
| 7-1-Dec | 222-04142 | 222-04152 | \$ 325.00 | \$ 75.00 | \$ 250.00 | 12/07/2016 | 222 00469 | \$ 325.00 | 12/14/2016 | 205430 | -7 | \$ |
| 8-1-Dec | 222-04153 | 222-04162 | \$ 350.00 | \$ - | \$ 350.00 | 12/12/2016 | 222 00470 | \$ 350.00 | 12/27/2016 | 205689 | -15 | \$ |
| 9-1-Dec | 222-04163 | 222-04171 | \$ 250.00 | \$ - | \$ 250.00 | 12/09/2016 | 222 00471 | \$ 250.00 | 12/27/2016 | 205690 | -18 | \$ |
| 10-1-Dec | CLOSED | | | | | | 222 | | | | 0 | \$ |
| 11-1-Dec | CLOSED | | | | | | 222 | | | | 0 | \$ |
| 12-1-Dec | 222-04172 | 222-04182 | \$ 400.00 | \$ - | \$ 400.00 | 12/12/2016 | 222 00472 | \$ 400.00 | 12/27/2016 | 205691 | -15 | \$ |
| 13-1-Dec | 222-04183 | 222-04185 | \$ 75.00 | \$ 25.00 | \$ 50.00 | 12/15/2016 | 222 00473 | \$ 75.00 | 12/27/2016 | 205692 | -12 | \$ |
| 14-1-Dec | 222-04186 | 222-04190 | \$ 200.00 | \$ 100.00 | \$ 100.00 | 12/15/2016 | 222 00474 | \$ 200.00 | 12/27/2016 | 205693 | -12 | \$ |
| 15-1-Dec | 222-04191 | 222-04197 | \$ 250.00 | \$ - | \$ 250.00 | 12/15/2016 | 222 00475 | \$ 250.00 | 12/29/2016 | 205810 | -14 | \$ |
| 16-1-Dec | 222-04198 | 222-04205 | \$ 375.00 | \$ 25.00 | \$ 350.00 | 12/16/2016 | 222 00476 | \$ 375.00 | 12/29/2016 | 205814 | -13 | \$ |
| 17-1-Dec | CLOSED | | | | | | 222 | | | | 0 | \$ |
| 18-1-Dec | CLOSED | | | | | | 222 | | | | 0 | \$ |
| 19-1-Dec | 222-04206 | 222-04212 | \$ 175.00 | \$ - | \$ 175.00 | 12/19/2016 | 222 00477 | \$ 175.00 | 12/29/2016 | 205815 | -10 | \$ |
| 20-1-Dec | 222-04213 | 222-04215 | \$ 75.00 | \$ 25.00 | \$ 50.00 | 12/21/2016 | 222 00478 | \$ 75.00 | 12/29/2016 | 205816 | -8 | \$ |
| 21-1-Dec | 222-04216 | 222-04221 | \$ 150.00 | \$ - | \$ 150.00 | 12/21/2016 | 222 00479 | \$ 150.00 | 12/29/2016 | 205817 | -8 | \$ |
| 22-1-Dec | 222-04222 | 222-04225 | \$ 100.00 | \$ - | \$ 100.00 | 12/22/2016 | 222 00480 | \$ 100.00 | 12/29/2016 | 205818 | -7 | \$ |
| 23-1-Dec | HOLIDAY | | | | | | 222 | | | | 0 | \$ |
| 24-1-Dec | CLOSED | | | | | | 222 | | | | 0 | \$ |
| 25-1-Dec | CLOSED | | | | | | 222 | | | | 0 | \$ |
| 26-1-Dec | HOLIDAY | | | | | | 222 | | | | 0 | \$ |
| 27-1-Dec | 222-04226 | 222-04249 | \$ 800.00 | \$ 125.00 | \$ 675.00 | 12/28/2016 | 222 00481 | \$ 800.00 | 1/4/2017 | 205999 | -7 | \$ |
| 28-1-Dec | 222-04250 | 222-04257 | \$ 350.00 | \$ 125.00 | \$ 225.00 | 12/28/2016 | 222 00482 | \$ 350.00 | 1/4/2017 | 206001 | -7 | \$ |
| 29-1-Dec | 222-04258 | 222-04266 | \$ 250.00 | \$ 25.00 | \$ 225.00 | 12/29/2016 | 222 00483 | \$ 250.00 | 1/5/2017 | 206033 | -7 | \$ |
| 30-1-Dec | HOLIDAY | | | | | | 222 | | | | 0 | \$ |
| 31-1-Dec | CLOSED | | | | | | 222 | | | | 0 | \$ |

TOTALS \$ 5,900.00 / \$ 575.00 / \$ 5,325.00

\$ 5,900.00

\$

^ ^ ^ ^

| | | |
|---|----|----------|
| TOTAL AMOUNT DUE TO GENERAL FUND-----1100-322-70-122-000-0-000----- | \$ | 5,900.00 |
| LESS: TOTAL AMOUNT REMITTED TO GENERAL FUND (COUNTY TREASURER)----- | \$ | 5,900.00 |
| OVER/(SHORT)----- | \$ | - |

PREPARED BY: *Belinda Martinez*

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

Leila Zamora
 APPROVED BY

1-17-17
 DATE

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

COUNTY AUDITOR'S FORM RE-PCT 2-005 REVISED: 12/2014

HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: *Bmo*
 DATE: *2/1/17*

XI

COUNTY 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



EDINBURG, TEXAS 78539

February 2, 2017

The Honorable Eduardo Cantu
Hidalgo County Commissioner Precinct No. 2
300 W. Hall Acres Suite G
Pharr, Texas 78577

Re: Review of the Precinct 2 Sanitation Program *Monthly Fees Report* and Supporting Documentation
For the Month of December 2016

Dear Commissioner Cantu:

We conducted a limited scope review of the Precinct 2 Sanitation Program *Monthly Fees Report* and all supporting documentation for the month of December 2016 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 Report* for the month of December 2016. 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 date 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 that receipts and permits issued followed a sequential order.
- Verified that procedures for voided receipts and voided permits were properly followed.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 32ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH D.C.

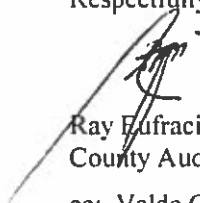
- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Forms (Close-Out Report)* to determine whether fees collected were properly accounted & deposited with the financial institution on a daily basis.
- Verified that the collections per the *Monthly Fees Report* agreed to total receipts issued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

Conclusion:

Total collections for the month of December 2016 were \$5,900.00. 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 call Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, or Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, ext 4668, or me at ext 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

JUAN R. PARTIDA
JUDGE, 273RD D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 378TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 449TH D.C.

AUDITED BY: THE HIDALGO COUNTY AUDITOR'S OFFICE
 DATE: 12-29-16
J. C. Miller

COUNTY OF HIDALGO, TEXAS
 SCHEDULE OF RECIPITS AND DEPOSITS FOR THE MONTH OF:
 PRECINCT 3, SANITATION PROGRAM

Nov. 2016

| Receipt Date | Receipt # Sequence | | Total Collected | Credit Card Amount (Direct Deposit) | LONE STAR NATIONAL BANK | | | COUNTY TREASURER | | | | OVER/ (SHORT) | | |
|--------------|--------------------|-----------|-----------------|-------------------------------------|-------------------------|-----------------|---------------------|------------------|--------------|----------------|---------------|---------------|----|------|
| | BEG # | END # | | | Deposit Amount | Date of Deposit | Deposit Slip Number | Receipt Amount | Receipt Date | Receipt Number | Diff on Dates | | | |
| 1 | 1-Nov | 232-28766 | 232-28830 | \$ 1,925.00 | \$ 150.00 | \$ 1,775.00 | 11-1-16 | 232 | 00489 | \$ 1,925.00 | 11/7/2016 | 204251 | -6 | \$ - |
| 2 | 2-Nov | 232-28831 | 232-28875 | \$ 1,225.00 | \$ 250.00 | \$ 975.00 | 11-2-16 | 232 | 00490 | \$ 1,225.00 | 11/7/2016 | 204252 | -5 | \$ - |
| 3 | 3-Nov | 232-28876 | 232-28934 | \$ 1,650.00 | \$ 250.00 | \$ 1,400.00 | 11-3-16 | 232 | 00491 | \$ 1,650.00 | 11/7/2016 | 204253 | -4 | \$ - |
| 4 | 4-Nov | 232-28935 | 232-29030 | \$ 2,575.00 | \$ 275.00 | \$ 2,300.00 | 11-4-16 | 232 | 00492 | \$ 2,575.00 | 11/9/2016 | 204311 | -5 | \$ - |
| 5 | 5-Nov | Saturday | | | | | | 232 | | | | | 0 | \$ - |
| 6 | 6-Nov | Sunday | | | | | | 232 | | | | | 0 | \$ - |
| 7 | 7-Nov | 232-29031 | 232-29123 | \$ 2,625.00 | \$ 400.00 | \$ 2,225.00 | 11-7-16 | 232 | 00493 | \$ 2,625.00 | 11/9/2016 | 204317 | -2 | \$ - |
| 8 | 8-Nov | 232-29124 | 232-29162 | \$ 1,050.00 | \$ 250.00 | \$ 800.00 | 11-8-16 | 232 | 00494 | \$ 1,050.00 | 11/9/2016 | 204318 | -1 | \$ - |
| 9 | 9-Nov | 232-29163 | 232-29207 | \$ 1,250.00 | \$ 325.00 | \$ 925.00 | 11-9-16 | 232 | 00495 | \$ 1,250.00 | 11/14/2016 | 204444 | -5 | \$ - |
| 10 | 10-Nov | 232-29208 | 232-29246 | \$ 1,050.00 | \$ 200.00 | \$ 850.00 | 11-10-16 | 232 | 00496 | \$ 1,050.00 | 11/14/2016 | 204446 | -4 | \$ - |
| 11 | 11-Nov | Holiday | | | | | | 232 | | | | | 0 | \$ - |
| 12 | 12-Nov | Saturday | | | | | | 232 | | | | | 0 | \$ - |
| 13 | 13-Nov | Sunday | | | | | | 232 | | | | | 0 | \$ - |
| 14 | 14-Nov | 232-29247 | 232-29334 | \$ 2,500.00 | \$ 450.00 | \$ 2,050.00 | 11-14-16 | 232 | 00497 | \$ 2,500.00 | 11/16/2016 | 204523 | -2 | \$ - |
| 15 | 15-Nov | 232-29335 | 232-29384 | \$ 1,475.00 | \$ 375.00 | \$ 1,100.00 | 11-15-16 | 232 | 00498 | \$ 1,475.00 | 11/18/2016 | 204636 | -3 | \$ - |
| 16 | 16-Nov | 232-29385 | 232-29445 | \$ 1,775.00 | \$ 150.00 | \$ 1,625.00 | 11-16-16 | 232 | 00499 | \$ 1,775.00 | 11/18/2016 | 204639 | -2 | \$ - |
| 17 | 17-Nov | 232-29446 | 232-29502 | \$ 1,725.00 | \$ 275.00 | \$ 1,450.00 | 11-17-16 | 232 | 00500 | \$ 1,725.00 | 11/21/2016 | 204684 | -4 | \$ - |
| 18 | 18-Nov | 232-29503 | 232-29584 | \$ 2,250.00 | \$ 400.00 | \$ 1,850.00 | 11-18-16 | 232 | 00501 | \$ 2,250.00 | 11/21/2016 | 204685 | -3 | \$ - |
| 19 | 19-Nov | Saturday | | | | | | 232 | | | | | 0 | \$ - |
| 20 | 20-Nov | Sunday | | | | | | 232 | | | | | 0 | \$ - |
| 21 | 21-Nov | 232-29585 | 232-29675 | \$ 2,500.00 | \$ 550.00 | \$ 1,950.00 | 11-21-16 | 232 | 00502 | \$ 2,500.00 | 11/23/2016 | 204816 | -2 | \$ - |
| 22 | 22-Nov | 232-29676 | 232-29735 | \$ 1,825.00 | \$ 225.00 | \$ 1,600.00 | 11-22-16 | 232 | 00503 | \$ 1,825.00 | 11/29/2016 | 204912 | -7 | \$ - |
| 23 | 23-Nov | 232-29736 | 232-29813 | \$ 2,075.00 | \$ 350.00 | \$ 1,725.00 | 11-23-16 | 232 | 00504 | \$ 2,075.00 | 11/29/2016 | 204913 | -6 | \$ - |
| 24 | 24-Nov | Holiday | | | | | | 232 | | | | | 0 | \$ - |
| 25 | 25-Nov | Holiday | | | | | | 232 | | | | | 0 | \$ - |
| 26 | 26-Nov | Saturday | | | | | | 232 | | | | | 0 | \$ - |
| 27 | 27-Nov | Sunday | | | | | | 232 | | | | | 0 | \$ - |
| 28 | 28-Nov | 232-29814 | 232-29927 | \$ 3,200.00 | \$ 400.00 | \$ 2,800.00 | 11-28-16 | 232 | 00505 | \$ 3,200.00 | 11/30/2016 | 204976 | -2 | \$ - |
| 29 | 29-Nov | 232-29928 | 232-29974 | \$ 1,275.00 | \$ 225.00 | \$ 1,050.00 | 11-29-16 | 232 | 00506 | \$ 1,275.00 | 12/1/2016 | 205044 | -2 | \$ - |
| 30 | 30-Nov | 232-29975 | 232-30034 | \$ 1,675.00 | \$ 200.00 | \$ 1,475.00 | 11-30-16 | 232 | 00507 | \$ 1,675.00 | 12/1/2016 | 205045 | -1 | \$ - |
| 31 | 1-Dec | | | | | | | 232 | | | | | 0 | \$ - |
| TOTALS | | | \$ 35,625.00 | \$ 5,700.00 | \$ 29,925.00 | | | | | \$ 35,625.00 | | | | \$ - |

| | | |
|---|----|-----------|
| TOTAL AMOUNT DUE TO GENERAL FUND-----1100-322-70-123-000-0-000----- | \$ | 35,625.00 |
| LESS: TOTAL FUNDS DUE TO THE COUNTY TREASURER----- | \$ | 35,625.00 |
| OVER/(SHORT)----- | \$ | - |

PREPARED BY: *Nancy G. Cobler*

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

R. C. M. Blaw
 APPROVED BY

Dec 5, 2016
 DATE

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

RCOA

AUDITED BY: THE HIDALGO COUNTY AUDITOR'S OFFICE

DATE: 12-10-17
J.C. 2/9/17 Dec. 2016

COUNTY OF HIDALGO, TEXAS
 SCHEDULE OF RECIPITS AND DEPOSITS FOR THE MONTH OF:
 PRECINCT 3, SANITATION PROGRAM

| Receipt # | Receipt # | | Total Collected | Credit Card Amount (Direct Deposit) | LONE STAR NATIONAL BANK | | | COUNTY TREASURER | | | | OVER/ (SHORT) | |
|-----------|-----------|-----------|-----------------|-------------------------------------|-------------------------|-----------------|---------------------|------------------|--------------|----------------|---------------|---------------|------|
| | Sequence | Sequence | | | Deposit Amount | Date of Deposit | Deposit Slip Number | Receipt Amount | Receipt Date | Receipt Number | Diff on Dates | | |
| 1 | 1-Dec | 232-30035 | 232-30081 | \$ 1,175.00 | \$ 125.00 | \$ 1,050.00 | 12-1-16 | 232 00508 | \$ 1,175.00 | 12/12/2016 | 205320 | -11 | \$ - |
| 2 | 2-Dec | 232-30082 | 232-30159 | \$ 2,200.00 | \$ 300.00 | \$ 1,900.00 | 12-2-16 | 232 00509 | \$ 2,200.00 | 12/14/2016 | 205393 | -12 | \$ - |
| 3 | 3-Dec | Saturday | | | | | | 232 | | | | 0 | \$ - |
| 4 | 4-Dec | Sunday | | | | | | 232 | | | | 0 | \$ - |
| 5 | 5-Dec | 232-30160 | 232-30233 | \$ 2,100.00 | \$ 300.00 | \$ 1,800.00 | 12-5-16 | 232 00510 | \$ 2,100.00 | 12/14/2016 | 205396 | -9 | \$ - |
| 6 | 6-Dec | 232-30234 | 232-30293 | \$ 1,500.00 | \$ 275.00 | \$ 1,225.00 | 12-6-16 | 232 00511 | \$ 1,500.00 | 12/12/2016 | 205322 | -6 | \$ - |
| 7 | 7-Dec | 232-30294 | 232-30334 | \$ 1,100.00 | \$ 125.00 | \$ 975.00 | 12-7-16 | 232 00512 | \$ 1,100.00 | 12/12/2016 | 205326 | -5 | \$ - |
| 8 | 8-Dec | 232-30335 | 232-30356 | \$ 725.00 | \$ 150.00 | \$ 575.00 | 12-8-16 | 232 00513 | \$ 725.00 | 12/14/2016 | 205397 | -6 | \$ - |
| 9 | 9-Dec | 232-30357 | 232-30400 | \$ 1,250.00 | \$ 325.00 | \$ 925.00 | 12-9-16 | 232 00514 | \$ 1,250.00 | 12/14/2016 | 205398 | -5 | \$ - |
| 10 | 10-Dec | Saturday | | | | | | 232 | | | | 0 | \$ - |
| 11 | 11-Dec | Sunday | | | | | | 232 | | | | 0 | \$ - |
| 12 | 12-Dec | 232-30401 | 232-30460 | \$ 1,700.00 | \$ 275.00 | \$ 1,425.00 | 12-12-16 | 232 00515 | \$ 1,700.00 | 12/14/2016 | 205399 | -2 | \$ - |
| 13 | 13-Dec | 232-30461 | 232-30504 | \$ 1,125.00 | \$ 150.00 | \$ 975.00 | 12-13-16 | 232 00516 | \$ 1,125.00 | 12/19/2016 | 205522 | -6 | \$ - |
| 14 | 14-Dec | 232-30505 | 232-30534 | \$ 875.00 | \$ 25.00 | \$ 850.00 | 12-14-16 | 232 00517 | \$ 875.00 | 12/19/2016 | 205523 | -5 | \$ - |
| 15 | 15-Dec | 232-30535 | 232-30574 | \$ 1,225.00 | \$ 150.00 | \$ 1,075.00 | 12-15-16 | 232 00518 | \$ 1,225.00 | 12/19/2016 | 205524 | -4 | \$ - |
| 16 | 16-Dec | 232-30575 | 232-30629 | \$ 1,550.00 | \$ 325.00 | \$ 1,225.00 | 12-16-16 | 232 00519 | \$ 1,550.00 | 12/20/2016 | 205542 | -4 | \$ - |
| 17 | 17-Dec | Saturday | | | | | | 232 | | | | 0 | \$ - |
| 18 | 18-Dec | Sunday | | | | | | 232 | | | | 0 | \$ - |
| 19 | 19-Dec | 232-30630 | 232-30682 | \$ 1,425.00 | \$ 300.00 | \$ 1,125.00 | 12-19-16 | 232 00520 | \$ 1,425.00 | 12/28/2016 | 205789 | -9 | \$ - |
| 20 | 20-Dec | 232-30683 | 232-30737 | \$ 1,575.00 | \$ 175.00 | \$ 1,400.00 | 12-20-16 | 232 00521 | \$ 1,575.00 | 12/29/2016 | 205795 | -9 | \$ - |
| 21 | 21-Dec | 232-30738 | 232-30788 | \$ 1,700.00 | \$ 250.00 | \$ 1,450.00 | 12-21-16 | 232 00522 | \$ 1,700.00 | 12/29/2016 | 205797 | -8 | \$ - |
| 22 | 22-Dec | 232-30789 | 232-30845 | \$ 1,800.00 | \$ 325.00 | \$ 1,475.00 | 12-22-16 | 232 00523 | \$ 1,800.00 | 12/29/2016 | 205799 | -7 | \$ - |
| 23 | 23-Dec | Holiday | | | | | | 232 | | | | 0 | \$ - |
| 24 | 24-Dec | Saturday | | | | | | 232 | | | | 0 | \$ - |
| 25 | 25-Dec | Sunday | | | | | | 232 | | | | 0 | \$ - |
| 26 | 26-Dec | Holiday | | | | | | 232 | | | | 0 | \$ - |
| 27 | 27-Dec | 232-30846 | 232-31024 | \$ 5,450.00 | \$ 1,075.00 | \$ 4,375.00 | 12-27-16 | 232 00524 | \$ 5,450.00 | 12/29/2016 | 205800 | -2 | \$ - |
| 28 | 28-Dec | 232-31025 | 232-31110 | \$ 2,550.00 | \$ 750.00 | \$ 1,800.00 | 12-28-16 | 232 00525 | \$ 2,550.00 | 12/29/2016 | 205802 | -1 | \$ - |
| 29 | 29-Dec | 232-31111 | 232-31212 | \$ 3,000.00 | \$ 750.00 | \$ 2,250.00 | 12-29-16 | 232 00526 | \$ 3,000.00 | 1/4/2017 | 205987 | -6 | \$ - |
| 30 | 30-Dec | Holiday | | | | | | 232 | | | | 0 | \$ - |
| 31 | 31-Dec | Saturday | | | | | | 232 | | | | 0 | \$ - |
| TOTALS | | | \$ 34,025.00 | \$ 6,150.00 | \$ 27,875.00 | | | \$ 34,025.00 | | | | \$ - | |

| | | |
|--|----|-----------|
| TOTAL AMOUNT DUE TO GENERAL FUND—1100-322-70-123-000-0-000 | \$ | 34,025.00 |
| LESS: TOTAL FUNDS DUE TO THE COUNTY TREASURER | \$ | 34,025.00 |
| OVER/(SHORT) | \$ | - |

PREPARED BY: Norma H. Cobble

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

[Signature]
 APPROVED BY

Jan 5, 2016
 DATE

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

COUNTY AUDITOR'S FORM. RE-PC1 3-005 REVISED 12/2014

RECEIVED

JAN 06 2016

Hidalgo County
 AUDITORS OFFICE

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



EDINBURG, TEXAS 78539

February 9, 2017

The Honorable Joe M. Flores, Commissioner
Hidalgo County Precinct No. 3
724 North Breyfogle
P.O. Box 607
Mission, TX 78574

Re: Review of Sanitation Program *Monthly Fees Report* and Supporting Documentation
For the months of November 2016 and December 2016

Dear Commissioner Flores:

We conducted a limited scope review of the Precinct 3 Sanitation Program *Monthly Fees Reports* and all supporting documentation for the months of November 2016 and December 2016 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 November 2016 and December 2016. 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, the *Monthly Fees Reports*, 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.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELOADO
JUDGE, 93RD 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, 322ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 449TH D.C.

- Verified that receipts and permits issued followed a sequential order.
- Verified that procedures for voided receipts and voided permits were properly followed.
- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Forms (Close-Out Report)* to determine whether fees collected were properly accounted and deposited with the financial institution on a daily basis.
- Verified that the collections per the *Monthly Fees Reports* agreed to total receipts issued and the deposits made with the County Treasurer and the financial institution.
- Verified the *Close-Out Report Forms* and *Monthly Fees Reports* were properly completed.

Conclusion:

Total collections for the months of November 2016 and December 2016 were \$35,625.00 and \$34,025.00, 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 accounting and reporting of fees requires improvement as noted in the following observations.

Observation No. 1:

Permit numbers 38095, 38229, and 38230 were unaccounted. According to the official permits log, the permits were provided to user number 13 and user number 47 for issuance purposes; however, staff was not able to provide an explanation for the missing permits.

Persons who accept accountable forms (i.e., permits, receipts, etc.) become responsible, upon receipt, for the accountability and safeguarding of such forms. The accountable person shall be held liable for any amounts which may be required to be paid due to loss of the accountable forms resulting from his or her fault or negligence. Loss or theft of accountable forms must be promptly reported to the County Auditor's Office. The written notification should include a statement of the circumstances concerning the loss. Accountable forms reported lost or stolen must be marked "Void" in the electronic application system. Management must also monitor all missing accountable forms to determine if there is a pattern meriting further investigation, modification of procedures, retraining of personnel, or disciplinary action.

Failure to ensure that permits are properly accounted and safeguarded may result in the loss of County revenue.

Recommendation:

Management should ensure that permits are properly accounted and safeguarded. At a minimum, the procedures noted above should be implemented. The unaccountable permits should also be voided in the Solid Waste Disposal Application Program and \$75.00 for the three missing permits should be replenished and deposited with the County Treasurer.

In addition, we noted that shortages and missing permits totaling \$440.00 (shortages of \$25.00, \$10.00, and \$5.00 on January 8, 2016, January 11, 2016 and February 24, 2016, respectively, and 13 missing permits between January 2016 and August 2016 totaling \$400.00) have not been replenished and deposited with the County Treasurer, as previously requested by the County Auditor's Office. The \$440.00 should be immediately deposited with the County Treasurer.

Observation No. 2

We noted during our review that the November and December "Void Permit Logs" were not properly completed. At times, the "Void Permit Logs" were missing the employee's signature and the supervisor's signature of approval. In addition, we noted that the reason for void for all the permits voided by user 13 and user 47 stated "changed vehicles" and/or "new vehicle" (see exhibit A). It appears that the reason for void is not properly documented.

The County Auditor's Office requires for the Precinct to maintain a "Void Permit Log" to document the issuance of a new permit to replace an active permit (void permit). The "Void Permit Log" requires for the employee to document the date permit was void, void permit number, reason for void, new permit number, the name of the individual requesting the new permit, employee's signature, and the supervisor's signature of approval. The supervisor's signature must be obtained prior to voiding the permit.

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 449TH D.C.

Honorable Joe M. Flores
February 8, 2017
Page 3 of 3

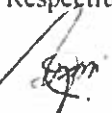
Recommendation:

Management should implement formal monitoring procedures to ensure that the "Void Permit Log" is properly completed. In addition, management should ensure that all void permits were approved by a supervisor prior to the clerk voiding the permit.

Please provide written management responses to the observations noted above by February 28, 2017.

If you should have any questions please do not hesitate to contact Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

Enclosure

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 430TH D.C.

RENEE R. BETHANCOUF
JUDGE, 448TH D.C.

Denise Sibel

COUNTY OF HIDALGO, TEXAS
VOID PERMIT LOG
PRECINCT 3, SANITATION PROGRAM

FOR THE MONTH ENDED: Nov. 2016

| DATE PERMIT WAS VOID IN THE SYSTEM | VOID PERMIT NUMBER | REASON FOR VOID | NEW PERMIT NUMBER | PERMIT ISSUED TO | EMPLOYEE SIGNATURE | SUPERVISORS SIGNATURE OF APPROVAL |
|------------------------------------|--------------------|-----------------|-------------------|------------------|--------------------|-----------------------------------|
| 1 11/1 | 35932 | Changed car | 37519 | E. Ovalle | [Signature] | |
| 2 11/1 | 15494 | Changed car | 37512 | R. Garza | [Signature] | |
| 3 11/1 | 35297 | Changed car | 37517 | O. Ozuna | [Signature] | |
| 4 11/1 | 35541 | Changed car | 37513 | M. Litz | [Signature] | |
| 5 11/2 | 17726 | Changed car | 37514 | A. Adillo | [Signature] | |
| 6 11/2 | 17898 | Changed car | 37515 | A. Escobedo | [Signature] | |
| 7 11/2 | 15075 | Changed car | 37516 | M. Solis | [Signature] | |
| 8 11/7 | 30355 | Changed car | 37542 | R. Rivas | [Signature] | |
| 9 11/7 | 18213 | Changed car | 37543 | J. Prado | [Signature] | |
| 10 11/7 | 30396 | Changed car | 37547 | M. Harcia | [Signature] | |
| 11 11/8 | 25583 | Changed car | 37549 | F. Mtz | [Signature] | |
| 12 11/9/14 | 30812 | Changed car | 37621 | F. Garay | [Signature] | |
| 13 11/9 | 23316 | Changed car | 37623 | A. Torres | [Signature] | |
| 14 11/10 | 23048 | Changed car | 37626 | M. Lozano | [Signature] | |
| 15 11/10 | 4333 | Changed car | 37627 | V. Dresher | [Signature] | |
| 16 11/14 | 4819 | New Vehicle | 37654 | M. Carranza | [Signature] | |
| 17 11/14 | 34330 | | 37655 | M. Salinas | [Signature] | |
| 18 11/14 | 4307 | | 37656 | M. Garza | [Signature] | |
| 19 11/14 | 9046 | | 37658 | R. Quardt | [Signature] | |
| 20 11/14 | 9832 | | 37662 | A. Garcia | [Signature] | |
| 21 11/14 | 34450 | | 37664 | E. Garza | [Signature] | |
| 22 11/14 | 35426 | | 37666 | D. Rdz. | [Signature] | |
| 23 11/14 | 18606 | | 37669 | J. Garcia | [Signature] | |
| 24 11/15 | 36077 | | 37681 | T. Rdz | [Signature] | |
| 25 11/15 | 30455 | | 37682 | V. Garza | [Signature] | |

The void permit should be obtained, if possible. The void permit should be marked void and attached to this log. This log should be submitted to the County Auditor's Office along with the monthly report.

COMMENTS

COUNTY OF HIDALGO, TEXAS
VOID PERMIT LOG
PRECINCT 3, SANITATION PROGRAM
FOR THE MONTH ENDED: Nov 2016

| DATE PERMIT WAS VOID IN THE SYSTEM | VOID PERMIT NUMBER | REASON FOR VOID | NEW PERMIT NUMBER | PERMIT ISSUED TO | EMPLOYEE SIGNATURE | SUPERVISORS SIGNATURE OF APPROVAL |
|------------------------------------|--------------------|-----------------|-------------------|------------------|--------------------|-----------------------------------|
| 11/15 | 20857 | New vehicle | 37684 | E. Garza | <i>[Signature]</i> | |
| 11/17 | 23367 | New vehicle | 37687 | R. Ramirez | <i>[Signature]</i> | |
| 11/17 | 20585 | New vehicle | 37688 | A. Silva | <i>[Signature]</i> | |
| 11/17 | 34272 | New vehicle | 37689 | J. Suarez | <i>[Signature]</i> | |
| 11/18 | 35617 | | 37741 | J. Matz | <i>[Signature]</i> | |
| 11/18 | 3592 | | 37742 | J. Pedraza | <i>[Signature]</i> | |
| 11/18 | 29978 | | 33535 | G. Guadalupe | <i>[Signature]</i> | |
| 11/18 | 9996 | | 37744 | R. Ramirez | <i>[Signature]</i> | |
| 11/18 | 33747 | | 37745 | F. Zuniga | <i>[Signature]</i> | |
| 11/18 | 12015 | | 37747 | R. Salinas | <i>[Signature]</i> | |
| 11/18 | 29853 | | 37752 | M. Arjona | <i>[Signature]</i> | |
| 11/18 | 18900 | | 37748 | M. Cuellar | <i>[Signature]</i> | |
| 11/18 | 20247 | | 37753 | E. Uribe | <i>[Signature]</i> | |
| 11/18 | 18571 | | 37754 | O. Hdz | <i>[Signature]</i> | |
| 11/21 | 36089 | | 37755 | A. Gallagos | <i>[Signature]</i> | |
| 11/21 | 3360 | | 37757 | A. Garza | <i>[Signature]</i> | |
| 11/21 | 21030 | | 37759 | E. Salinas | <i>[Signature]</i> | |
| 11/21 | 35824 | | 37760 | A. Silva | <i>[Signature]</i> | |
| 11/21 | 34448 | | 37781 | H. Valdez | <i>[Signature]</i> | |
| 11/21 | 28384 | | 37782 | R. Salazar | <i>[Signature]</i> | |
| 11/21 | 20022 | | 37783 | D. Perez | <i>[Signature]</i> | |
| 11/21 | 9394 | | 37784 | J. Reyna | <i>[Signature]</i> | |
| 11/22 | 30769 | | 37785 | M. Fernandez | <i>[Signature]</i> | |
| 11/22 | 20652 | | 37786 | G. Salas | <i>[Signature]</i> | |
| 11/22 | 15056 | | 37787 | V. Oviones | <i>[Signature]</i> | |

changed vehicle

changed vehicle

The void permit should be obtained, if possible. The void permit should be marked void and attached to this log. This log should be submitted to the County Auditor's Office along with the monthly report.

COMMENTS

COUNTY OF HIDALGO, TEXAS
VOID PERMIT LOG
PRECINCT 3, SANITATION PROGRAM

FOR THE MONTH ENDED: NOV. 2016

| DATE PERMIT WAS VOID IN THE SYSTEM | VOID PERMIT NUMBER | REASON FOR VOID | NEW PERMIT NUMBER | PERMIT ISSUED TO | EMPLOYEE SIGNATURE | SUPERVISORS SIGNATURE OF APPROVAL |
|------------------------------------|--------------------|-----------------|-------------------|------------------|--------------------|-----------------------------------|
| 11/22 | 18280 | New Vehicle | 37788 | J. Cortez | | |
| 11/23 | 35531 | | 37789 | M. Lral | | |
| 11/23 | 34239 | | 37790 | A. Dela Garza | | |
| 11/23 | 9937 | | 35891 | J. Villaverde | | |
| 11/28 | 23961 | | 37823 | J. Chivebez | | |
| 11/28 | 18541 | | 37824 | J. A. Navarro | | |
| 11/28 | 19000 | | 37824 | C. Garza | | |
| 11/28 | 3632 | | 37830 | I. Galea | | |
| 11/28 | 15356 | | 37829 | J. Holz | | |
| 11/28 | 9161 | | 37828 | B. Hopkins | | |
| 11/28 | 34122 | New Vehicle | 37811 | B. Flores | | |
| 11/28 | 12588 | | 37872 | V. Rojas | | |
| 11/28 | 4391 | | 37874 | M. Vasquez | | |
| 11/28 | 20761 | | 37875 | P. Ortiz | | |
| 11/28 | 18643 | | 37878 | T. Medina | | |
| 11/28 | 3548 | | 37879 | E. Cavallero | | |
| 11/28 | 9563 | | 37880 | B. Metz | | |
| 11/28 | 4858 | | 37891 | J. Villaverde | | |
| 11/28 | 37733 | | 37892 | D. Gonzalez | | |
| 11/29 | 4336 | | 37893 | V. Villegas | | |
| 11/29 | 4136 | | 37894 | B. Jauriqui | | |
| 11/29 | 36276 | | 37895 | F. Ledezma | | |
| 11/29 | 25526 | | 37896 | B. Carrillo | | |
| 11/29 | 23092 | | 37897 | E. Castilleja | | |
| 11/29 | 4364 | | 37898 | B. Rebolloso | | |

The void permit should be obtained, if possible. The void permit should be marked void and attached to this log. This log should be submitted to the County Auditor's Office along with the monthly report.

COMMENTS

COUNTY OF HIDALGO, TEXAS
VOID PERMIT LOG
PRECINCT 3, SANITATION PROGRAM

FOR THE MONTH END NOVEMBER.

| DATE PERMIT WAS VOID IN THE SYSTEM | VOID PERMIT NUMBER | REASON FOR VOID | NEW PERMIT NUMBER | PERMIT ISSUED TO | EMPLOYEE SIGNATURE | SUPERVISORS SIGNATURE OF APPROVAL |
|------------------------------------|--------------------|--------------------------|-------------------|--------------------|--------------------|-----------------------------------|
| 1 11-5 | 00036019 | New Truck | 00037871 | Cuellar Granda. | [Signature] | |
| 2 11-3 | 00012858 | New Truck | 00037873 | Verdin Curo | [Signature] | |
| 3 11-4 | 00015509 | New Truck | 00037877 | Vulber Francisco | [Signature] | |
| 4 11-4 | 00004663 | New Truck | 00057578 | Garcia Gonzalez | [Signature] | |
| 5 11-16 | 00036278 | New Truck | 00027675 | Aguilar Ana | [Signature] | |
| 6 11-22 | 00029660 | New Truck | 00037674 | Florli Roberto | [Signature] | |
| 7 11-22 | 00025527 | New Truck | 00037677 | L. Flores D. S. J. | [Signature] | |
| 8 11-22 | 00029563 | Truck Wa | 00037678 | Grajeda Oscar | [Signature] | |
| 9 11-23 | 00020508 | New Truck | 00037832 | Flora Kusbel | [Signature] | |
| 10 11-30 | 00031281 | New Truck | 00037834 | Rubi Elisa | [Signature] | |
| 11 11-30 | 00025441 | Permits Withdrawn Kusbel | 00037835 | Croft. Charles. | [Signature] | |
| 12 | | | | | | |
| 13 | | | | | | |
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| 22 | | | | | | |
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| 24 | | | | | | |
| 25 | | | | | | |

The void permit should be obtained, if possible. The void permit should be marked void and attached to this log. This log should be submitted to the County Auditor's Office along with the monthly report.

COMMENTS

COUNTY OF HIDALGO, TEXAS
VOID PERMIT LOG
PRECINCT 3, SANITATION PROGRAM

Lizette Janou

FOR THE MONTH ENDED: 11/11

| DATE PERMIT WAS VOID IN THE SYSTEM | VOID PERMIT NUMBER | REASON FOR VOID | NEW PERMIT NUMBER | PERMIT ISSUED TO | EMPLOYEE SIGNATURE | SUPERVISORS SIGNATURE OF APPROVAL |
|------------------------------------|--------------------|-----------------------|-------------------|-------------------|--------------------|-----------------------------------|
| 1 11/11 | 23812 | out of service | 37524 | Neri Zamendez | [Signature] | |
| 2 11/11 | 25557 | Broken windshield | 37525 | Greg Mackel | [Signature] | |
| 3 11/3 | 3113 | switching to truck | 37581 | Abel Oguna | [Signature] | |
| 4 11/3 | 2985 | using other truck | 37552 | Ruben Fuentes | [Signature] | |
| 5 11/3 | 30565 | out of service | 37554 | Maria Fran | [Signature] | |
| 6 11/3 | 3181 | New veh. | 37562 | Fernanda Arenas | [Signature] | |
| 7 11/3 | 4754 | waived sun damage | 37563 | Roberto Garcia | [Signature] | |
| 8 11/3 | 4885 | sun damage | 37566 | Jose Molina | [Signature] | |
| 9 11/4 | 9306 | out of service | 37570 | Luis Caudillo | [Signature] | |
| 10 11/4 | 4714 | sun damage | 37585 | Ernesto Torres | [Signature] | |
| 11 11/4 | 24547 | throw away | 37587 | Rosa Lucia | [Signature] | |
| 12 11/4 | 3430 | threw | 37590 | Diego Lopez | [Signature] | |
| 13 11/4 | 23417 | out of service | 37594 | Margarita Perez | [Signature] | |
| 14 11/4 | 9531 | out of service | 37592 | | [Signature] | |
| 15 11/7 | 34459 | sticker does not work | 37600 | Ricardo Hernandez | [Signature] | |
| 16 11/8 | 35727 | bought new veh. | 37615 | Carro Fuentes | [Signature] | |
| 17 11/8 | 12996 | out of service | 37617 | Duran | [Signature] | |
| 18 11/9 | 3605 | car accident | 37634 | Anjel Chavez | [Signature] | |
| 19 11/9 | 23990 | sun damage | 37635 | Daniel Solano | [Signature] | |
| 20 11/10 | 29401 | soil vehicle | 37637 | Maria Medina | [Signature] | |
| 21 11/10 | 23416 | stolen | 37638 | Matilde Diaz | [Signature] | |
| 22 11/10 | 15906 | waived | 37642 | Juan Vintanilla | [Signature] | |
| 23 11/15 | 37522 | out of service | 37648 | Carlos Alvarez | [Signature] | |
| 24 11/15 | 9850 | cracked | 37650 | Ramon Guerra | [Signature] | |
| 25 | | | | | | |

The void permit should be obtained, if possible. The void permit should be marked void and attached to this log. This log should be submitted to the County Auditor's Office along with the monthly report.

COMMENTS

COUNTY OF HIDALGO, TEXAS
VOID PERMIT LOG
PRECINCT 3, SANITATION PROGRAM

FOR THE MONTH ENDED: 11/15 -

| DATE PERMIT WAS VOID IN THE SYSTEM | VOID PERMIT NUMBER | REASON FOR VOID | NEW PERMIT NUMBER | PERMIT ISSUED TO | EMPLOYEE SIGNATURE | SUPERVISORS SIGNATURE OF APPROVAL |
|------------------------------------|--------------------|-----------------|-------------------|--------------------|--------------------|-----------------------------------|
| 1 11/15 | 23078 | Sold vehicle | 37692 | l. bruce Torder | <i>[Signature]</i> | |
| 2 11/15 | 37242 | trade in veh | 37694 | l. m. oralle | <i>[Signature]</i> | |
| 3 11/16 | 25792 | out of service | 37704 | hipolitomargun | <i>[Signature]</i> | |
| 4 11/16 | 34453 | threw away | 37705 | delia Aguilera | <i>[Signature]</i> | |
| 5 11/16 | 4245 | New veh. | 37707 | will Baker | <i>[Signature]</i> | |
| 6 11/16 | 34354 | new veh. | 37712 | Jose Montes | <i>[Signature]</i> | |
| 7 11/17 | 34290 | totaled | 37730 | Tulio Chirinos | <i>[Signature]</i> | |
| 8 11/18 | 20641 | out of service | 37732 | Silvia ramirez | <i>[Signature]</i> | |
| 9 11/18 | 20382 | out of service | 37737 | an jimenez | <i>[Signature]</i> | |
| 10 11/18 | 3590 | out of service | 37736 | l. m. Baker | <i>[Signature]</i> | |
| 11 11/18 | 30487 | threw away | 37747 | Dimas (novas) | <i>[Signature]</i> | |
| 12 11/21 | 15241 | New veh. | 37767 | Julita Garcia | <i>[Signature]</i> | |
| 13 11/21 | 33974 | lost sticker | 37774 | Juan Amigo | <i>[Signature]</i> | |
| 14 11/21 | 29767 | New veh. | 37794 | Nancy Maria | <i>[Signature]</i> | |
| 15 11/22 | 35891 | returning temp | 3249 | Samantha | <i>[Signature]</i> | |
| 16 11/23 | 28207 | Sold | 37843 | Alexandra Poirer | <i>[Signature]</i> | |
| 17 11/23 | 20001 | out of service | 37851 | Miguel | <i>[Signature]</i> | |
| 18 11/28 | 31197 | out of service | 37859 | maria Encinas | <i>[Signature]</i> | |
| 19 11/28 | 31507 | threw | 37866 | Waldemar | <i>[Signature]</i> | |
| 20 11/28 | 25687 | out of service | 37869 | Ruberto | <i>[Signature]</i> | |
| 21 11/29 | 5065 | wrapped | 37885 | Pracilana (novas) | <i>[Signature]</i> | |
| 22 11/29 | 31361 | out of service | 37887 | Theresa Lee | <i>[Signature]</i> | |
| 23 11/30 | 18412 | out of state | 37909 | Humberto Torres | <i>[Signature]</i> | |
| 24 11/30 | 34197 | Sold | 37910 | Jose Maria | <i>[Signature]</i> | |
| 25 11/30 | 31388 | out of service | 37913 | Evangelina (novas) | <i>[Signature]</i> | |

The void permit should be obtained, if possible. The void permit should be marked void and attached to this log. This log should be submitted to the County Auditor's Office along with the monthly report.

COMMENTS

COUNTY OF HIDALGO, TEXAS
VOID PERMIT LOG
PRECINCT 3, SANITATION PROGRAM

Dense Subtotal

FOR THE MONTH ENDED: *Dec. 6, 2016*

| DATE PERMIT WAS VOID IN THE SYSTEM | VOID PERMIT NUMBER | REASON FOR VOID | NEW PERMIT NUMBER | PERMIT ISSUED TO | EMPLOYEE SIGNATURE | SUPERVISORS SIGNATURE OF APPROVAL |
|------------------------------------|--------------------|------------------------|-------------------|------------------|--------------------|-----------------------------------|
| 12/11 | 186666 | <i>Changed Vehicle</i> | 37900 | G. Perez | <i>[Signature]</i> | |
| 12/11 | 18399 | | 37922 | G. Abrego | <i>[Signature]</i> | |
| 12/11 | 33828 | | 37923 | A. Mayra | <i>[Signature]</i> | |
| 12/11 | 20933 | | 37926 | A. Villanueva | <i>[Signature]</i> | |
| 12/11 | 17137 | | 37927 | I. Ruzan | <i>[Signature]</i> | |
| 12/11 | 36389 | | 37928 | N. Reyes | <i>[Signature]</i> | |
| 12/2 | 36323 | | 37930 | M. Saldana | <i>[Signature]</i> | |
| 12/2 | 35553 | | 37951 | J. Lopez | <i>[Signature]</i> | |
| 12/2 | 37188 | | 37953 | J. Garza | <i>[Signature]</i> | |
| 12/2 | 15612 | | 37954 | A. Cordova | <i>[Signature]</i> | |
| 12/2 | 36313 | | 37956 | A. Becerra | <i>[Signature]</i> | |
| 12/2 | 35588 | | 37957 | M. Naveira | <i>[Signature]</i> | |
| 12/5 | 25697 | | 37964 | J. Averthoff | <i>[Signature]</i> | |
| 12/5 | 35522 | | 37965 | B. Rawls | <i>[Signature]</i> | |
| 12/5 | 3463 | | 37966 | E. Holz | <i>[Signature]</i> | |
| 12/5 | 30643 | | 37981 | R. Carrero | <i>[Signature]</i> | |
| 12/5 | 30736 | | 37982 | C. Alvarez | <i>[Signature]</i> | |
| 12/5 | 31099 | | 37984 | E. Sepulveda | <i>[Signature]</i> | |
| 12/5 | 20636 | | 37985 | M. Chapin | <i>[Signature]</i> | |
| 12/5 | 30428 | | 37986 | J. Gomez | <i>[Signature]</i> | |
| 12/5 | 35995 | | 37988 | J. Villan | <i>[Signature]</i> | |
| 12/5 | 15758 | | 37989 | J. Medina | <i>[Signature]</i> | |
| 12/5 | 3752 | | 37991 | A. Cantu | <i>[Signature]</i> | |
| 12/5 | 29647 | | 37993 | E. Juarez | <i>[Signature]</i> | |
| 12/5 | 25947 | | 37995 | B. Riveira | <i>[Signature]</i> | |

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COMMENTS

COUNTY OF HIDALGO, TEXAS
VOID PERMIT LOG
PRECINCT 3, SANITATION PROGRAM

FOR THE MONTH ENDED: DEC. 2016

| DATE PERMIT WAS VOID IN THE SYSTEM | VOID PERMIT NUMBER | REASON FOR VOID | NEW PERMIT NUMBER | PERMIT ISSUED TO | EMPLOYEE SIGNATURE | SUPERVISORS SIGNATURE OF APPROVAL |
|------------------------------------|--------------------|-----------------|-------------------|--------------------|--------------------|-----------------------------------|
| 12/6 | 18088 | Changed Vehicle | 37998 | J. Villa | <i>[Signature]</i> | |
| 12/6 | 31461 | | 37999 | J. Prios | <i>[Signature]</i> | |
| 12/6 | 18734 | | 38000 | I. Garza | <i>[Signature]</i> | |
| 12/6 | 36240 | | 38003 | T. Ramirez | <i>[Signature]</i> | |
| 12/6 | 25648 | | 38004 | G. Arteaga | <i>[Signature]</i> | |
| 12/6 | 37664 | | 38005 | E. Garza | <i>[Signature]</i> | |
| 12/6 | 23106 | | 38007 | G. Marti | <i>[Signature]</i> | |
| 12/6 | 28370 | | 38008 | C. Deossio | <i>[Signature]</i> | |
| 12/6 | 28110 | | 38009 | R. Hines | <i>[Signature]</i> | |
| 12/6 | 30284 | | 38012 | R. Flores | <i>[Signature]</i> | |
| 12/6 | 23561 | | 38013 | G. Vasquez | <i>[Signature]</i> | |
| 12/6 | 29701 | | 38015 | H. Rios | <i>[Signature]</i> | |
| 12/6 | 37736 | | 35910 | I. Pickett | <i>[Signature]</i> | |
| 12/6 | 23629 | | 38016 | N. Mendez | <i>[Signature]</i> | |
| 12/6 | 23358 | | 38017 | F. Vasquez | <i>[Signature]</i> | |
| 12/7 | 37554 | 38020 | M. Gonzalez | <i>[Signature]</i> | | |
| 12/7 | 9083 | 38018 | W. Estrada | <i>[Signature]</i> | | |
| 12/7 | 3912 | 38019 | M. Lopez | <i>[Signature]</i> | | |
| 12/9 | 34358 | 38038 | A. Leon | <i>[Signature]</i> | | |
| 12/9 | 31083 | 38030 | | <i>[Signature]</i> | | |
| 12/9 | 4999 | 38041 | J. Salinas | <i>[Signature]</i> | | |
| 12/9 | 31427 | 38043 | P. Flores | <i>[Signature]</i> | | |
| 12/9 | 36177 | 38050 | M. Olivares | <i>[Signature]</i> | | |
| 12/9 | 3974 | 38049 | E. Rodriguez | <i>[Signature]</i> | | |
| 12/9 | 30214 | 38047 | M. Teran | <i>[Signature]</i> | | |

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COMMENTS

COUNTY OF HIDALGO, TEXAS
VOID PERMIT LOG
PRECINCT 3, SANITATION PROGRAM

FOR THE MONTH ENDED: DEC 2016

| DATE PERMIT WAS VOID IN THE SYSTEM | VOID PERMIT NUMBER | REASON FOR VOID | NEW PERMIT NUMBER | PERMIT ISSUED TO | EMPLOYEE SIGNATURE | SUPERVISORS SIGNATURE OF APPROVAL |
|------------------------------------|--------------------|------------------------|-------------------|--------------------|--------------------|-----------------------------------|
| 12/12 | 38048 | <i>Changed Vehicle</i> | 38046 | M. Samuelson | <i>[Signature]</i> | |
| 12/12 | 29914 | | 38045 | J. Ramirez | <i>[Signature]</i> | |
| 12/12 | 3226 | | 38066 | V. Cazares | <i>[Signature]</i> | |
| 12/12 | 3372 | | 38067 | C. Graona | <i>[Signature]</i> | |
| 12/12 | 25916 | | 38068 | T. Perez | <i>[Signature]</i> | |
| 12/14 | 4677 | | 38069 | A. Mtz. | <i>[Signature]</i> | |
| 12/14 | 13063 | | 38070 | A. Tabares | <i>[Signature]</i> | |
| 12/14 | 23192 | | 38083 | L. Salinas | <i>[Signature]</i> | |
| 12/14 | 3904 | | 38084 | M. Guerrero | <i>[Signature]</i> | |
| 12/15 | 15496 | | 38086 | A. Garcia | <i>[Signature]</i> | |
| 12/15 | 20487 | 38087 | V. Perez | <i>[Signature]</i> | | |
| 12/15 | 18990 | 38088 | L. Lopez | <i>[Signature]</i> | | |
| 12/15 | 4244 | 38089 | B. Osmond | <i>[Signature]</i> | | |
| 12/15 | 4951 | 38090 | D. Zuniga | <i>[Signature]</i> | | |
| 12/15 | 3023 | 38092 | M. Suarez | <i>[Signature]</i> | | |
| 12/16 | 35690 | 38094 | E. Olivares | <i>[Signature]</i> | | |
| 12/16 | 34217 | 38101 | T. Rico | <i>[Signature]</i> | | |
| 12/16 | 36282 | 38097 | R. Rdz. | <i>[Signature]</i> | | |
| 12/16 | 23556 | 38099 | B. Jimenez | <i>[Signature]</i> | | |
| 12/16 | 36339 | 38100 | M. Lujan | <i>[Signature]</i> | | |
| 12/16 | 36223 | 38103 | A. Resendez | <i>[Signature]</i> | | |
| 12/10 | 38007 | 38104 | G. Mata | <i>[Signature]</i> | | |
| 12/10 | 34245 | 38106 | E. Escobedo | <i>[Signature]</i> | | |
| 12/19 | 31163 | 38110 | S. Garcia | <i>[Signature]</i> | | |
| 12/19 | 34191 | 38109 | L. Garcia | <i>[Signature]</i> | | |

The void permit should be obtained, if possible. The void permit should be marked void and attached to this log. This log should be submitted to the County Auditor's Office along with the monthly report.

COMMENTS

COUNTY OF HIDALGO, TEXAS
VOID PERMIT LOG
PRECINCT 3, SANITATION PROGRAM
FOR THE MONTH ENDED: Dec. 2016

| DATE PERMIT WAS VOID IN THE SYSTEM | VOID PERMIT NUMBER | REASON FOR VOID | NEW PERMIT NUMBER | PERMIT ISSUED TO | EMPLOYEE SIGNATURE | SUPERVISORS SIGNATURE OF APPROVAL |
|------------------------------------|--------------------|-----------------|-------------------|------------------|--------------------|-----------------------------------|
| 12/19 | 35994 | Changed Vehicle | 38108 | S. Pena | | |
| 12/19 | 3378 | | 38113 | A. Amaya | | |
| 12/19 | 37862 | | 38114 | L. Cervantes | | |
| 12/19 | 38113 | | 3378 | L. Cervantes | | |
| 12/19 | 15450 | | 38113 | A. Amaya | | |
| 12/19 | 12434 | | 38117 | J. Holz | | |
| 12/19 | 31430 | | 38118 | O. Garcia | | |
| 12/19 | 3751 | | 38119 | V. Gonzalez | | |
| 12/19 | 31051 | | 38120 | N. Garza | | |
| 12/19 | 20816 | | 38122 | V. Torres | | |
| 12/19 | 30139 | | 38124 | G. Garza | | |
| 12/19 | 4455 | | 38125 | A. Guapardo | | |
| 12/20 | 37675 | Changed Vehicle | 38138 | A. Aguilar | | |
| 12/20 | 9038 | | 38130 | B. Santiago | | |
| 12/20 | 28317 | | 38140 | L. Mechar | | |
| 12/21 | 20575 | | 38142 | M. Alvarez | | |
| 12/21 | 28306 | | 38143 | M. Bautista | | |
| 12/21 | 34452 | | 38145 | B. Cervantes | | |
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The void permit should be obtained, if possible. The void permit should be marked void and attached to this log. This log should be submitted to the County Auditor's Office along with the monthly report.

COMMENTS

COUNTY OF HIDALGO, TEXAS
VOID PERMIT LOG
PRECINCT 3, SANITATION PROGRAM

FOR THE MONTH ENDED: 12-1-2016 - 12-31-2016

| DATE PERMIT WAS VOID IN THE SYSTEM | VOID PERMIT NUMBER | REASON FOR VOID | NEW PERMIT NUMBER | PERMIT ISSUED TO | EMPLOYEE SIGNATURE | SUPERVISORS SIGNATURE OF APPROVAL |
|------------------------------------|--------------------|-----------------|-------------------|------------------|--------------------|-----------------------------------|
| 1 12/2 | 00034060 | New Vehicles. | 00037839 | Altemio Alvarez | | |
| 2 12/2 | 00012840 | | 00037040 | Valentina Cruzes | | |
| 3 12/5 | 00030971 | | 00037972 | Rojas, Paul | | |
| 4 12/6 | 00037524 | | 00037073 | Medina, Merida | | |
| 5 12/7 | 00028206 | | 00037926 | Castro, German | | |
| 6 12/7 | 00037360 | | 00037177 | Vazquez Xiomara | | |
| 7 12/13 | 00035677 | | 00037480 | DeLeon, Heredo | | |
| 8 12/27 | 00030866 | | 00030148 | Neri Martin | | |
| 9 12/27 | 00031306 | | 00038724 | Garcia Joel | | |
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The void permit should be obtained, if possible. The void permit should be marked void and attached to this log. This log should be submitted to the County Auditor's Office along with the monthly report.

COMMENTS

COUNTY OF HIDALGO, TEXAS
VOID PERMIT LOG
PRECINCT 3, SANITATION PROGRAM

Lizette Ochoa

FOR THE MONTH ENDED: 12/2-

| DATE PERMIT WAS VOID IN THE SYSTEM | VOID PERMIT NUMBER | REASON FOR VOID | NEW PERMIT NUMBER | PERMIT ISSUED TO | EMPLOYEE SIGNATURE | SUPERVISORS SIGNATURE OF APPROVAL |
|------------------------------------|--------------------|-----------------------------|-------------------|------------------|--------------------|-----------------------------------|
| 12/2 | 9238 | warped | 37939 | | [Signature] | |
| 12/2 | 9704 | out-of-service | 37940 | Juan Rdez | [Signature] | |
| 12/2 | 34384 | sold | 37942 | Araceli Rerez | [Signature] | |
| 12/19 | 36274 | Sold | 38034 | Maria Lopez | [Signature] | |
| 12/12 | 3385 | threw away | 38036 | Juan Rdez | [Signature] | |
| 12/12 | 36155 | Sold | 38038 | Susay Marquez | [Signature] | |
| 12/12 | 36500 | Sold | 38039 | Sinjantia Mtz | [Signature] | |
| 12/12 | 37753 | Sold | 38053 | Francisco Uribe | [Signature] | |
| 12/12 | 12284 | Sold | 38055 | Amy Garcia | [Signature] | |
| 12/13 | 3049 | switching to PU | 38040 | maria lizette | [Signature] | |
| 12/13 | 34129 | out-of-service | 38072 | manuel Quintana | [Signature] | |
| 12/13 | 30038 | threw away | 38075 | Gloria Rinz | [Signature] | |
| 12/20 | 1535 | cracked | 38079 | Ricardo Suarez | [Signature] | |
| 12/21 | 37704 | out of service | 38153 | Hipolito Navarro | [Signature] | |
| 12/21 | 34173 | out of service | 38155 | Lorena Velazquez | [Signature] | |
| 12/21 | 31047 | car to truck | 38159 | Enrique Canzales | [Signature] | |
| 12/21 | 25408 | warped | 38163 | Marta Lopez | [Signature] | |
| 12/22 | 34338 | out of service | 38172 | Rafael Lopez | [Signature] | |
| 12/21 | 38203 | side view | 38204 | Francisco Lopez | [Signature] | |
| 12/28 | 3499 | threw threw away | 38241 | Amalibel Maza | [Signature] | |
| 12/28 | 3599 | cracked | 38242 | Jose Hdez | [Signature] | |
| 12/28 | 33323 | replaced windshield | 38243 | Jose Galvan | [Signature] | |
| 12/28 | 38033 | switching ven. | 38244 | Maria Martinez | [Signature] | |
| 12/28 | 38030 | out of service | 38245 | Amos Palomo | [Signature] | |
| 12/28 | 25424 | out of service | 38258 | Maria Gomez | [Signature] | |

The void permit should be obtained, if possible. The void permit should be marked void and attached to this log. This log should be submitted to the County Auditor's Office along with the monthly report.

COMMENTS:

COUNTY OF HIDALGO, TEXAS
VOID PERMIT LOG
PRECINCT 3, SANITATION PROGRAM

FOR THE MONTH ENDED: 12/28

| | DATE PERMIT WAS VOID IN THE SYSTEM | VOID PERMIT NUMBER | REASON FOR VOID | NEW PERMIT NUMBER | PERMIT ISSUED TO | EMPLOYEE SIGNATURE | SUPERVISORS SIGNATURE OF APPROVAL |
|----|------------------------------------|--------------------|---------------------|-------------------|------------------|--------------------|-----------------------------------|
| 1 | 12/28 | 30293 | replaced windshield | 38258 | Laura Hjorn | <i>[Signature]</i> | |
| 2 | 12/28 | 38053 | out of service | 38260 | Amber O'Brien | <i>[Signature]</i> | |
| 3 | 12/28 | 35109 | So | 38263 | Adrian Garcia | <i>[Signature]</i> | |
| 4 | 12/28 | 35558 | Lost Striker | 38265 | Luis Cantu | <i>[Signature]</i> | |
| 5 | 12/29 | 26307 | Sold ren | 38281 | Nancy Flores | <i>[Signature]</i> | |
| 6 | 12/29 | 28080 | Sun damage | 38281 | Raul Flores | <i>[Signature]</i> | |
| 7 | 12/21 | 943 | out of service | 38288 | Jessie Smith | <i>[Signature]</i> | |
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The void permit should be obtained, if possible. The void permit should be marked void and attached to this log. This log should be submitted to the County Auditor's Office along with the monthly report.

REMARKS

HIDALGO COUNTY, TEXAS
 ANZALDUAS PARK, PRECINCT 3
 MONTHLY REPORT FOR THE MONTH ENDING
 December 2016

PBC

| DATE | BEGINNING RECEIPT NUMBER | ENDING RECEIPT NUMBER | TOTAL RECEIPTS ISSUED | TOTAL RECEIPT AMOUNT | COUNTY TREASURER | | | DEPOSIT SLIP NUMBER |
|---------------|--------------------------|-----------------------|-----------------------|----------------------|------------------|-----------------|----------------|---------------------|
| | | | | | DEPOSIT AMOUNT | DATE OF DEPOSIT | RECEIPT NUMBER | |
| 1 12/1/2016 | | | | | | | | 231 |
| 2 12/2/2020 | | | | | | | | 231 |
| 3 12/3/2016 | 383433 | 383453 | 21 | \$ 84.00 | \$ 84.00 | 12/3/2016 | 205182 | 231 01072 |
| 4 12/4/2016 | 0 | 0 | 0 | \$ - | \$ - | | 0 | 231 0 |
| 5 12/5/2016 | | | | | | | | 231 |
| 6 12/6/2016 | | | | | | | | 231 |
| 7 12/7/2016 | | | | | | | | 231 |
| 7 12/8/2016 | | | | | | | | 231 |
| 9 12/9/2016 | | | | | | | | 231 |
| 10 12/10/2016 | 383454 | 383460 | 7 | \$ 28.00 | \$ 28.00 | 12/10/2016 | 205391 | 231 01073 |
| 11 12/11/2016 | 383461 | 383476 | 16 | \$ 64.00 | \$ 64.00 | 12/11/2016 | 205392 | 231 01074 |
| 12 12/12/2016 | | | | | | | | 231 |
| 13 12/13/2016 | | | | | | | | 231 |
| 14 12/14/2016 | | | | | | | | 231 |
| 15 12/15/2016 | | | | | | | | 231 |
| 16 12/16/2016 | | | | | | | | 231 |
| 17 12/17/2016 | 383477 | 383485 | 9 | \$ 36.00 | \$ 36.00 | 12/17/2016 | 205724 | 231 01075 |
| 18 12/18/2016 | 383486 | 383488 | 3 | \$ 12.00 | \$ 28.00 | 12/18/2016 | 205725 | 231 01076 |
| 19 12/19/2016 | | | | | | | | 231 |
| 20 12/20/2016 | | | | | | | | 231 |
| 21 12/21/2016 | | | | | | | | 231 |
| 22 12/22/2016 | | | | | | | | 231 |
| 23 12/23/2016 | | | | | | | | 231 |
| 24 12/24/2016 | 0 | 0 | 0 | \$ 0.00 | \$ 0.00 | | 0 | 231 0 |
| 25 12/25/2016 | 0 | 0 | 0 | \$ - | \$ - | | 0 | 231 0 |
| 26 12/26/2016 | | | | | | | | 231 |
| 27 12/27/2016 | | | | | | | | 231 |
| 28 12/28/2016 | | | | | | | | 231 |
| 29 12/29/2016 | | | | | | | | 231 |
| 30 12/30/2016 | | | | | | | | 231 |
| 31 12/31/2016 | 0 | 0 | 0 | \$ 0.00 | \$ - | | 0 | 231 0 |
| | | | | <u>\$ 224.00</u> | <u>\$ 224.00</u> | | | |

$\$56.00 \times \$4.00 = \$224.00$

| | |
|---|----------|
| TOTAL AMOUNT DUE TO GENERAL FUND-----1100-347-40-123-000-0-000----- | |
| LESS: TOTAL AMOUNTS REMITTED TO GENERAL FUND----- | \$224.00 |
| TOTAL FUNDS DUE TO THE COUNTY TREASURER----- | \$224.00 |

PREPARED BY: Gerardo Flores

Date: 1/4/2017

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

Jose M. Flores
 JOSE M. FLORES
 COMMISSIONER PRCT NO. 3

1/4/2017
 DATE

THIS REPORT IS DUE IN THE OFFICE OF THE COUNTY AUDITOR 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: 1/12/17

DATE: _____
 APPROVED BY: _____
 HIDALGO COUNTY AUDITOR'S OFFICE

Revised

X

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



February 3, 2017

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

Re: Review of Anzalduas Park *Monthly Fees Report* and Supporting Documentation
For the month of December 2016

Dear Commissioner Flores:

We conducted a review of the Anzalduas Park *Monthly Fees Report* and supporting documentation for the month of December 2016 in accordance with Local Government Code §115.002(a) and (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 Report* for the month of December 2016. 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.

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, the *Monthly Fees Reports*, and fee schedules. The following procedures were performed:

- Reviewed the submittal dates of the *Monthly Fees Report* 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 tickets issued to determine if proper fee amounts were collected and reported.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLEERRY
JUDGE, 27th D.C.

RODOLFO DEL QUNO
JUDGE, 93rd D.C.

J. R. "BOBBY" FLORES
JUDGE, 131th D.C.

ROSE GUERRA REYNA
JUDGE, 198th D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332nd D.C.

HOE GONZALEZ
JUDGE, 370th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389th D.C.

L. KENO VASQUEZ
JUDGE, 398th D.C.

ISRAEL RAMON, JR.
JUDGE, 430th D.C.

RENEE R. BETANCOURT
JUDGE, 448th D.C.

- 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 pursuant to Local Government Code §113.022.
- Verified that the collections per the *Monthly Fees Report* agreed to total tickets issued and the deposits made with the County Treasurer.
- Reviewed receipts issued, *Cashier's Daily Close-Out Reports/Daily Remittance Forms*, and *Monthly Fees Report* to verify proper completion.

Conclusion:

Total collections for the month of December 2016 were \$224.00. 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:

A \$4.00 park entrance fee is collected from vehicles entering the Anzalduas Park on Saturdays and Sundays. Commissioners Court approved to increase the park entrance fee from \$2.00 to \$4.00 on March 23, 1993. A review of the County's financial records indicated that a park entrance fee has been collected since at least 1992. 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 was not 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 weekends and waived on weekdays. 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 presentment 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 §316.001(4) states that "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."

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.

Formal procedures have not been developed and implemented to ensure that park entrance fees are properly collected. Failure to properly collect the park entrance fees may result in the loss of County funds.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 131TH D.C.

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 312TH D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 349TH D.C.

L. KENO VASQUEZ
JUDGE, 381TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 441TH D.C.

The Honorable Jose M. Flores
February 3, 2017
Page 3 of 3

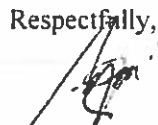
Recommendation:

Management should develop and implement formal procedures to ensure that park entrance fees are properly collected. Evidence that a referendum election was conducted and evidence authorizing the collection and waiver of the fee should be obtained. In addition, the park entrance fee should continue to be collected after the cut-off time as required by the *Cash Handling Guidelines and Procedures*.

Please provide a written management response to the observation noted above by February 17, 2017.

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, Linda Fong, First Assistant Auditor, at ext. 4668, or me at 4604.

Respectfully,



Ray Enfracio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOÉ GONZALEZ
JUDGE, 379TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 383RD D.C.

L. KENO VASQUEZ
JUDGE, 388TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF RECIPITS AND DEPOSITS FOR THE MONTH OF:
PRECINCT 4, SANITATION PROGRAM

PBC

Nov-16

| Receipt # Date | Receipt # Sequence | | Total Collected | Credit Card Amount (Direct Deposit) | LONE STAR NATIONAL BANK | | | COUNTY TREASURER | | | | OVER/ (SHORT) | |
|-------------------|-----------------------|-----------|--------------------|---|-------------------------|--------------------|------------------------|-------------------|-----------------|-------------------|------------------|------------------|-------|
| | BEG # | END # | | | Deposit Amount | Date of Deposit | Deposit Slip Number | Receipt Amount | Receipt Date | Receipt Number | Diff on Dates | | |
| 1 | 1-Nov | 242-24208 | 242-24251 | \$ 1,250.00 | \$ 175.00 | \$ 1,075.00 | 11/2/2016 | 242 503 | \$ 1,250.00 | 11/14/2016 | 204422 | #REF! | #REF! |
| 2 | 2-Nov | 242-24252 | 242-24288 | \$ 1,025.00 | \$ 225.00 | \$ 800.00 | 11/3/2016 | 242 504 | \$ 1,025.00 | 11/14/2016 | 204423 | -377 | \$ - |
| 3 | 3-Nov | 242-24289 | 242-24321 | \$ 850.00 | \$ 100.00 | \$ 750.00 | 11/4/2016 | 242 505 | \$ 850.00 | 11/14/2016 | 204424 | -10 | \$ - |
| 4 | 4-Nov | 242-24322 | 242-24372 | \$ 1,400.00 | \$ 250.00 | \$ 1,150.00 | 11/7/2016 | 242 506 | \$ 1,400.00 | 11/14/2016 | 204425 | -7 | \$ - |
| 5 | 5-Nov | 242-24373 | 242-24376 | \$ 100.00 | \$ - | \$ 100.00 | 11/7/2016 | 242 507 | \$ 100.00 | 11/14/2016 | 204426 | -7 | \$ - |
| 6 | 6-Nov | SUNDAY | | | | | | 242 | | | | 0 | \$ - |
| 7 | 7-Nov | 242-24377 | 242-24440 | \$ 1,775.00 | \$ 150.00 | \$ 1,625.00 | 11/8/2016 | 242 508 | \$ 1,775.00 | 11/16/2016 | 204503 | -8 | \$ - |
| 8 | 8-Nov | 242-24441 | 242-24462 | \$ 625.00 | \$ 50.00 | \$ 575.00 | 11/9/2016 | 242 509 | \$ 625.00 | 11/16/2016 | 204504 | -7 | \$ - |
| 9 | 9-Nov | 242-24463 | 242-24495 | \$ 925.00 | \$ 150.00 | \$ 775.00 | 11/14/2016 | 242 510 | \$ 925.00 | 11/18/2016 | 204588 | -4 | \$ - |
| 10 | 10-Nov | 242-24496 | 242-24534 | \$ 1,100.00 | \$ 175.00 | \$ 925.00 | 11/14/2016 | 242 511 | \$ 1,100.00 | 11/18/2016 | 204590 | -4 | \$ - |
| 11 | 11-Nov | 242-24535 | 242-24568 | \$ 1,025.00 | \$ 275.00 | \$ 750.00 | 11/14/2016 | 242 512 | \$ 1,025.00 | 11/18/2016 | 204591 | -4 | \$ - |
| 12 | 12-Nov | 242-24569 | 242-24473 | \$ 125.00 | \$ 75.00 | \$ 50.00 | 11/14/2016 | 242 513 | \$ 125.00 | 11/18/2016 | 204592 | -4 | \$ - |
| 13 | 13-Nov | SUNDAY | | | | | | 242 | | | | 0 | \$ - |
| 14 | 14-Nov | 242-24574 | 242-24640 | \$ 1,875.00 | \$ 325.00 | \$ 1,550.00 | 11/15/2016 | 242 514 | \$ 1,875.00 | 11/30/2016 | 204993 | -15 | \$ - |
| 15 | 15-Nov | 242-24641 | 242-24686 | \$ 1,225.00 | \$ 175.00 | \$ 1,050.00 | 11/16/2016 | 242 515 | \$ 1,225.00 | 11/18/2016 | 204643 | -2 | \$ - |
| 16 | 16-Nov | 242-24687 | 242-24727 | \$ 1,225.00 | \$ 150.00 | \$ 1,075.00 | 11/17/2016 | 242 516 | \$ 1,225.00 | 11/21/2016 | 204657 | -4 | \$ - |
| 17 | 17-Nov | 242-24728 | 242-24763 | \$ 1,000.00 | \$ 100.00 | \$ 900.00 | 11/18/2016 | 242 517 | \$ 1,000.00 | 11/30/2016 | 204994 | -12 | \$ - |
| 18 | 18-Nov | 242-24764 | 242-24815 | \$ 1,400.00 | \$ 400.00 | \$ 1,000.00 | 11/21/2016 | 242 518 | \$ 1,400.00 | 11/30/2016 | 204995 | -9 | \$ - |
| 19 | 19-Nov | 242-24816 | 242-24823 | \$ 200.00 | \$ 25.00 | \$ 175.00 | 11/21/2016 | 242 519 | \$ 200.00 | 11/30/2016 | 204997 | -9 | \$ - |
| 20 | 20-Nov | SUNDAY | | | | | | 242 | | | | 0 | \$ - |
| 21 | 21-Nov | 242-24824 | 242-24895 | \$ 2,325.00 | \$ 425.00 | \$ 1,900.00 | 11/22/2016 | 242 520 | \$ 2,325.00 | 12/1/2016 | 205036 | -9 | \$ - |
| 22 | 22-Nov | 242-24896 | 242-24974 | \$ 1,375.00 | \$ 175.00 | \$ 1,200.00 | 11/23/2016 | 242 521 | \$ 1,375.00 | 12/1/2016 | 205038 | -8 | \$ - |
| 23 | 23-Nov | 242-24975 | 242-24986 | \$ 1,175.00 | \$ 225.00 | \$ 950.00 | 11/28/2016 | 242 522 | \$ 1,175.00 | 12/1/2016 | 205039 | -3 | \$ - |
| 24 | 24-Nov | HOLIDAY | | | | | | 242 | | | | 0 | \$ - |
| 25 | 25-Nov | 242-24987 | 242-25019 | \$ 875.00 | \$ 175.00 | \$ 700.00 | 11/28/2016 | 242 523 | \$ 875.00 | 12/1/2016 | 205040 | -3 | \$ - |
| 26 | 26-Nov | 242-25020 | 242-25026 | \$ 175.00 | \$ 50.00 | \$ 125.00 | 11/29/2016 | 242 524 | \$ 175.00 | 12/1/2016 | 205041 | -2 | \$ - |
| 27 | 27-Nov | SUNDAY | | | | | | 242 | | | | 0 | \$ - |
| 28 | 28-Nov | 242-25027 | 242-25086 | \$ 1,700.00 | \$ 200.00 | \$ 1,500.00 | 11/30/2016 | 242 525 | \$ 1,700.00 | 12/1/2016 | 205042 | -1 | \$ - |
| 29 | 29-Nov | 242-25087 | 242-25124 | \$ 1,100.00 | \$ 100.00 | \$ 1,000.00 | 11/30/2016 | 242 526 | \$ 1,100.00 | 12/1/2016 | 205043 | -1 | \$ - |
| 30 | 30-Nov | 242-25125 | 242-25156 | \$ 950.00 | \$ 225.00 | \$ 725.00 | 12/1/2016 | 242 527 | \$ 950.00 | 12/2/2016 | 205048 | -1 | \$ - |
| 31 | 1-Dec | | | | | | | 242 | | | | 0 | \$ - |

TOTALS \$ 26,800.00 \$ 4,375.00 \$ 22,425.00

\$ 26,800.00

1 1 1

1289

| | |
|--|--------------|
| TOTAL AMOUNT DUE TO GENERAL FUND-----1100-322-70-124-000-0-000 | \$ 26,800.00 |
| LESS: TOTAL AMOUNT REMITTED TO GENERAL FUND (COUNTY TREASURER) | \$ 26,800.00 |
| OVER/(SHORT)----- | \$ - |

1289

PREPARED BY: *David J. Cantel*

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

Maria D. Lucio
 APPROVED BY

12-2-16
 DATE

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

COUNTY AUDITOR'S FORM RE-PC4-002 REVISED 5/2016

HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: *Bono*
 DATE: *11/01/17*

XI

COUNTY of HIDALGO



EDINBURG, TEXAS 78539

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

January 16, 2017

The Honorable Joseph Palacios
Hidalgo County Commissioner Precinct No. 4
1051 N. Doolittle Rd.
Edinburg, Texas 78542

Re: Review of the Precinct 4 Sanitation Program *Monthly Fee Report* and Supporting Documentation
For the month of November 2016

Dear Commissioner Palacios:

We conducted a limited scope review of the Precinct 4 Sanitation Program *Monthly Fee Report* and all supporting documentation for the month of November 2016 pursuant to Local Government Code §115.002 (a) and (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 Fee Report* for the month of November 2016. 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, the *Monthly Fee Report*, and fee schedules. The following procedures were performed:

- Reviewed the submittal date of the *Monthly Fee Report* to the County Auditor's Office to determine if the report was 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 Fee 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 Fee Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified that receipts and permits issued followed a sequential order.
- Verified that procedures for voided receipts and voided permits were properly followed.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12TH D.C.

RODOLFO DELGADO
JUDGE, 31ST 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, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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JUDGE, 396TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH D.C.

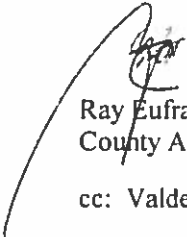
- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Forms (Close-Out Report)* to determine whether fees collected were properly accounted and deposited with the County Treasurer on a daily basis.
- Verified that the collections per the *Monthly Fee Report* agreed to total receipts issued and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

Conclusion:

Total collections for the month of November 2016 were \$26,800.00. Based on the results of our review, we have concluded that 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, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufracio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 83RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

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

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LETICIA LOPEZ
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ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH D.C.

**COUNTY OF HIDALGO, TEXAS
SCHEDULE OF RECIPITS AND DEPOSITS FOR THE MONTH OF:
PRECINCT 4, SANITATION PROGRAM**

PBA

Dec-16

| Receipt Date | Receipt # Sequence | | Total Collected | Credit Card Amount (Direct Deposit) | LONE STAR NATIONAL BANK | | | COUNTY TREASURER | | | | OVER/ (SHORT) |
|--------------|--------------------|-----------|-----------------|-------------------------------------|-------------------------|-----------------|---------------------|------------------|--------------|----------------|---------------|---------------|
| | BEG # | END # | | | Deposit Amount | Date of Deposit | Deposit Slip Number | Receipt Amount | Receipt Date | Receipt Number | Diff on Dates | |
| 1-Dec | 242-25157 | 242-25192 | \$ 1,075.00 | \$ 50.00 | \$ 1,025.00 | 12/2/2016 | 242 528 | \$ 1,075.00 | 12/12/2016 | 205295 | #REF! | #REF! |
| 2-Dec | 242-25193 | 242-25243 | \$ 1,450.00 | \$ 175.00 | \$ 1,275.00 | 12/5/2016 | 242 529 | \$ 1,450.00 | 12/12/2016 | 205297 | -7 | \$ - |
| 3-Dec | 242-25244 | 242-25255 | \$ 325.00 | \$ - | \$ 325.00 | 12/5/2016 | 242 530 | \$ 325.00 | 12/12/2016 | 205298 | -7 | \$ - |
| 4-Dec | SUNDAY | | | | | | 242 | | | | 0 | \$ - |
| 5-Dec | 242-25256 | 242-25304 | \$ 1,400.00 | \$ 200.00 | \$ 1,200.00 | 12/6/2016 | 242 531 | \$ 1,400.00 | 12/12/2016 | 205299 | -6 | \$ - |
| 6-Dec | 242-25305 | 242-25337 | \$ 900.00 | \$ 25.00 | \$ 875.00 | 12/7/2016 | 242 532 | \$ 900.00 | 12/28/2016 | 205758 | -21 | \$ - |
| 7-Dec | 242-25338 | 242-25376 | \$ 1,125.00 | \$ 175.00 | \$ 950.00 | 12/8/2016 | 242 533 | \$ 1,125.00 | 12/27/2016 | 205694 | -19 | \$ - |
| 8-Dec | 242-25377 | 242-25399 | \$ 600.00 | \$ 125.00 | \$ 475.00 | 12/9/2016 | 242 534 | \$ 600.00 | 12/27/2016 | 205695 | -18 | \$ - |
| 9-Dec | 242-25400 | 242-25429 | \$ 900.00 | \$ 175.00 | \$ 725.00 | 12/12/2016 | 242 535 | \$ 900.00 | 12/27/2016 | 205696 | -15 | \$ - |
| 10-Dec | 242-25431 | 242-25439 | \$ 275.00 | \$ 75.00 | \$ 200.00 | 12/12/2016 | 242 536 | \$ 275.00 | 12/27/2016 | 205697 | -15 | \$ - |
| 11-Dec | SUNDAY | | | | | | 242 | | | | 0 | \$ - |
| 12-Dec | 242-25440 | 242-25500 | \$ 2,000.00 | \$ 275.00 | \$ 1,725.00 | 12/13/2016 | 242 537 | \$ 2,000.00 | 12/27/2016 | 205698 | -14 | \$ - |
| 13-Dec | 242-25501 | 242-25540 | \$ 1,325.00 | \$ 475.00 | \$ 850.00 | 12/15/2016 | 242 538 | \$ 1,325.00 | 12/27/2016 | 205699 | -12 | \$ - |
| 14-Dec | 242-25541 | 242-25577 | \$ 1,100.00 | \$ 75.00 | \$ 1,025.00 | 12/15/2016 | 242 539 | \$ 1,100.00 | 12/27/2016 | 205700 | -12 | \$ - |
| 15-Dec | 242-25578 | 242-25623 | \$ 1,425.00 | \$ 225.00 | \$ 1,200.00 | 12/16/2016 | 242 540 | \$ 1,425.00 | 12/28/2016 | 205761 | -12 | \$ - |
| 16-Dec | 242-25624 | 242-25670 | \$ 1,425.00 | \$ 350.00 | \$ 1,075.00 | 12/19/2016 | 242 541 | \$ 1,425.00 | 12/28/2016 | 205763 | -9 | \$ - |
| 17-Dec | 242-25671 | 242-25687 | \$ 525.00 | \$ 125.00 | \$ 400.00 | 12/19/2016 | 242 542 | \$ 525.00 | 12/28/2016 | 205766 | -9 | \$ - |
| 18-Dec | SUNDAY | | | | | | 242 | | | | 0 | \$ - |
| 19-Dec | 242-25688 | 242-25721 | \$ 950.00 | \$ 125.00 | \$ 825.00 | 12/20/2016 | 242 543 | \$ 950.00 | 12/29/2016 | 205880 | -9 | \$ - |
| 20-Dec | 242-25722 | 242-25765 | \$ 1,225.00 | \$ 125.00 | \$ 1,100.00 | 12/28/2016 | 242 544 | \$ 1,225.00 | 12/29/2016 | 205881 | -1 | \$ - |
| 21-Dec | 242-25766 | 242-25795 | \$ 850.00 | \$ 225.00 | \$ 625.00 | 12/28/2016 | 242 545 | \$ 850.00 | 12/29/2016 | 205882 | -1 | \$ - |
| 22-Dec | 242-25796 | 242-25836 | \$ 1,075.00 | \$ 150.00 | \$ 925.00 | 12/28/2016 | 242 546 | \$ 1,075.00 | 12/29/2016 | 205886 | -1 | \$ - |
| 23-Dec | 242-25837 | 242-25868 | \$ 1,050.00 | \$ 150.00 | \$ 900.00 | 12/28/2016 | 242 547 | \$ 1,050.00 | 12/29/2016 | 205890 | -1 | \$ - |
| 24-Dec | HOLIDAY | | | | | | 242 | | | | 0 | \$ - |
| 25-Dec | SUNDAY | | | | | | 242 | | | | 0 | \$ - |
| 26-Dec | 242-25869 | 242-25907 | \$ 1,200.00 | \$ 100.00 | \$ 1,100.00 | 12/28/2016 | 242 548 | \$ 1,200.00 | 12/29/2016 | 205892 | -1 | \$ - |
| 27-Dec | 242-25908 | 242-25994 | \$ 3,025.00 | \$ 750.00 | \$ 2,275.00 | 12/28/2016 | 242 549 | \$ 3,025.00 | 12/29/2016 | 205893 | -1 | \$ - |
| 28-Dec | 242-25995 | 242-26046 | \$ 1,800.00 | \$ 50.00 | \$ 1,750.00 | 12/29/2016 | 242 550 | \$ 1,800.00 | 1/4/2017 | 206010 | -6 | \$ - |
| 29-Dec | 242-26047 | 242-26111 | \$ 2,025.00 | \$ 475.00 | \$ 1,550.00 | 1/3/2017 | 242 551 | \$ 2,025.00 | 1/4/2017 | 206011 | -1 | \$ - |
| 30-Dec | 242-26112 | 242-26164 | \$ 1,950.00 | \$ 225.00 | \$ 1,725.00 | 1/3/2017 | 242 552 | \$ 1,950.00 | 1/4/2017 | 206013 | -1 | \$ - |
| 31-Dec | HOLIDAY | | | | | | 242 | | | | 0 | \$ - |

TOTALS \$ 31,000.00 \$ 4,900.00 \$ 26,100.00 \$ 31,000.00

| | | |
|---|----|-----------|
| TOTAL AMOUNT DUE TO GENERAL FUND-----1100-322-70-124-000-0-000----- | \$ | 31,000.00 |
| LESS: TOTAL AMOUNT REMITTED TO GENERAL FUND (COUNTY TREASURER)----- | \$ | 31,000.00 |
| OVER/(SHORT)----- | \$ | - |

PREPARED BY: *[Signature]*

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

[Signature]
APPROVED BY

1-9-17
DATE

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

COUNTY AUDITOR'S FORM RE-PCT 4-002 REVISED 5/2016

HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: *[Signature]*
DATE: 2/3/17

XI

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



EDINBURG, TEXAS 78539

February 6, 2017

The Honorable Joseph Palacios
Hidalgo County Commissioner Precinct No. 4
1051 N. Doolittle Rd.
Edinburg, Texas 78542

Re: Review of the Precinct 4 Sanitation Program *Monthly Fees Report* and Supporting Documentation
For the month of December 2016

Dear Commissioner Palacios:

We conducted a limited scope review of the Precinct 4 Sanitation Program *Monthly Fees Report* and all supporting documentation for the month of December 2016 pursuant to Local Government Code §115.002 (a) and (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 Report* for the month of December 2016. 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, the *Monthly Fees Report*, and fee schedules. The following procedures were performed:

- Reviewed the submittal date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report was 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 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 that receipts and permits issued followed a sequential order.
- Verified that procedures for voided receipts and voided permits were properly followed.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 81ST D.C.

J. R. "BOBBY" FLORES
JUDGE, 119TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 349TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

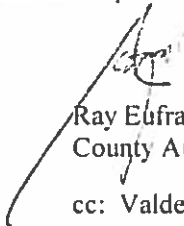
- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Forms (Close-Out Report)* to determine whether fees collected were properly accounted and deposited with the County Treasurer on a daily basis.
- Verified that the collections per the *Monthly Fees Report* agreed to total receipts issued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

Conclusion:

Total collections for the month of December 2016 were \$31,000.00. Based on the results of our review, we have concluded that 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, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 13th D.C.

ROSE GUERRA REYNA
JUDGE, 20th D.C.

JUAN R. PARTIDA
JUDGE, 27th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 33rd D.C.

NOE GONZALEZ
JUDGE, 37th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38th D.C.

L. KENO VASQUEZ
JUDGE, 39th D.C.

ISRAEL RAMON, JR.
JUDGE, 43rd D.C.

RENEE R. BETANCOURT
JUDGE, 44th D.C.

Constable Celestino Avila Jr. Monthly Report

For the Month Ending November 2016

| Date | Plaintiff | Defendant | Receipt # | Cause # | Type of Service | In/Out County | Court | Treasurer # | Amount Due |
|-----------|------------------------------------|---|-------------|---------------|-----------------|---------------|---------------|-------------|------------|
| 11/1/2016 | San Juanita Vichique | Maria R. Luna | C1-2016-168 | LT16-0391-J12 | FED | In County | Justice Clerk | 204236 | \$75.00 |
| 11/1/2016 | Lacks Valley Stores a | Diana Molina | C1-2016-169 | SC16-0083-J12 | Small Claims | In County | Justice Clerk | 204236 | \$75.00 |
| 11/1/2016 | Miguel E. Rayo | Miguel Bermejo | C1-2016-170 | LT16-0392-J12 | FFD | In County | Justice Clerk | 204236 | \$75.00 |
| 11/2/2016 | Maria L. Cabrera/Cabrera Apts | José Sosa | C1-2016-171 | LT16-0393-J12 | FED | In County | Justice Clerk | 204237 | \$75.00 |
| 11/2/2016 | Move it Self Storage (Jesse Munoz) | Juan Antonio Trevino | C1-2016-172 | SC16-0258-J12 | Small Claims | In County | Justice Clerk | 204237 | \$75.00 |
| 11/2/2016 | Diana Hinojosa | Sandra Fuentes | C1-2016-173 | SC16-0259-J12 | Small Claims | In County | Justice Clerk | 204237 | \$75.00 |
| 11/4/2016 | Juan Angel Garcia & Ivelia Garcia | Javier Lopez | C1-2016-174 | LT16-0394-J12 | FED | In County | Justice Clerk | 04346/20437 | \$75.00 |
| 11/4/2016 | Juan Angel & Ivelia Garcia | Diana Medeles Lopez | C1-2016-175 | LT16-0394-J12 | FED | In County | Justice Clerk | 04346/20437 | \$75.00 |
| 11/7/2016 | Emma Quesada | Romero Flores (tenant) DBA Long Haul Towing | C1-2016-176 | SC16-0261-J12 | Small Claims | In County | Justice Clerk | 204373 | \$75.00 |
| 11/9/2016 | Max Fine Furniture | Marisa A. Gonzalez | C1-2016-177 | SC16-0263-J12 | Small Claims | In County | Justice Clerk | 204630 | \$75.00 |

This report has been personally reviewed by me and which I certify to be true and correct to the
 Approved by: [Signature] Prepared by: [Signature]
 Constable Precinct 1 Administrative Assistant



| Date | Plaintiff | Defendant | Receipt # | Cause # | Type of Service | In/Out County | Court | Treasurer # | Amount Due |
|------------|--------------------------------|-----------------------|-------------|---------------|-------------------|---------------|---------------|-------------|------------|
| 11/9/2016 | Max Fine Furniture | Yvette Garcia | C1-2016-178 | SC16-0264-J12 | Small Claims | In County | Justice Clerk | 204630 | \$75.00 |
| 11/10/2016 | Celinda R. Luna | Michael R. macrus | C1-2016-179 | LT16-0402-J12 | FED | In County | Justice Clerk | 204632 | \$75.00 |
| 11/14/2016 | JLM Investments | Noel Cantu | C1-2016-180 | LT16-0403-J12 | FED | In County | Justice Clerk | 204634 | \$75.00 |
| 11/14/2016 | Integras Capital Recovery, LLC | Anissa Maria Alvarado | C1-2016-181 | DC16-0281-J11 | Writ of Execution | In County | Justice Clerk | 204634 | \$200.00 |
| 11/14/2016 | New millenium Investments | Tanames Dontrell | C1-2016-182 | LT16-0404-J12 | FED | In County | Justice Clerk | 204634 | \$75.00 |
| 11/14/2016 | New millenium | Maria Garzez | C1-2016-183 | LT16-0405-J12 | FED | In County | Justice Clerk | 204634 | \$75.00 |
| 11/14/2016 | New Millenium | Elberto Leal | C1-2016-184 | LT16-0406-J12 | FED | In County | Justice Clerk | 204634 | \$75.00 |
| 11/15/2016 | Max Fine Furniture | Alberto Solis | C1-2016-185 | SC16-0265-J12 | Small Claims | In County | Justice Clerk | 204803 | \$75.00 |
| 11/15/2016 | Max Fine Furniture | Mario Sanchez | C1-2016-186 | SC16-0266-J12 | Small Claims | In County | Justice Clerk | 204803 | \$75.00 |
| 11/15/2016 | Max Fine Furniture | Rachel Trienda | C1-2016-187 | SC16-0267-J12 | Small Claims | In County | Justice Clerk | 204803 | \$75.00 |
| 11/15/2016 | Max Fine Furniture | Minerva Rincon | C1-2016-188 | SC16-0268-J12 | Small Claims | In County | Justice Clerk | 204803 | \$75.00 |
| 11/15/2016 | Francisco & Blanca Agüero | Alfredo Dominguez | C1-2016-189 | LT16-0407-J12 | FED | In County | Justice Clerk | 204803 | \$75.00 |

This report has been personally reviewed by me and which I certify to be true and correct to the
 Approved by: Constable, Precinct 1 Prepared by: Administrative Assistant



11

| Date | Plaintiff | Defendant | Receipt # | Cause # | Type of Service | In/Out County | Court | Treasurer # | Amount Due |
|-------------|--|--|-------------|----------------|-------------------|---------------|----------------|-------------|------------|
| 11/15/2016 | Francisco & Blanca Agüero | Crystal Lopez Dominguez | C1-2016-190 | LT16-0407-J12 | FED | In County | Justice Clerk | 204803 | \$75.00 |
| 11/17/2016 | Cameron County Town of Laguna Vista & Laguna | Jose Luis Quintanilla/Construction Inc | C1-2016-191 | 2015-DCL-03577 | Tax Citation | In County | Justice Clerk | 204805 | \$75.00 |
| 11/28/2016 | Lacks Valley Stores | Stephanie Mata | C1-2016-192 | SC15-0116-J12 | Small Claims | In County | Justice Clerk | 205024 | \$75.00 |
| 11/28/2016 | Lacks Valley Stores | Ernest Cavazos | C1-2016-193 | SC15-0116-J12 | Small Claims | In County | Justice Clerk | 205024 | \$75.00 |
| 11/29/2016 | Rodolfo Martinez Jr | Juan R. Torres | C1-2016-194 | C-2543-11-E | Writ of Execution | In County | District Clerk | 205025 | \$200.00 |
| Grand Total | | | | | | | | | \$2,275.00 |

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HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: *[Signature]*
 DATE: 12/22/16



This report has been personally reviewed by me and which I certify to be true and correct to the
 Approved by: *[Signature]* Prepared by: *[Signature]*
 Constable, Precinct 1 Administrative Assistant



ML

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



EDINBURG, TEXAS 78539

January 11, 2017

The Honorable Celestino Avila
Hidalgo County Constable Precinct No. 1
1902 Joe Stephens Blvd. Suite 303
Weslaco, TX 78596

Re: Review of the *Monthly Fees Report* and Supporting Documentation
For the month of November 2016

Dear Constable Avila:

We have conducted a limited scope review of the Constable Precinct No. 1 *Monthly Fees Report* and supporting documentation for the month of November 2016 pursuant to Local Government Code §115.002 (a) and (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 November 2016. 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.

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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 date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report and 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.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 97TH D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

JAAN R. PARTIDA
JUDGE, 775TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 312ND D.C.

NOE GONZALEZ
JUDGE, 378TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 349TH D.C.

L. KENO VASQUEZ
JUDGE, 396TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 449TH D.C.

The Honorable Celestino Avila
January 11, 2017
Page 2 of 2

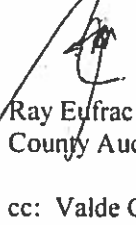
- Verified that procedures for voided receipts were properly followed.
- Reviewed the *Cashier's Daily Close-Out Report/Daily Remittance Form* to determine whether fees collected were properly accounted and deposited with the County Treasurer on or before the fifth day after the day on which the funds were received.
- Verified that the collections per the *Monthly Fees Report* agreed to total receipts issued and the deposits made with the County Treasurer.
- Reviewed receipts issued, *Cashier's Daily Close-Out Report/Daily Remittance Forms*, and *Monthly Fees Report* to verify proper completion.

Conclusion:

Total collections for the month of November 2016 were \$2,275.00. 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, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, Fist Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

HCE DONIALEZ
JUDGE, 370TH D.C.

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

Constable Celestino Avila Jr. Monthly Report

For the Month Ending December 2016 *PCC*

| Date | Plaintiff | Defendant | Receipt # | Cause # | Type of Service | In/Out County | Court | Treasurer # | Amount Due |
|------------|---------------------------------------|---------------------|----------------------|------------------------|--------------------|---------------|----------------|-----------------|-------------------|
| 12/12/2016 | OAG Δ | Citations x 16 | Δ 011242-1 | | Citation OAG | In county | District clerk | 205518 Δ | \$792.00 Δ |
| 12/12/2016 | OAG Δ | Precepts X 4 | Δ 011242-1 | | Precept To Serve | In county | District clerk | 205518 Δ | \$198.00 Δ |
| 12/13/2016 | OAG Δ | Citation x 1 | Δ 011243-1 | | Citation OAG | In county | District Clerk | 205520 Δ | \$49.50 Δ |
| 12/13/2016 | OAG Δ | Citation x 1 | Δ 011244-1 | | Citation OAG | In county | District Clerk | 205520 Δ | \$49.50 Δ |
| 12/1/2016 | Δ Leonardo & Maria Faz | Eleno Barron | Δ CI-2016-195 | Δ LT16-0430-J12 | FED | In county | Justice Clerk | 205289 Δ | \$75.00 Δ |
| 12/2/2016 | Δ Santa Fe Property Management | Mario Martinez | Δ CI-2016-196 | Δ LT16-0431-J12 | FED | In county | Justice Clerk | 205292 Δ | \$75.00 Δ |
| 12/2/2016 | Δ Ricardo Salinas | Marlene Ramos | Δ CI-2016-197 | Δ F-5220-14-7 | Writ of Attachment | In county | District Clerk | 205292 Δ | \$80.00 Δ |
| 12/2/2016 | Δ Ricardo Salinas | Marlene Ramos | Δ CI-2016-198 | Δ F-5220-14-7 | Citation | In county | District Clerk | 205292 Δ | \$75.00 Δ |
| 12/5/2016 | Δ Maria Luisa Cabrera | Juan Sosa Δ | Δ CI-2016-199 | Δ LT16-0432-J12 | FED | In county | Justice Clerk | 205293 Δ | \$75.00 Δ |
| 12/5/2016 | Δ Maria Luisa Cabrera | Nancy Sosa Δ | Δ CI-2016-200 | Δ LT16-0432-J12 | FED | In county | Justice Clerk | 205293 Δ | \$75.00 Δ |



This report has been personally reviewed by me and which I certify to be true and correct to the
 Approved by: [Signature] Constable, Precinct 1
 Prepared by: [Signature] Administrative Assistant



[Signature]
 Avila Jr.

| Date | Plaintiff | Defendant | Receipt # | Cause # | Type of Service | In/Out County | Court | Treasurer # | Amount Due |
|------------|----------------------------------|---|-------------|---------------|-------------------|---------------|----------------|-------------|------------|
| 12/5/2016 | Cadlerock Joint Venture II, L.P. | Graciela Almazan a/N/a Graciela Pina | C1-2016-201 | C-1219-10-G | Writ of Execution | In county | District Clerk | 205293 | \$200.00 |
| 12/12/2016 | First National Bank | George Alonzo Hernandez | C1-2016-202 | CL-06-1726-A | Writ of Execution | In county | Justice Clerk | 205518 | \$200.00 |
| 12/13/2016 | Cypresswood Apartments/Ruben | Isabel Longoria | C1-2016-203 | LT16-0469-J12 | FED | In county | Justice clerk | 205520 | \$75.00 |
| 12/14/2016 | Wesse Investin Properties, LLC | Noel Cantu | C1-2016-204 | LT16-0470-J12 | FED | In county | justice clerk | 205521 | \$75.00 |
| 12/14/2016 | New Millenium Investments Inc | Noel Vasquez | C1-2016-205 | LT16-0471-J12 | FED | In county | justice clerk | 205521 | \$75.00 |
| 12/14/2016 | New Millenium L. Investments Inc | Maria Ortiz L. | C1-2016-206 | LT16-0472-J12 | FED | In county | justice clerk | 205521 | \$75.00 |
| 12/14/2016 | New Millenium L. Investments Inc | Dalia Vasquez | C1-2016-207 | LT16-0473-J12 | FED | In county | justice clerk | 205521 | \$75.00 |
| 12/14/2016 | New Millenium L. Investments Inc | Maria Garzez | C1-2016-208 | LT16-0473-J12 | FED | In county | justice clerk | 205521 | \$75.00 |
| 12/16/2016 | Max Fine Furniture | Saira Pena | C1-2016-209 | SC16-0282-J12 | Small Claims | In county | justice clerk | 205807 | \$75.00 |
| 12/16/2016 | Max Fine Furniture | Teresa Gonzalez | C1-2016-210 | SC16-0283-J12 | Small Claims | In county | justice clerk | 205807 | \$75.00 |
| 12/16/2016 | Max Fine Furniture | Nocmi Hernandez | C1-2016-211 | SC16-0284-J12 | Small Claims | In county | justice clerk | 205807 | \$75.00 |
| 12/16/2016 | Max Fine Furniture | Alma Rosa Alvarez | C1-2016-212 | SC16-0285-J12 | Small Claims | In county | justice clerk | 205807 | \$75.00 |



This report has been personally reviewed by me and which I certify to be true and correct to the
 Approved by: SAM. P Administrative Assistant
 Prepared by: Constable, Precinct 1

Monday, January 09, 2017



X

| Date | Plaintiff | Defendant | Receipt # | Cause # | Type of Service | In/Out County | Court | Treasurer # | Amount Due |
|------------|-----------------------------------|-----------------------|-------------|---------------|-------------------|---------------|---------------|-------------|------------|
| 12/16/2016 | Max Fine Furniture | Jessica Rene Gonzalez | CI-2016-213 | SC16-0286-J12 | Small Claims | In county | Justice clerk | 205807 | \$75.00 |
| 12/16/2016 | Max Fine Furniture | Eduardo O. Sandoval | CI-2016-214 | SC16-0281-J12 | Small Claims | In county | justice clerk | 205807 | \$75.00 |
| 12/16/2016 | Max Fine Furniture | Lidia Z. Saucedo | CI-2016-215 | SC16-0280-J12 | Small Claims | In county | justice clerk | 205807 | \$75.00 |
| 12/16/2016 | Max Fine Furniture | Evangelina Serrata | CI-2016-216 | SC16-0279-J12 | Small Claims | In county | justice clerk | 205807 | \$75.00 |
| 12/16/2016 | Max Fine Furniture | Rose M. Garza | CI-2016-217 | SC16-0278-J12 | Small Claims | In county | justice clerk | 205807 | \$75.00 |
| 12/16/2016 | Max Fine Furniture | Roman A. Medelez | CI-2016-218 | SC16-0277-J12 | Small Claims | In county | justice clerk | 205807 | \$75.00 |
| 12/19/2016 | Abel Montoya Montes | Mike Gvilancez JR | CI-2016-219 | SC16-0288-J12 | Small Claims | In county | Justice Clerk | 205809 | \$75.00 |
| 12/19/2016 | Weese Investing Properties, LLC | Mark Cocio | CI-2016-220 | LT16-0478-J12 | FED | In county | Justice clerk | 205809 | \$75.00 |
| 12/20/2016 | Santa Fe Property Management | Lucia Sanchez | CI-2016-221 | LT16-0479-J12 | FED | In county | justice clerk | 205953 | \$75.00 |
| 12/22/2016 | AP Gas & Electric | Noel Hernandez | CI-2016-222 | CV12c0125216 | Writ of Execution | In county | justice clerk | 205879 | \$200.00 |
| 12/27/2016 | Kingswood Condominium Association | Juan Espinoza | CI-2016-223 | SC16-0289-J11 | Small Claims | In county | justice clerk | 206002 | \$75.00 |

RECEIVED
 COUNTY CLERK
 JAN 10 2017



This report has been personally reviewed by me and which I certify to be true and correct to the
 Approved by: [Signature] Prepared by: [Signature]
 Constable Precinct 1 Administrative Assistant

Revised 1/30/17



[Handwritten initials]

| Date | Plaintiff | Defendant | Receipt # | Cause # | Type of Service | In/Out County | Court | Treasurer # | Amount Due |
|------------|--------------|------------------------------------|-------------|---------------|-----------------|---------------|---------------|-------------|------------|
| 12/29/2016 | Jorge Palomo | Raymundo Ibarneo Sanchez Rodriguez | CI-2016-224 | LT16-0486-112 | FED | In county | justice clerk | 206004 | \$75.00 |

RECEIVED BY
COUNTY ADMINISTRATOR

Grand Total \$3,719.00

2017 JAN 13 PM 2 28

HIDALGO COUNTY AUDITORS OFFICE
APPROVED BY: *[Signature]*
DATE: 1/19/17

This report has been personally reviewed by me and which I certify to be true and correct to the
 Approved by: *[Signature]* Prepared by: *[Signature]*
 Constable, Precinct Administrative Assistant



[Handwritten initials]

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



EDINBURG, TEXAS 78539

February 2, 2017

The Honorable Celestino Avila
Hidalgo County Constable Precinct No. 1
1902 Joe Stephens Blvd. Suite 303
Weslaco, TX 78596

Re: Review of the *Monthly Fees Report* and Supporting Documentation
For the Month of December 2016

Dear Constable Avila:

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- 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.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 13th D.C.

ROSE GUERRA REYNA
JUDGE, 20th D.C.

JUAN R. PARTIDA
JUDGE, 27th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 32nd D.C.

NOE GONZALEZ
JUDGE, 37th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38th D.C.

L. KENO VASQUEZ
JUDGE, 39th D.C.

ISRAEL RAMON, JR.
JUDGE, 43rd D.C.

RENEE R. BEYANCCUF
JUDGE, 44th D.C.

The Honorable Celestino Avila
February 2, 2017
Page 2 of 2

- 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 on or before the fifth day after the day on which the funds were received.
- Verified that the collections per the *Monthly Fees Report* agreed to total receipts issued and the deposits made with the County Treasurer.
- Reviewed receipts issued, *Cashier's Daily Close-Out Report/Daily Remittance Forms*, and *Monthly Fees Report* to verify proper completion.

Conclusion:

Total collections for the month of December 2016 were \$3,719.00. 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, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LINS M. SINGLETERRY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 83RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 131TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 396TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 449TH D.C.

ORIGINAL

ppc

CONSTABLE MARTIN CANTU MONTHLY REPORT
 For the Month Ending November 30, 2013

| DATE | PLAINTIFF'S NAME | DEFENDANT'S NAME | RECEIPT NUMBER | CAUSE NUMBER | TYPE OF SERVICE | | Justice Check | County Clerk | Thailand Clerk | Const. Sale | TREAS. RECEIPT | AMOUNTS DEDUCTIBLE COUNTY | | | |
|---|------------------|---------------------|----------------|--------------|---------------------------------|----------------|---------------|--------------|----------------|-------------|----------------|---------------------------|----------|-------------------|----------|
| | | | | | OUT OF COUNTY (OCV) | IN-COUNTY (IC) | | | | | | | | | |
| 11/2/2016 | PSJA ISD HC | All Ways Towing | 9927-2 | T-1467-16-A | Warrant Fee Tax | X | | | X | | 204238 | \$200.00 | | | |
| 11/2/2016 | Mercedes ISD | Angelique S. Blanco | 9928-2 | T-756-11-E | Other Levy, Deed notice package | X | | | X | | 204238 | \$550.00 | | | |
| 11/2/2016 | Mercedes ISD | Francisco Landero | 9929-2 | T-1415-11-B | Other Levy, Deed notice package | X | | | X | | 204238 | \$275.00 | | | |
| 11/2/2016 | Mercedes ISD | Gildardo Escalon | 9930-2 | T-2136-11-B | Other Levy, Deed notice package | X | | | X | | 204238 | \$275.00 | | | |
| 11/2/2016 | Mission CISD | Noelisa Castro | 9931-2 | T-0085-12-J | Other Levy, Deed notice package | X | | | X | | 204238 | \$275.00 | | | |
| 11/2/2016 | PSJA ISD | Linda Luna | 9932-2 | T-0191-12-E | Other Levy, Deed notice package | X | | | X | | 204238 | \$275.00 | | | |
| 11/2/2016 | La Joya ISD | Eddie Longoria | 9933-02 | T-0944-12-J | Other Levy, Deed notice package | X | | | X | | 204238 | \$275.00 | | | |
| 11/2/2016 | PSJA ISD | Alfonso Limon | 9934-2 | T-1109-12-J | Other Levy, Deed notice package | X | | | X | | 204238 | \$275.00 | | | |
| 11/2/2016 | Hidalgo County | Monica Cervantes | 9935-2 | T-1152-12-7 | Other Levy, Deed notice package | X | | | X | | 204238 | \$275.00 | | | |
| 11/2/2016 | PSJA ISD | Artemio Zavala | 9936-2 | T-1241-12-7 | Other Levy, Deed notice package | X | | | X | | 204238 | \$275.00 | | | |
| 11/3/2016 | Valley View ISD | Victor Morales | 9937-2 | T-1471-12-C | Other Levy, Deed notice package | X | | | X | | 204442 | \$275.00 | | | |
| 11/3/2016 | Hidalgo County | Rodrigo Torres | 9938-2 | T-2117-12-C | Other Levy, Deed notice package | X | | | X | | 204442 | \$275.00 | | | |
| 11/3/2016 | Mission CISD | Armando Cantu | 9939-2 | T-2215-12-11 | Other Levy, Deed notice package | X | | | X | | 204442 | \$275.00 | | | |
| <table border="1"> <tr> <td>High School</td> <td>\$275.00</td> </tr> <tr> <td>Elementary School</td> <td>\$275.00</td> </tr> </table> | | | | | | | | | | | | High School | \$275.00 | Elementary School | \$275.00 |
| High School | \$275.00 | | | | | | | | | | | | | | |
| Elementary School | \$275.00 | | | | | | | | | | | | | | |



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

Prepared by *Martin Cantu*

Constable Precinct 2

Received

County Auditor's Form AS-C-102

Page 6 of

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11

CONSTABLE MARTIN CANTU MONTHLY REPORT
For the Month Ending November 30, 2013

| DATE | PLAINTIFF'S NAME | DEFENDANT'S NAME | RECEIPT NUMBER | CAUSE NUMBER | TYPE OF SERVICE | | Justice Clerk | County Clerk | District Clerk | Other | Const Sale | TREAS. RECEIPT | AMOUNTS DUE TO COUNTY |
|-----------|------------------|-------------------------|----------------|--------------|---------------------------------|----------------|---------------|--------------|----------------|-------|------------|--------------------|-----------------------|
| | | | | | OUT OF COUNTY (OC) | IN-COUNTY (IC) | | | | | | | |
| 11/3/2016 | Hidalgo County | FNC Properties | 9940-2 | T-2570-12-H | Other Levy, Deed notice package | | X | | X | | | 204442 | \$275.00 |
| 11/3/2016 | Hidalgo ISD | Gloria Emma | 9941-2 | T-2156-13-E | Other Levy, Deed notice package | | X | | X | | | 204442 | \$275.00 |
| 11/3/2016 | Hidalgo County | Roberto Garza | 9942-2 | T-2521-13-E | Other Levy, Deed notice package | | X | | X | | | 204442 | \$275.00 |
| 11/3/2016 | Sharyland ISD | Guillermo Hernandez Jr. | 9943-2 | T-1723-14-E | Other Levy, Deed notice package | | X | | X | | | 204442 | \$275.00 |
| 11/3/2016 | PSJA ISD | Alvino Lopez | 9944-2 | T-1763-14-7 | Other Levy, Deed notice package | | X | | X | | | 204442 | \$275.00 |
| 11/3/2016 | Mission CISD | Maria Elena Picazo | 9945-2 | T-2410-14-E | Other Levy, Deed notice package | | X | | X | | | 204442 | \$275.00 |
| 11/3/2016 | La Villa ISD | Juan Ramirez | 9946-2 | T-2428-14-D | Other Levy, Deed notice package | | X | | X | | | 204442 | \$275.00 |
| 11/3/2016 | La Joya ISD | Yaritza Lopez Sanchez | 9947-2 | T-0712-15-A | Other Levy, Deed notice package | | X | | X | | | 204442 | \$275.00 |
| 11/3/2016 | La Joya ISD | Dalinda Salinas | 9948-2 | T-2041-15-D | Other Levy, Deed notice package | | X | | X | | | 204442 | \$275.00 |
| 11/3/2016 | Valley View ISD | GMAC Mortgage | 9949-2 | T-2170-15-D | Other Levy, Deed notice package | | X | | X | | | 204442 | \$275.00 |
| | | | | | | | | | | | | Sub Total | \$2,750.00 |
| | | | | | | | | | | | | Grand Total | \$2,750.00 |



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: _____

Prepared by: Martinez

X/1a

CONSTABLE MARTIN CANTU MONTHLY REPORT
 For the Month Ending November 30, 2013

| DATE | PLAINTIFF'S NAME | DEFENDANT'S NAME | RECEIPT NUMBER | CAUSE NUMBER | TYPE OF SERVICE OUT OF COUNTY (OC) IN-COUNTY (IC) | OFFICIALS | | | | | AMOUNTS DUE TO COUNTY | |
|----------------------|--|---------------------------------|----------------|---------------------|---|---------------|--------------|----------------|-------|------------|-----------------------------|----------------|
| | | | | | | Justice Clerk | County Clerk | District Clerk | Other | Const Sale | | TREAS. RECEIPT |
| 11/3/2016 | Broadcast Music | Bravo Broadcasting Com. | 9950-2 | C-4225-15-7 | Writ Of Execution | | | X | | | 204442 | \$200.00 |
| 11/7/2016 | AP Gas & Electric | Maria E. Brown | 9951-2 | CV12C0122310 | Writ Of Execution | | X | | | | 204539 | \$200.00 |
| 11/7/2016 | City of Mission | Jose Cano | 9952-2 | T-989-08-G | Levy, Deed & Notice Pkg. Order of Sale | | X | | X | | 204539 | \$275.00 |
| 11/9/2016 | City of McAllen | Emma Mireles | 9953-2 | T-2438-09-E | Other Order of Sale, Levy, Deed Notice pkg | | X | | X | | 204540 | \$275.00 |
| 11/14/2016 | City of Edinburg/Hidalgo Co | Strike Construction LLC | 9954-2 | T-1463-16-G | Warrant Fee Tax | | X | | X | | 204541 | \$200.00 |
| 11/14/2016 | City of McAllen/Hidalgo Co/McAllen ISD | Rehab Constable | 9955-2 | T-1468-16-B | Warrant Fee Tax | | X | | X | | 204541 | \$200.00 |
| 11/16/2016 | NGA Pham | Jose Alberto Meria | 9956-2 | C0014823 | Small Claims | | X | | X | | 204640 | \$75.00 |
| 11/18/2016 | Arvest Bank Mortgage Co. | Stephen Anthony Diver El Al | 9957-2 | CJ-2016-5690 | Summons | | X | | X | | 204723 | \$75.00 |
| 11/21/2016 | Texas Comptroller of Public Accounts Ken | In the Interest of 152 cases | 9958-2 | In the Interest of | Other, Attorney General | | X | | X | | 204724 | \$7,524.00 |
| 11/28/2016 | Superior Finance | Martin Campos | 9959-2 | 2016-1cv-111 | Small Claims | | X | | X | | 204949 | \$75.00 |
| 11/28/2016 | Green Mountaing Energy Co. | Ma. Concepcion Toledo | 9960-2 | CL-14-3272-E | Writ Of Execution | | X | | X | | 204949 | \$200.00 |
| 11/28/2016 | Hidalgo County South TX ISD | Pronto Trucking | 9961-2 | 1340 T-1468-16-E | Other, Tax Warrant | | X | | X | | 204949 | \$200.00 |
| 11/28/2016 | Alma R Moreno | Sandra Gutierrez/Porfirio Lopez | 9962-2 | 2016-79-111 | Citation-All Other Methods | | X | | X | | 204949 | \$75.00 |
| Total Grand Total | | | | | | | | | | | \$9,574.00 | \$9,574.00 |



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: *Martin Cantu*

Constable, Precinct

Prepared by: *Martin Cantu*

1/16

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



EDINBURG, TEXAS 78539

January 16, 2017

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 month of November 2016

Dear Constable Cantu:

We have conducted a limited scope review of the Constable Precinct 2 *Monthly Fees Report* and supporting documentation for the month of November 2016 pursuant to Local Government Code § 115.002 (a) and (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 November 2016. 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 date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report and 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 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 Report/Daily Remittance Form* to determine whether fees collected were properly accounted and deposited with the County Treasurer in a timely manner.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 83RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 131ST D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

JUAN R. PARTIDA
JUDGE, 273RD D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 388TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENÉE R. BETANCOUR
JUDGE, 448TH D.C.

The Honorable Martin Cantu
January 16, 2017
Page 2 of 2


- 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 Report/Daily Remittance Form*, and *Monthly Fees Report* to verify proper completion.

Conclusion:

Total collections for the month of November 2016 were \$17,099.00. 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, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 139th D.C.

ROSE GUERRA REYNA
JUDGE, 208th D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 312th D.C.

NOE GONZALEZ
JUDGE, 370th D.C.

LETICIA LOPEZ
JUDGE, 389th D.C.

L. KENO VASQUEZ
JUDGE, 398th D.C.

ISRAEL RAMON, JR.
JUDGE, 430th D.C.

RENEE R. BETANCOURT
JUDGE, 448th D.C.

CANTU MONTHLY REPORT

For the Month Ending December 31, 2016

pop ORIGINAL

| DATE | PLAINTIFF'S NAME | DEFENDANT'S NAME | RECEIPT NUMBER | CAUSE NUMBER | TYPE OF SERVICE OUT OF COUNTY (OCY) IN-COUNTY (IC) | DELETED | Justice Clerk | County Clerk | District Clerk | Const Other Sale | TREASURER RECEIPT | AMOUNTS DUE TO COUNTY |
|-------------------------|--------------------------|-------------------------------------|----------------|----------------|--|---------|---------------|--------------|----------------|------------------|-------------------|-----------------------|
| 12/5/2016 | MICHAEL J. ADAMS | VICTOR CISNEROS JR. | 9968-2 | CL-05-3295-E | WRIT OF EXECUTIVE | X | | X | | | 20514 | \$200.00 |
| 12/5/2016 | AMOS R. HUNTER PS | PATRICIA WENGER | 9969-2 | 62902572C | SMALL CLAIMS CITATION | X | | X | | | 20514 | \$75.00 |
| 12/7/2016 | V&A CONSTRUCTION | RAUL GARCIA | 9970-2 | 16SC-0169-1P12 | SMALL CLAIMS CITATION | | X | | X | | 205591 | \$75.00 |
| 12/12/2016 | LEO MONTALVO | DONALD HARTSHORN | 9971-2 | P-37098-A | WRIT OF EXECUTIVE | X | | X | | | 205593 | \$200.00 |
| 12/12/2016 | EZ MESSENGER | EDUARDO MEDELIN | 9972-2 | CL-16-4178-E | OTHER CITATION, ALL OF THE METHOD | X | X | | | | 205593 | \$75.00 |
| 12/19/2016 | KEN PAXTON | IN THE INTEREST OF 156 CASES FOR AG | 9973-2 | 156 CASES FOR | OTHER, ATTORNEY GENERAL | X | | | X | | 205716 | \$7,722.00 |
| 12/19/2016 | PALISADES COLLECTION LLC | INTER NATIONAL BANK | 9974-2 | CV82C0037185 | WRIT OF GARNISHMENT | X | X | | | | 205716 | \$80.00 |
| 12/19/2016 | CASH, LLC | AIDA ALFARO | 9975-2 | DC16-0533-J22 | SMALL CLAIMS CITATION | X | X | | | | 205716 | \$75.00 |
| 12/21/2016 | ERIC SANCHEZ | VANESSA EUNICE GARCIA | 9976-2 | F-6682-16-G | CITATION - NOTICE | X | | | X | | 205717 | \$75.00 |
| 12/28/2016 | DALLAS AUTOMOTIVE INC | ROBERSON, CURTIS | 9977-2 | 141-226263-07 | WRIT OF EXECUTION | X | X | | | | 206006 | \$200.00 |
| RECEIVED COUNTY AU | | | | | | | | | | | | |
| 2017 JAN 12 | | | | | | | | | | | | |
| Total: \$8,777.00 | | | | | | | | | | | | |
| Grand Total: \$8,777.00 | | | | | | | | | | | | |



I have reviewed by me and which I certify to be true and correct to the best of my knowledge.

Approved by

Consulatic, District 2

Prepared by

104 A

COUNTY 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



EDINBURG, TEXAS 78539

February 3, 2017

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 month of December 2016

Dear Constable Cantu:

We have conducted a limited scope review of the Constable Precinct 2 *Monthly Fees Report* and supporting documentation for the month of December 2016 pursuant to Local Government Code § 115.002 (a) and (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 December 2016. 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 date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report and 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 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 Report/Daily Remittance Form* to determine whether fees collected were properly accounted and deposited with the County Treasurer in a timely manner.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 52ND D.C.

RODOLFO DELGADO
JUDGE, 53RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 394TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCO
JUDGE, 449TH D.C.

The Honorable Martin Cantu
February 3, 2017
Page 2 of 2

- 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 Report/Daily Remittance Form*, and *Monthly Fees Report* to verify proper completion.

Conclusion:

Total collections for the month of December 2016 were \$8,777.00. 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, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 97th D.C.

RODOLFO DELGADO
JUDGE, 93rd D.C.

J. R. "BOBBY" FLORES
JUDGE, 139th D.C.

ROSE GUERRA REYNA
JUDGE, 208th D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332nd D.C.

NOE GONZALEZ
JUDGE, 370th D.C.

LETICIA LOPEZ
JUDGE, 389th D.C.

L. KENO VASQUEZ
JUDGE, 396th D.C.

ISRAEL RAMON, JR.
JUDGE, 430th D.C.

RENEE R. BETANCOUR
JUDGE, 449th D.C.

CONSTABLE, PCT. 3 LARRY GALLARDO MONTHLY REPORT
 For the Month Ending November

| DATE | PLAINTIFF'S NAME | DEFENDANT'S NAME | RECEIPT NUMBER | CAUSE NUMBER | TYPE OF SERVICE | | Justice Clk. | County Clk. | District Clk. | Const Sale | TREAS. RECEIPT | AMOUNTS DUE TO COUNTY |
|--------------------|-----------------------|--|----------------|--------------|---------------------|----------------|--------------|-------------|---------------|------------|--------------------|-----------------------|
| | | | | | OUT OF COUNTY (OC) | IN-COUNTY (IC) | | | | | | |
| 11/15/2016 | PSJA ISD, ET AL | PROMEDIC LLC | C3-2016-245 | T-1345-16-F | TAX WARRANT | X | | X | | | 204992 | 200.00 |
| 11/15/2016 | PSJA ISD, ET AL | M&M BARGAIN DOORS | C3-2016-246 | T-1349-16-F | TAX WARRANT | X | | X | | | 204992 | 200.00 |
| 11/15/2016 | HIDALGO COUNTY, ET AL | BUTCH'S OILFIELD SERVICES | C3-2016-247 | T-1332-16-J | TAX WARRANT | X | | X | | | 204992 | 200.00 |
| 11/22/2016 | HIDALGO COUNTY, ET AL | PRONTO TRUCKING, LLC | C3-2016-248 | T-1340-16-E | TAX WARRANT | X | | X | | | 205026 | 200.00 |
| 11/22/2016 | HIDALGO COUNTY, ET AL | THE KNOWN & UNKNOWN HEIRS OF BIANCA BALBUENA | C3-2016-249 | T-1230-08-G | PKG & ORDER OF SALE | X | | X | | | 205026 | 275.00 |
| 11/22/2016 | HIDALGO COUNTY, ET AL | RICARDO MARTIN PALACIOS | C3-2016-250 | T-797-09-E | PKG & ORDER OF SALE | X | | X | | | 205026 | 275.00 |
| 11/22/2016 | EDCOUCH ELSA ISD | DALIA M. GARCIA | C3-2016-251 | T-2766-09-E | PKG & ORDER OF SALE | X | | X | | | 205026 | 275.00 |
| 11/22/2016 | HIDALGO COUNTY, ET AL | ERIKA LEE SALINAS | C3-2016-252 | T-660-10-B | PKG & ORDER OF SALE | X | | X | | | 205026 | 275.00 |
| 11/22/2016 | HIDALGO COUNTY, ET AL | AREMIO GUEVARA VILLARREAL, ET AL | C3-2016-253 | T-659-11-C | PKG & ORDER OF SALE | X | | X | | | 205026 | 275.00 |
| 11/22/2016 | HIDALGO COUNTY, ET AL | DIANA CARRISALEZ | C3-2016-254 | T-098-12-G | PKG & ORDER OF SALE | X | | X | | | 205026 | 275.00 |
| Page Total | | | | | | | | | | | \$ 2,450.00 | |
| Grand Total | | | | | | | | | | | \$ 2,450.00 | |



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

[Signature]
 Consable, Precinct 3

Prepared by: *[Signature]*

X/10

CONSTABLE, PCT. 3 LARRY GALLARDO MONTHLY REPORT

For the Month Ending November

| DATE | PLAINTIFF'S NAME | DEFENDANT'S NAME | RECEIPT NUMBER | CAUSE NUMBER | TYPE OF SERVICE | | Justice Clerk | County Clerk | District Clerk | Const Sale | TREAS. RECEIPT | AMOUNTS DUE TO COUNTY |
|------------|--------------------------|---------------------------------|----------------|--------------|---|----------------|---------------|--------------|----------------|------------|--------------------|-----------------------|
| | | | | | OUT-OF-COUNTY (OCY) | IN-COUNTY (IC) | | | | | | |
| 11/22/2016 | HIDALGO COUNTY, ET AL | HERNANDEZ & IBARRA HERNANDEZ | C3-2016-255 | T-2119-12-E | LEVY, DEED, & NOTICE PLK & ORDER OF SALE | X | | | X | | 205026 | \$ 275.00 |
| 11/22/2016 | EDINBURG CISD | VICTOR MANUEL MUNOZ | C3-2016-256 | T-0743-13-F | LEVY, DEED, & NOTICE PLK & ORDER OF SALE | X | | | X | | 205026 | \$ 275.00 |
| 11/22/2016 | PSJA ISD | VIRGINIA ALVAREZ ET AL | C3-2016-257 | T-1038-13-E | LEVY, DEED, & NOTICE PLK & ORDER OF SALE | X | | | X | | 205026 | \$ 550.00 |
| 11/22/2016 | VALLEY VIEW ISD | DIANALY GARCIA, ET AL | C3-2016-258 | T-1193-13-F | LEVY, DEED, & NOTICE PLK & ORDER OF SALE | X | | | X | | 205026 | \$ 275.00 |
| 11/22/2016 | LA VILLA ISD | CRUZ GONZALEZ | C3-2016-259 | T-1830-13-H | LEVY, DEED, & NOTICE PLK & ORDER OF SALE | X | | | X | | 205026 | \$ 275.00 |
| 11/22/2016 | HIDALGO COUNTY, ET AL | REGUILO GARCIA | C3-2016-260 | T-2566-13-A | LEVY, DEED, & NOTICE PLK & ORDER OF SALE | X | | | X | | 205026 | \$ 550.00 |
| 11/22/2016 | HIDALGO COUNTY, ET AL | REGUILO GARCIA | C3-2016-261 | T-2566-13-A | LEVY, DEED, & NOTICE PLK & ORDER OF SALE | X | | | X | | 205026 | \$ 275.00 |
| 11/22/2016 | PSJA ISD | ROXANNE GARZA | C3-2016-262 | T-0368-14-B | LEVY, DEED, & NOTICE PLK & ORDER OF SALE | X | | | X | | 205026 | \$ 275.00 |
| 11/22/2016 | VALLEY VIEW ISD | GERARDO G. BENAVIDES | C3-2016-263 | T-1593-14-1 | LEVY, DEED, & NOTICE PLK & ORDER OF SALE | X | | | X | | 205026 | \$ 275.00 |
| 11/22/2016 | WESLACO ISD | MARIA DE LA LUZ ZUNIGA | C3-2016-264 | T-2319-14-11 | LEVY, DEED, & NOTICE PLK & ORDER OF SALE | X | | | X | | 205026 | \$ 275.00 |
| | | | | | | | | | | | <i>Page Total</i> | \$ 3,300.00 |
| | | | | | | | | | | | <i>Grand Total</i> | \$ 3,300.00 |



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

[Signature]

Approved by:

Constable, Precinct 3

[Signature]

Prepared by:

XLB

CONSTABLE, PCT. 3 LARRY GALLARDO MONTHLY REPORT
 For the Month Ending November

| DATE | PLAINTIFF'S NAME | DEFENDANT'S NAME | RECEIPT NUMBER | CAUSE NUMBER | TYPE OF SERVICE | | Justice Clerk | County Clerk | District Clerk | Const Sale | TREAS. RECEIPT | AMOUNTS DUE TO COUNTY |
|------------|------------------------|------------------------------|----------------|--------------|-----------------------------------|----------------------|---------------|--------------|----------------|------------|----------------|-----------------------|
| | | | | | OUT OF COUNTY (OCY IN-COUNTY (IC) | LEVY, DEED, & NOTICE | | | | | | |
| 11/22/2016 | MISSION CISD | ELIZABETH MACHUCA MORALES | C3-2016-265 | T-0332-15-B | LEVY, DEED, & NOTICE | X | | | X | | 205026 | \$ 275.00 |
| 11/22/2016 | PSJA ISD | ADAN CADOSA, ET AL. | C3-2016-268 | T-0527-15-D | LEVY, DEED, & NOTICE | X | | | X | | 205026 | \$ 275.00 |
| 11/22/2016 | HIDALGO COUNTY | LOUISE GOLLNICK | C3-2016-267 | T-1319-15-11 | LEVY, DEED, & NOTICE | X | | | X | | 205026 | \$ 275.00 |
| 11/22/2016 | MISSION CISD | CHARLES E. POWELL | C3-2016-268 | T-1332-15-11 | LEVY, DEED, & NOTICE | X | | | X | | 205026 | \$ 275.00 |
| 11/22/2016 | SHARYLAND ISD | RUBEN ARJONA | C3-2016-269 | T-2592-15-C | LEVY, DEED, & NOTICE | X | | | X | | 205026 | \$ 275.00 |
| 11/22/2016 | MISSION CISD, ET AL | G&G WHOLESALE | C3-2016-270 | T-1333-16-A | TAX WARRANT | X | | | X | | 205026 | \$ 200.00 |
| 11/22/2016 | LA JOYA ISD, ET AL | FAST PAWN, LLC | C3-2016-271 | T-1538-16-C | TAX WARRANT | X | | | X | | 205026 | \$ 200.00 |
| 11/22/2016 | VALLEY VIEW ISD, ET AL | MIRASOLES PRODUCE USA, L.L.C | C3-2016-272 | T-1536-16-J | TAX WARRANT | X | | | X | | 205026 | \$ 200.00 |
| 11/28/2016 | STATE OF TEXAS | LEROY ARISTA | C3-2016-273 | CR-1362-11-D | SUBPOENA | X | | | X | | 205027 | \$ 75.00 |
| | | | | | | | | | | | Page Total | \$ 2,050.00 |
| | | | | | | | | | | | Grand Total | \$ 9,750.00 |

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: BVN

Revised 3/01

County Auditor's Form AS-C-002

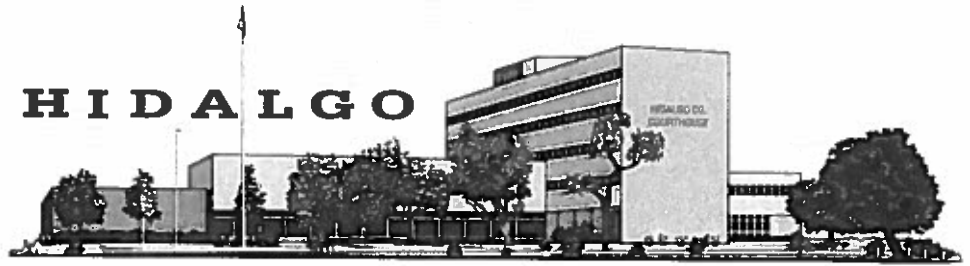
AUDITED BY: THE HIDALGO COUNTY AUDITOR'S OFFICE
 DATE: 11/16/17

XIC

Handwritten mark: HX

COUNTY 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



EDINBURG, TEXAS 78539

January 16, 2017

The Honorable Lazaro Gallardo
Hidalgo County Constable Precinct No. 3
730 N. Breyfogle Ste. B
Mission, TX 78573

Re: Review of *Monthly Fees Report* and Supporting Documentation
For the month of November 2016

Dear Constable Gallardo:

We have conducted a limited scope review of the Constable Precinct 3 *Monthly Fees Report* and supporting documentation for the month of November 2016 pursuant to Local Government Code §115.002 (a) and (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 November 2016. 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, the *Monthly Fees Report*, and fee schedules. The following procedures were performed:

- Reviewed the submittal date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report was 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.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 13TH D.C.

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

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

JUAN R. PARTIDA
JUDGE, 273TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOÉ GONZALEZ
JUDGE, 379TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 449TH D.C.

Honorable Lazaro Gallardo
January 16, 2017
Page 2 of 2

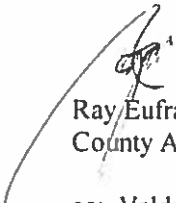
- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Forms* to determine whether fees collected were properly accounted and deposited with the County Treasurer in a timely manner.
- Verified that the collections per the *Monthly Fees Report* agreed to total receipts issued and the deposits made with the County Treasurer.
- Reviewed receipts issued, *Cashier's Daily Close-Out Reports/Daily Remittance Forms*, and *Monthly Fees Report* to verify proper completion.

Conclusion:

Total collections for the month of November 2016 were \$9,750.00. 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, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 131st D.C.

ROSE GUERRA REYNA
JUDGE, 201st D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332nd D.C.

NOE GONZALEZ
JUDGE, 370th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 388th D.C.

L. KENO VASQUEZ
JUDGE, 391st D.C.

ISRAEL RAMON, JR.
JUDGE, 430th D.C.

RENEE R. BETANCOUR
JUDGE, 448th D.C.

CONSTABLE, PCT. 3 LARRY GALLARDO MONTHLY REPORT
 For the Month Ending December 2016

| DATE | PLAINTIFF'S NAME | DEFENDANT'S NAME | RI/CLIP NUMBER | CAUSE NUMBER | TYPE OF SERVICE | | Justice Clerk | County Clerk | District Clerk | Other | Treasurer Receipt | AMOUNTS DUE TO COUNTY |
|------------|-------------------------|-------------------------------|----------------|--------------|-----------------------|----------------|---------------|--------------|----------------|-------|-------------------|-----------------------|
| | | | | | OUT OF COUNTY (OC) | IN-COUNTY (IC) | | | | | | |
| 12/5/2016 | HIDALGO COUNTY, ET AL | TAQUERIA LA MEXICANA | C3-2016-274 | T-1341-16-B | TAX WARRANT | | X | | X | | 205786 | 200.00 |
| 12/29/2016 | SHIARYLAND ISD, ET AL | SAZON LATINO LLC | C3-2016-275 | T-1537-16-B | TAX WARRANT | | X | | X | | 205788 | 200.00 |
| 12/20/2016 | CITY OF MCALLEN, ET AL | RODRIGUEZ AUTO GLASS | C3-2016-276 | T-1337-16-H | TAX WARRANT | | X | | X | | 205788 | 200.00 |
| 12/20/2016 | HIDALGO COUNTY, ET AL | CARL'S JR. | C3-2016-277 | T-1461-16-J | TAX WARRANT | | X | | X | | 205788 | 200.00 |
| 12/20/2016 | LA JOYA ISD, ET AL | LOS REVOLTIJOS | C3-2016-278 | T-1535-16-H | TAX WARRANT | | X | | X | | 205788 | 200.00 |
| 12/20/2016 | VALLEY VIEW, ISD | MS TRANSPORTATION | C3-2016-279 | T-1814-16-A | TAX WARRANT | | X | | X | | 205788 | 200.00 |
| 12/20/2016 | VALLEY VIEW, ISD | LUJMON PRODUCE, LLC | C3-2016-280 | T-0384-16-G | TAX WARRANT | | X | | X | | 205788 | 200.00 |
| 12/27/2016 | LONE STAR NATIONAL BANK | ELEMETH JR AND MELISSA GALVAN | C3-2016-281 | CL-16-0224-B | WRIT OF POSSESSION | | X | X | | | 205901 | 200.00 |
| 12/27/2016 | JACKSON COUNTY, ET AL | WILLIAM ARMSTRONG | C3-2016-282 | 15-4-8484 | CITATION (JACKSON CO) | | | | X | | 205901 | 75.00 |
| 12/27/2016 | JACKSON COUNTY, ET AL | WILLIAM ARMSTRONG | C3-2016-283 | 15-4-8484 | CITATION (JACKSON CO) | | | | X | | 205901 | 75.00 |
| | | | | | | | | | | | Page Total | \$ 1,750.00 |
| | | | | | | | | | | | Grand Total | \$ 1,750.00 |

hex



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]
 Constable, Precinct 3

Prepared by: [Signature]

HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: [Signature]
 DATE: 11/23/16

X

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



EDINBURG, TEXAS 78539

February 3, 2017

The Honorable Lazaro Gallardo
Hidalgo County Constable Precinct No. 3
730 N. Breyfogle Ste. B
Mission, TX 78573

Re: Review of *Monthly Fees Report* and Supporting Documentation
For the Month of December 2016

Dear Constable Gallardo:

We have conducted a limited scope review of the Constable Precinct 3 *Monthly Fees Report* and supporting documentation for the month of December 2016 pursuant to Local Government Code §115.002 (a) and (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 December 2016. 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, the *Monthly Fees Report*, and fee schedules. The following procedures were performed:

- Reviewed the submittal date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report was 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.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12TH D.C.

RODOLFO DELGADO
JUDGE, 13TH D.C.

J.R. "BOBBY" FLORES
JUDGE, 13TH D.C.

ROSE GUERRA REYNA
JUDGE, 20TH D.C.

JUAN R. PARTIDA
JUDGE, 27TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 32ND D.C.

NOE GONZALEZ
JUDGE, 37TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38TH D.C.

L. KENO VASQUEZ
JUDGE, 39TH D.C.

ISRAEL RAMON, JR.
JUDGE, 43RD D.C.

RENEE R. BETANCOUR
JUDGE, 44TH D.C.

Honorable Lazaro Gallardo
February 3, 2017
Page 2 of 2

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

Conclusion:

Total collections for the month of December 2016 were \$1,750.00. 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, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 13th D.C.

ROSE GUERRA REYNA
JUDGE, 20th D.C.

JUAN R. PARTIDA
JUDGE, 27th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 31st D.C.

NOE GONZALEZ
JUDGE, 37th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38th D.C.

L. KENO VASQUEZ
JUDGE, 38th D.C.

ISRAEL RAMON, JR.
JUDGE, 43rd D.C.

RENEE R. BETANCOURT
JUDGE, 44th D.C.

PBC

CONSTABLE PRECINCT 4 MONTHLY REPORT
 For the Month Ending Amended December 2016

| DATE | PLAINTIFF'S NAME | DEFENDANT'S NAME | RECEIPT NUMBER | CAUSE NUMBER | TYPE OF SERVICE | | Justice Clerk | County Clerk | District Clerk | Const. Sale | TREASURER RECEIPT | AMOUNTS DUE TO COUNTY |
|----------------------------|--|--|----------------|---------------|---------------------|----------------|---------------|--------------|----------------|-------------|-------------------|-----------------------|
| | | | | | OUT OF COUNTY (OC) | IN-COUNTY (IC) | | | | | | |
| 12/7/2016 | Diverse Funding Associates LLC Assignee of Cnch, LLC | Araceli Rodriguez | 10143-4 | C-1038-07-21 | Writ of Execution | X | X | | | | 205327 | \$200.00 |
| 12/9/2016 | Arvest Bank, et al | Stephen Anthony Diver, et al | 10144-4 | CJ-2016-5690 | Civil Claim | X | | X | | | 205403 | \$75.00 |
| 12/9/2016 | Wendy Schneider American Express Centurian Bank | Juan Bustamante Lone Star National Bank (Victoria M. Garza) | 10145-4 | S316052 | Small Claim | X | | | | | 205403 | \$75.00 |
| 12/9/2016 | AP Gas & Electric | Ponzo De Amstad, Adult Day Care, LLC & Martha Uribe aka Martha Medrano | 10146-4 | C-5306-16-D | Writ of Garnishment | X | | X | | | 205403 | \$80.00 |
| 12/21/2016 | Discover Bank | Sepulveda, Reynaldo | 10147-4 | CV12C0122309 | Writ of Execution | X | | | | | 205825 | \$200.00 |
| 12/21/2016 | | | 10148-4 | DC16-1899-J41 | Small Claim | X | | X | | | 205825 | \$75.00 |
| RECEIVED BY COUNTY AUDITOR | | | | | | | | | | | | |
| 2017 JAN 19 AM 10:17 | | | | | | | | | | | | |
| | | | | | | | | | | | \$705.00 | |
| | | | | | | | | | | | \$705.00 | |

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: [Signature] Constable, Precinct 4
 Prepared by: [Signature] Nayla Muñoz



REVISAR

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



EDINBURG, TEXAS 78539

January 16, 2017

The Honorable Atanacio Gaitan Jr.
Hidalgo County Constable Precinct No. 4
2814 S. Business Highway 281
Edinburg, TX 78539

Re: Review of *Monthly Fees Reports* and Supporting Documentation
For the months of November 2016 and December 2016

Dear Constable Gaitan:

We have conducted a limited scope review of the Constable Precinct 4 *Monthly Fees Reports* and supporting documentation for the months of November 2016 and December 2016 pursuant to Local Government Code §115.002 (a) and (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 November 2016 and December 2016. 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, the *Monthly Fees Reports*, and fee schedules. The following procedures were performed:

- Reviewed the submittal dates of the *Monthly Fees Reports* to the County Auditor's Office to determine if the report and 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.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 119TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 388TH D.C.

L. KENO YASQUEZ
JUDGE, 394TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE A. BETANCOURT
JUDGE, 449TH D.C.


- 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 on or before the fifth day after the day on which the funds were received.
- Verified that the collections per the *Monthly Fees Reports* agreed to total receipts issued and the deposits made with the County Treasurer.
- Reviewed receipts issued, *Cashier's Daily Close-Out Reports/Daily Remittance Forms*, and *Monthly Fees Reports* to verify proper completion.

Conclusion:

Total collections for the months of November 2016 and December 2016 were \$705.00 for each month. 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, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,


Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 83RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 131TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
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L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

SENEE R. BETANCOURT
JUDGE, 448TH D.C.

HIDALGO COUNTY SHERIFF'S OFFICE
"FEE" MONTHLY REPORT
FOR THE MONTH ENDED NOVEMBER 2016

AUDITED BY: THE HIDALGO
 COUNTY AUDITOR'S OFFICE
 DATE: Nov 12/27/16
J C / 11/17

| Part I: AMOUNT BILLED FOR HOUSING OF PRISONERS | |
|--|--------------|
| AGENCY NAME | AMOUNT |
| A. Bureau of Prisons (BOP) | \$ 14,248.00 |
| B. Customs and Border Protection (Pharr) | \$ 780.00 |
| C. U.S. Marshals (USM) | \$ 1,768.00 |
| D. | \$ - |
| E. | \$ - |
| F. | \$ - |
| G. | \$ - |
| H. | \$ - |

| Part II: AMOUNT RECEIVED FOR HOUSING OF PRISONERS | | |
|---|--------|--------------|
| AGENCY NAME | MONTH | AMOUNT |
| A. U.S. Marshals (USM) | Sep-16 | \$ 1,404.00 |
| B. U.S. Marshals (USM) | Oct-16 | \$ 1,352.00 |
| C. Federal Bureau of Prisons | Sep-16 | \$ 13,052.00 |
| D. Customs and Border Protection (Pharr) | Sep-16 | \$ 208.00 |
| E. Customs and Border Protection (Pharr) | Oct-16 | \$ 260.00 |
| F. | | \$ - |
| G. | | \$ - |
| H. | | \$ - |

| Part III: SUMMARY OF RECEIPT COLLECTION | | | |
|---|------------------------------|----|--|
| A. RECEIPTS ISSUED ----- | SO-2016-03852 | TO | SO-2016-04175 |
| B. RECEIPTS ISSUED (Sub-Station)--- | SSE-2016-00466 | TO | SSE-2016-00501 |
| C. BAIL BOND FEES (JAIL) | F-2016-09554 to F-2016-09586 | TO | F-2016-09613 to F-2016-10393 |
| | | | TOTAL DUE TO THE COUNTY TREASURER |
| | | | \$ 63,640.41 |

| Part IV: SUMMARY OF FEE ALLOCATION | | | |
|---|------------|---------------------------|---------------------|
| TELEPHONE COMMISSIONS | MONTH | AGENCY NAME | AMOUNT |
| A. VAC. Inc. | Sept. 2016 | 1100-360-00-000-001-0-000 | \$ 32,484.71 |
| B. | | 1100-360-00-000-001-0-000 | \$ - |
| HOUSING OF PRISONERS | | | |
| A. Federal Bureau of Prisons | Sept. 2016 | 1100-342-30-280-000-0-000 | \$ 13,052.00 |
| B. Customs and Border Protection (Pharr) | Sept. 2016 | 1100-342-30-280-000-0-000 | \$ 208.00 |
| C. Customs and Border Protection (Pharr) | Oct. 2016 | 1100-342-30-280-000-0-000 | \$ 260.00 |
| TUITION FEES | | | |
| GARAGEKEEPER FEES | | | |
| REIMBURSEMENT-JAIL-PHYSICIAN SRV | | | |
| BAIL BOND FEES | | | |
| BAIL BOND FEE REFUNDS | | | |
| OTHER SHERIFF'S FEES AND COSTS | | | |
| | | AMOUNT | |
| A. Serving Legal Process | \$ | 3,535.40 | \$ 3,535.40 |
| B. Sale of Stray Animals | | | |
| C. Offense Reports/Insurance Reports | \$ | 524.00 | \$ 524.00 |
| D. Fingerprints | \$ | 200.00 | \$ 200.00 |
| E. Clearance Letters/Record checks | \$ | 405.00 | \$ 405.00 |
| F. Photo & Video Fees | | | |
| G. Other "Order of Sale" | | | |
| H. Miscellaneous | \$ | 251.30 | \$ 251.30 |
| I. Overpayments | \$ | - | \$ - |
| Total Sheriff Fees (A through I) | | | \$ 4,915.70 |
| TOTAL FEES PAYABLE TO THE COUNTY TREASURER | | | \$ 63,640.41 |

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

Emilia Weiss
 Hidalgo County Sheriff (or Designee)

Elsa Auedondo
 Prepared by:

X

COUNTY 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



EDINBURG, TEXAS 78539

January 16, 2017

Honorable Eddie Guerra, Sheriff
Hidalgo County Sheriff's Office
711 El Cibolo Rd.
Edinburg, Texas 78540

Re: Review of *Monthly Fees Report* and Supporting Documentation
For the Month of November 2016

Dear Sheriff Guerra:

We have conducted a limited scope review of the *Monthly Fees Report* and supporting documentation for the month of November 2016 pursuant to Local Government Code §115.002 (a) and (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 by your office on the *Monthly Fees Report* for the month of November 2016. 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 fee schedules and the *Monthly Fees Reports*. The following procedures were also performed:

- Reviewed the submittal date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report and 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 fees were allocated and reported in the proper amounts and verified whether any adjustments were made.
- Verified that procedures for voided receipts were properly followed.
- Verified that collections per the *Monthly Fees Report* agreed to: 1.) total receipts issued, 2.) total deposits made with the County Treasurer, and 3.) total deposits posted to *alio's* various general ledger accounts.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 83RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

JUAN R. PARTIDA
JUDGE, 273RD D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 448TH D.C.

Honorable Eddie Guerra
January 16, 2017
Page 2 of 2

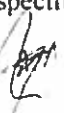
- Reviewed direct deposits noted on the bank statements to ensure the direct deposits were timely remitted to the County Treasurer's Office.
- Verified that receipts issued followed a sequential order.
- Reviewed the *Monthly Fees Report* and County Treasurer receipts to determine whether fees collected were properly accounted and deposited with the County Treasurer's Office on a weekly basis.
- Reviewed receipts issued and the *Monthly Fees Report*, among other supporting documentation, to verify proper completion.

Conclusion:

Total collections for the month of November 2016 were \$63,640.41. Based on the results of our review, we have concluded that fees were generally properly accounted and reported.

If you should have any questions or concerns, please do not hesitate to contact Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

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JUDGE, 206TH D.C.

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JUDGE, 388TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

**HIDALGO COUNTY SHERIFF'S OFFICE
"FEE" MONTHLY REPORT
FOR THE MONTH ENDED DECEMBER 2016**

AUDITED BY: THE HIDALGO COUNTY AUDITOR'S OFFICE
DATE: 12/13/2016
J.C. 2/1/17

| Part I: AMOUNT BILLED FOR HOUSING OF PRISONERS | |
|--|-------------|
| AGENCY NAME | AMOUNT |
| A. Bureau of Prisons (BOP) | \$ 9,412.00 |
| B. Customs and Border Protection (Pharr) | \$ 52.00 |
| C. U.S. Marshals (USM) | \$ 1,664.00 |
| D. | \$ - |
| E. | \$ - |
| F. | \$ - |
| G. | \$ - |
| H. | \$ - |

| Part II: AMOUNT RECEIVED FOR HOUSING OF PRISONERS | | |
|---|--------|--------------|
| AGENCY NAME | MONTH | AMOUNT |
| A. U.S. Marine Corps. | Jun-16 | \$ 208.00 |
| B. Federal Bureau of Prisons | Oct-16 | \$ 13,780.00 |
| C. | | \$ - |
| D. | | \$ - |
| E. | | \$ - |
| F. | | \$ - |
| G. | | \$ - |
| H. | | \$ - |

| Part III: SUMMARY OF RECEIPT COLLECTION | | | |
|---|----------------|----|----------------|
| A. RECEIPTS ISSUED | SO-2016-04176 | TO | SO-2016-04492 |
| B. RECEIPTS ISSUED (Sub-Station)--- | SSE-2016-00502 | TO | SSE-2016-00557 |
| C. BAIL BOND FEES (JAIL) | F-2016-10394 | TO | F-2016-11239 |
| TOTAL DUE TO THE COUNTY TREASURER | | | \$ 52,010.25 |

| Part IV: SUMMARY OF FEE ALLOCATION | | | |
|---|-------------|---------------------------|---------------------|
| TELEPHONE COMMISSIONS | MONTH | | AMOUNT |
| A. VAC. Inc. | Sept. 2016 | 1100-360-00-000-001-0-000 | \$ 28,170.45 |
| B. | | 1100-360-00-000-001-0-000 | \$ - |
| HOUSING OF PRISONERS | | | |
| A. Federal Bureau of Prisons | | 1100-342-30-280-000-0-000 | \$ - |
| B. Customs and Border Protection (Pharr) | | 1100-342-30-280-000-0-000 | \$ - |
| C. Customs and Border Protection (Pharr) | | 1100-342-30-280-000-0-000 | \$ - |
| TUITION FEES | | | |
| GARAGEKEEPER FEES | | | |
| REIMBURSEMENT-JAIL-PHYSICIAN SRV | | | |
| BAIL BOND FEES | | | |
| BAIL BOND FEE REFUNDS | | | |
| OTHER SHERIFF'S FEES AND COSTS | | | |
| A. Serving Legal Process | \$ 9,500.50 | 1100-342-10-280-002-0-000 | \$ 270.00 |
| B. Sale of Stray Animals | \$ 181.40 | 1100-423-21-280-002-0-331 | \$ - |
| C. Offense Reports/Insurance Reports | \$ 586.00 | 1100-207-20-000-036-0-000 | \$ 12,345.00 |
| D. Fingerprints | \$ 290.00 | 1100-202-00-000-024-0-000 | \$ - |
| E. Clearance Letters/Record checks | \$ 355.00 | | \$ - |
| F. Photo & Video Fees | | | \$ - |
| G. Other "Order of Sale" | | | \$ - |
| H. Miscellaneous | \$ 311.90 | | \$ - |
| I. Overpayments | \$ - | | \$ - |
| Total Sheriff Fees (A through I) | | 1100-342-10-280-001-0-000 | \$ 11,224.80 |
| TOTAL FEES PAYABLE TO THE COUNTY TREASURER | | | \$ 52,010.25 |

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

Emilia Urigo
Hidalgo County Sheriff (or Designee)

Euseo Acendado
Prepared by:

This report is due at the County Auditor's Office by the 5th workday following the end of the month.
County Auditor's Form: RE-S0-002 Revised 9/2016

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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



EDINBURG, TEXAS 78539

February 2, 2017

Honorable Eddie Guerra, Sheriff
Hidalgo County Sheriff's Office
711 El Cibolo Rd.
Edinburg, Texas 78540

Re: Review of *Monthly Fees Report* and Supporting Documentation
For the Month of December 2016

Dear Sheriff Guerra:

We have conducted a limited scope review of the *Monthly Fees Report* and supporting documentation for the month of December 2016 pursuant to Local Government Code §115.002 (a) and (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 by your office on the *Monthly Fees Report* for the month of December 2016. 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.

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Methodology:

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- 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 fees were allocated and reported in the proper amounts and verified whether any adjustments were made.
- Verified that procedures for voided receipts were properly followed.
- Verified that collections per the *Monthly Fees Report* agreed to: 1.) total receipts issued, 2.) total deposits made with the County Treasurer, and 3.) total deposits posted to *alio's* various general ledger accounts.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. P. "BOBBY" FLORES
JUDGE, 136TH D.C.

ROSE GUERRA REYN
JUDGE, 204TH D.C.

JUAN R. PARTIDA
JUDGE, 373RD D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 349TH D.C.

L. KENO VASQUEZ
JUDGE, 396TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 449TH D.C.

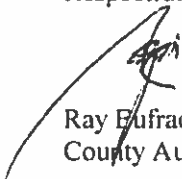
- Reviewed direct deposits noted on the bank statements to ensure the direct deposits were timely remitted to the County Treasurer's Office.
- Verified that receipts issued followed a sequential order.
- Reviewed the *Monthly Fees Report* and County Treasurer receipts to determine whether fees collected were properly accounted and deposited with the County Treasurer's Office on a weekly basis.
- Reviewed receipts issued and the *Monthly Fees Report*, among other supporting documentation, to verify proper completion.

Conclusion:

Total collections for the month of December 2016 were \$52,010.25. Based on the results of our review, we have concluded that fees were generally properly accounted and reported.

If you should have any questions or concerns, please do not hesitate to Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
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JUDGE, 396TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 449TH 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



EDINBURG, TEXAS 78539

January 26, 2017

The Honorable Sheriff Eddie Guerra
Hidalgo County Sheriff
711 El Cibolo Rd.
Edinburg, Texas 78540

Re: Review of Sheriff's Inmate Trust Financial Statements
For the Month ended September 30, 2016

Dear Sheriff Guerra:

We conducted a limited scope review of the financial statements and applicable supporting documentation of the Inmate Trust Fund Account for the month of September 2016 pursuant to Local Government Code §115.001. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for the preparation of the financial statements and for designing, implementing, and maintaining internal control relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that there are no material modifications that need to be made to the financial statements.

Based on our review, nothing came to our attention that caused us to believe that the financial statements contained any material misstatements. However, we noted that the system of internal controls for the accounting of inmate trust funds requires improvement as noted below:

Observation No. 1:

The Sheriff's Inmate Trust financial statements and applicable supporting documentation were not filed with the County Auditor's Office within ten days after the last day of the month. The financial statements were filed 57 working days late.

The County Auditor's Office requires that financial statements be submitted within ten days after the last day of the month.

Failure to ensure that balance sheets are submitted to the County Auditor's Office within ten days after the last day of the month may result in the improper reporting of County funds.

Recommendation:

Management should ensure that financial statements along with supporting documentation are submitted with the County Auditor's Office within ten days after the last day of the month.

Observation No. 2:

As of September 30, 2016, the "Held in Trust" account had a cash balance of \$44,057.77 and consisted of funds received from inmates and/or the inmates' family members. However, the balance on the "Inmate Accounts with Balances Report," a report generated from *Odyssey* (the County's law enforcement system) that lists the names of the inmates and the amount of funds held in trust for each inmate, was only \$39,940.80 resulting in an unidentified variance of \$4,116.97. The Sheriff's Office conducted research to identify the owners of the unidentified variance and several checks were issued; however, a variance that fluctuates from month to month continues to exist.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 378TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH D.C.

Recommendation:

We recommend that the Sheriff's Office continue to conduct additional research to identify the owners of the unidentified variance and to determine the reason the variance fluctuates.

Observation No. 3:

The "Inmate Account Journal" generated from *Odyssey* summarizes the total monthly Commissary purchases made by each inmate. The "Commissary Sales" report generated from *Odyssey* summarizes the total monthly Commissary sales. The totals on the reports should agree; however, the totals on the "Inmate Account Journal" and "Commissary Sales" reports for the month of September 2016 were \$135,644.87 and \$135,659.84, respectively, resulting in a variance of \$14.97. The Sheriff's Office could not provide a reason for the variance; however, Tyler Technologies was notified and is attempting to resolve the issue.

Recommendation:

We recommend that the Sheriff's Office continue to communicate with Tyler Technologies to ensure that the issue is resolved and the totals on the "Inmate Account Journal" and the "Commissary Sales" report agree.

Observation No. 4:

Both the "Inmate Accounts with Balances" and the "Commissary Accounts with Balances" reports generated from *Odyssey* summarize the amount held in trust for inmates. The totals on the reports should agree; however, the amount on the "Inmate Accounts with Balances" for the month of September 2016 totaled \$39,940.80 while the total on the "Commissary Accounts with Balances" report was \$40,024.79, resulting in a variance of \$83.99. The variance is attributed to an inmate with a negative balance that is not appearing on the "Commissary Accounts with Balances" report. Tyler Technologies has been made aware of the issue and is in the process of taking corrective action.

Recommendation:

We recommend that the Sheriff's Office continue to communicate with Tyler Technologies to ensure that the issue is resolved and the "Inmate Accounts with Balances" report and the "Commissary Accounts with Balances" report agree.

Observation No. 5:

The "Inmate Accounts with Balances" report as of September 30, 2016 included the names of 25 inmates with negative balances (see Exhibit A). The 25 inmate account balances were negative since the conversion to *Odyssey*; however, the inmates with negative balances were not appearing on the "Inmate Accounts with Balances" report until August 2016 when Tyler Technologies fixed the report to include negative balances. We reviewed the 25 inmate accounts in *Ableterm* to determine the reason for the negative balance. The inmate's account balances in *Ableterm* were "0". It appears that the inmates were released with an amount in excess of the balance as a result of a calculation glitch in *Ableterm*. The Sheriff's Office was not aware of the calculation glitch until the "Inmate Accounts with Balances" report for the month ended August 31, 2016 was generated from *Odyssey*.

Recommendation:

We recommend that the Sheriff's Office conduct research to determine if the 25 inmates owe the Sheriff's Office the negative balance amount. If the Sheriff's Office determines that the inmates in fact owe the balance, a letter should be sent to the inmate to request the funds. In addition, the accounts receivable amount should be recorded on the Jail Commissary balance sheet.

Observation No. 6:

The September 30, 2016 "Commissary Accounts with Balances" report included funds due to 14 inmates that had been released from jail (see Exhibit B). As of today, the funds have not been disbursed to the inmates. It appears that the funds were not disbursed due to a "Commissary adjustment" that was done to the inmates account after the inmates were released.

Recommendation:

We recommend that the Sheriff's Office conduct research to determine if the Sheriff's Office owes the 14 inmates. If the Sheriff's Office determines that the inmates are owed the balance on *Odyssey*, a check should be sent to the inmate.

Please provide a management response to the observations noted above by February 10, 2017.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

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JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

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L. KENO VASQUEZ
JUDGE, 398TH D.C.

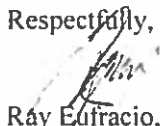
ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 449TH D.C.

The Honorable Eddie Guerra
January 26, 2017
Page 3 of 3

If you have any questions, 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
Hidalgo County Auditor

Cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 131TH D.C.

ROSE GUERRA REYNA
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LETICIA LOPEZ
JUDGE, 389TH D.C.

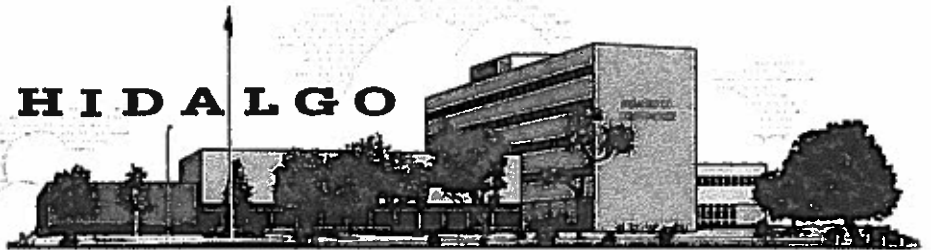
L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH 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



EDINBURG, TEXAS 78539

January 5, 2017

Honorable Eddie Guerra, Sheriff
Hidalgo County Sheriff's Office
711 El Cibolo Rd.
Edinburg, Texas 78540

Re: Review of "D" *Monthly Fines and Fees Report* and Supporting Documentation
For the month ended October 31, 2016

Dear Sheriff Guerra:

We have conducted a limited scope review of the "D" *Monthly Fines and Fees Report* and supporting documentation for the month ended October 31, 2016 pursuant to Local Government Code §115.002 (a) and (b). The objective of the review was to determine if fines and fees collected were properly accounted and reported.

Scope:

The scope of our review was limited to collections reported by your office on the "D" *Monthly Fines and Fees Report* for the month of October 31, 2016. 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 the "D" *Monthly Fines and Fees Report* and supporting documentation. The following procedures were also performed:

- Reviewed the submittal date of the "D" *Monthly Fines and Fees Report* to the County Auditor's Office to determine if the report and 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 "D" *Monthly Fines and 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 "D" *Monthly Fines and Fees Report* by footing and cross-footing the report.
- Verified that procedures for voided receipts were properly followed.
- Verified that collections per the "D" *Monthly Fines and Fees Report* agreed to: 1.) total receipts issued; and 2.) total deposits.
- Reviewed the "D" *Monthly Fines and Fees Report* and County Treasurer receipts to determine whether fees collected were properly accounted and deposited with the County Treasurer's Office on a weekly basis.

HIDALGO COUNTY DISTRICT JUDGES

LUI H. SHKILETEREV
JUDGE, 13th D.C.

RODOLFO DELBADO
JUDGE, 15th D.C.

J. R. "BOBBY" FLORES
JUDGE, 18th D.C.

ROSE GUERRA REYES
JUDGE, 20th D.C.

JUAN R. PARTIDA
JUDGE, 27th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 33rd D.C.

NOE GONZALEZ
JUDGE, 37th D.C.
OVERSEER

LITIOA LOPEZ
JUDGE, 39th D.C.

L. VIKO VARGAS
JUDGE, 39th D.C.

ISRAEL RAMOS, JR.
JUDGE, 42nd D.C.

ROBERT DETAMCOURT
JUDGE, 44th D.C.

- Reviewed receipts issued and the "D" *Monthly Fines and Fees Report*, among other supporting documentation, to verify proper completion.

Conclusion:

Total collections for the month of October 2016 were \$2,980.80. Based on the results of our review, we have concluded that fees were generally properly accounted and reported. 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:

Procedures for voiding receipts were not consistently followed. At times, void receipts did not contain the employee signature, reason for void, date the receipt was void, or the signature of the supervisor approving the void.

Pursuant to the Cash Handling Guidelines and Procedures prescribed by the County Auditor's Office, prior to voiding a receipt supervisor approval must be obtained. The supervisors should ensure the original and all copies of the void receipt contain on the face of the receipt the word "void", an explanation for the void, the date receipt was voided, and the supervisor's signature of approval. In addition, the supervisor should ensure that the original and all the other copies of the voided receipt are securely attached together.

Failure to follow the above stated procedures may result in the loss or misuse of County funds.

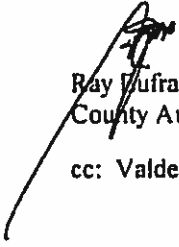
Recommendation:

Management should develop and implement formal monitoring procedures to ensure that the Cash Handling Guidelines and Procedures are followed regarding voiding receipts.

Please provide a management response to the observation noted above by January 17, 2017.

If you should have any questions or concerns, please do not hesitate to contact Letty Chavez, Compliance Audit Supervisor, ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,


Ray Dufracio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer



HIDALGO COUNTY DISTRICT JUDGES

LUIS M. ENOLETERRY
JUDGE, 6th D.C.

RODOLFO DELGADO
JUDGE, 8th D.C.

J. R. "BOBBY" FLORES
JUDGE, 12th D.C.

ROSE GUERRA REYNA
JUDGE, 20th D.C.

JUAN R. PARTIDA
JUDGE, 21st D.C.

BARNO E. RAMPEZ, JR.
JUDGE, 22nd D.C.

NOE GONZALEZ
JUDGE, 27th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 30th D.C.

L. KENO VASQUEZ
JUDGE, 30th D.C.

ISRAEL RAMON, JR.
JUDGE, 35th D.C.

SENSE R. BETANCOURT
JUDGE, 40th 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



EDINBURG, TEXAS 78539

February 7, 2017

Honorable Eddie Guerra, Sheriff
Hidalgo County Sheriff's Office
711 El Cibolo Rd.
Edinburg, Texas 78540

Re: Review of "D" *Monthly Fines and Fees Report* and Supporting Documentation
For the Month Ended November 30, 2016

Dear Sheriff Guerra:

We have conducted a limited scope review of the "D" *Monthly Fines and Fees Report* and supporting documentation for the month ended November 30, 2016 pursuant to Local Government Code §115.002 (a) and (b). The objective of the review was to determine if fines and fees collected were properly accounted and reported.

Scope:

The scope of our review was limited to collections reported by your office on the "D" *Monthly Fines and Fees Report* for the month ended November 30, 2016. 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 the "D" *Monthly Fines and Fees Report* and supporting documentation. The following procedures were also performed:

- Reviewed the submittal date of the "D" *Monthly Fines and Fees Report* to the County Auditor's Office to determine if the report and 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 "D" *Monthly Fines and 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 "D" *Monthly Fines and Fees Report* by footing and cross-footing the report.
- Verified that procedures for voided receipts were properly followed.
- Verified that collections per the "D" *Monthly Fines and Fees Report* agreed to: 1.) total receipts issued; and 2.) total deposits.
- Reviewed the "D" *Monthly Fines and Fees Report* and County Treasurer receipts to determine whether fees collected were properly accounted and deposited with the County Treasurer's Office on a weekly basis.
- Reviewed receipts issued and the "D" *Monthly Fines and Fees Report*, among other supporting documentation, to verify proper completion.

HIDALGO COUNTY DISTRICT JUDGES

| | | | | | | | | | | |
|--|---|---|--|--|--|---|--|--|--|--|
| LUIS M. SINGLETERY JUDGE, 82 ND D.C. | RODOLFO DELGADO JUDGE, 84 TH D.C. | J. R. "BOBBY" FLORES JUDGE, 139 TH D.C. | ROSE GUERRA REYNA JUDGE, 204 TH D.C. | JUAN R. PARTIDA JUDGE, 275 TH D.C. | MARIO E. RAMIREZ, JR. JUDGE, 332 ND D.C. | NOE GONZALEZ JUDGE, 370 TH D.C. OVERSEER | LETICIA LOPEZ JUDGE, 389 TH D.C. | L. KENO VASQUEZ JUDGE, 394 TH D.C. | ISRAEL RAMON, JR. JUDGE, 430 TH D.C. | RENEE R. BETANCOURT JUDGE, 448 TH D.C. |
|--|---|---|--|--|--|---|--|--|--|--|

Conclusion:

Total collections for the month of November 2016 were \$149.10. Based on the results of our review, we have concluded that fees were generally properly accounted and reported. 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:

Procedures for voiding receipts were not consistently followed. At times, void receipts did not contain the reason for void, date the receipt was void, or the signature of the supervisor approving the void.

The County Auditor's Office requires that approval to void a receipt be obtained prior to voiding a receipt. Approval of void receipts should be limited to supervisors. The supervisors should ensure the original and all copies of the void receipt contain on the face of the receipt the word "void", an explanation for the void, the date receipt was voided, and the supervisor's signature of approval. In addition, the supervisor should ensure that the original and all the other copies of the voided receipt are securely attached together.

Formal procedures have not been developed and implemented to ensure receipts are properly voided. This may result in the loss or misuse of County funds.

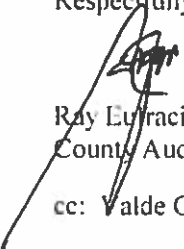
Recommendation:

Management should develop and implement formal procedures to ensure that void receipts contain the reason for void, date the receipt was void, and the signature of the supervisor approving the void.

Please provide a management response to the observation noted above by February 24, 2017.

If you should have any questions or concerns, please do not hesitate to contact Letty Chavez, Compliance Audit Supervisor, ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETHUNE
JUDGE, 449

COUNTY HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE
Hidalgo County Administration Building
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FAX: (956) 318-2577
WEBSITE: www.co.hidalgo.tx.us/auditor



EDINBURG, TEXAS 78539

February 3, 2017

Honorable Eddie Guerra
Hidalgo County Sheriff
711 El Cibolo Rd.
Edinburg, Texas 78540

Re: Review of "D" *Monthly Fines and Fees Report* and Supporting Documentation
For the month ended December 31, 2016

Dear Sheriff Guerra:

We have conducted a limited scope review of the "D" *Monthly Fines and Fees Report* and supporting documentation for the month ended December 31, 2016 pursuant to Local Government Code §115.002 (a) and (b). The objective of the review was to determine if fines and fees collected were properly accounted and reported.

Scope:

The scope of our review was limited to collections reported by your office on the "D" *Monthly Fines and Fees Report* for the month of December 31, 2016. 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 the "D" *Monthly Fines and Fee Report* and supporting documentation. The following procedures were also performed:

- Reviewed the submittal date of the "D" *Monthly Fines and Fees Report* to the County Auditor's Office to determine if the report and 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 "D" *Monthly Fines and 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 "D" *Monthly Fines and Fees Report* by footing and cross-footing the report.
- Verified that procedures for voided receipts were properly followed.
- Verified that collections per the "D" *Monthly Fines and Fees Report* agreed to: 1.) total receipts issued; and 2.) total deposits.
- Reviewed the "D" *Monthly Fines and Fees Report* and County Treasurer receipts to determine whether fees collected were properly accounted and deposited with the County Treasurer's Office on a weekly basis.

HIDALGO COUNTY DISTRICT JUDGES

LLIS M. SAGLETERRY
JUDGE 92ND D.C.

RODOLFO DELGADO
JUDGE 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE OJERRA REYNA
JUDGE 204TH D.C.

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

MARIC E. RAMPEZ, JR.
JUDGE, 332ND D.C.

HOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 381ST D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE 441ST D.C.

- Reviewed receipts issued and the "D" *Monthly Fines and Fees Report*, among other supporting documentation, to verify proper completion.

Conclusion:

There were no collections for the month of December 2016. 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:

Procedures for voiding receipts were not consistently followed. At times, void receipts did not contain the reason for void, date the receipt was void, or the signature of the supervisor approving the void.

The County Auditor's Office requires that approval to void a receipt be obtained prior to voiding a receipt. Approval of void receipts should be limited to supervisors. The supervisors should ensure the original and all copies of the void receipt contain on the face of the receipt the word "void", an explanation for the void, the date receipt was voided, and the supervisor's signature of approval. In addition, the supervisor should ensure that the original and all the other copies of the voided receipt are securely attached together.

Formal procedures have not been developed and implemented to ensure receipts are properly voided. This may result in the loss or misuse of County funds.

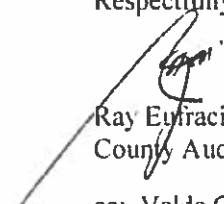
Recommendation:

Management should develop and implement formal procedures to ensure that void receipts contain the, reason for void, date the receipt was void, and the signature of the supervisor approving the void.

Please provide a management response to the observation noted above by February 17, 2017.

If you should have any questions or concerns, please do not hesitate to contact Letty Chavez, Compliance Audit Supervisor, ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645. Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 322ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

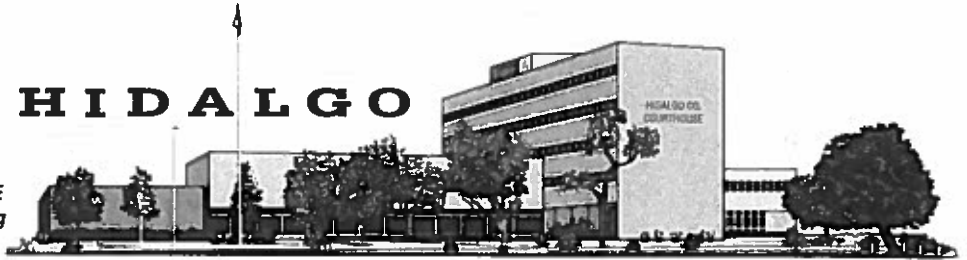
L. KENO VASQUEZ
JUDGE, 394TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 449TH 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



EDINBURG, TEXAS 78539

January 10, 2017

The Honorable Sheriff Eddie Guerra
Hidalgo County Sheriff
711 El Cibolo Rd.
Edinburg, Texas 78540

Re: Review of Sheriff's Regular Trust Fund Financial Statements
For the Month Ended October 31, 2016

Dear Sheriff Guerra:

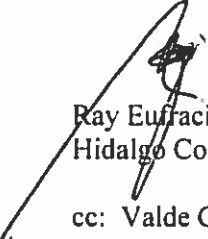
We conducted a limited scope review of the Regular Trust Fund financial statements for the month ended October 31, 2016 pursuant to Local Government Code §115.001. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for the preparation of the financial statements including the design, implementation, and maintenance of internal controls relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that there are no material modifications that need to be made to the financial statements.

Based on our review, nothing came to our attention that caused us to believe that the financial statements contained any material misstatements.

If you have any questions, please contact Letty Chavez, Compliance Audit Supervisor, at 318-2511, ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,


Ray Eufacio, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 12TH D.C.

RODOLFO DELGADO
JUDGE, 13TH D.C.

J. R. "BOBBY" FLORES
JUDGE, 13TH D.C.

ROSE GUERRA REYNA
JUDGE, 20TH D.C.

JUAN R. PARTIDA
JUDGE, 27TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 32ND D.C.

NOE GONZALEZ
JUDGE, 37TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38TH D.C.

L. KENO VASQUEZ
JUDGE, 39TH D.C.

ISRAEL RAMON, JR.
JUDGE, 43RD D.C.

RENEE R. BETANCOURI
JUDGE, 44TH 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



EDINBURG, TEXAS 78539

February 6, 2017

The Honorable Sheriff Eddie Guerra
Hidalgo County Sheriff
711 El Cibolo Rd.
Edinburg, Texas 78540

Re: Review of Sheriff's Regular Trust Fund Financial Statements
For the Months Ended November 30, 2016 and December 31, 2016

Dear Sheriff Guerra:

We conducted a limited scope review of the Regular Trust Fund financial statements for the months ended November 30, 2016 and December 31, 2016 pursuant to Local Government Code §112.006 (a), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for the preparation of the financial statements including the design, implementation, and maintenance of internal controls relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that there are no material modifications that need to be made to the financial statements.

Based on our review, the financial statements do not contain any material misstatements. However, we noted that the system of internal controls relevant to the preparation of financial statements requires improvements as noted in the following observation:

Observation No. 1:

The Regular Trust Fund financial statements and applicable supporting documentation were not filed with the County Auditor's Office within ten days after the last day of the month. The November 2016 and December 2016 financial statements were filed 21 and 2 working days late, respectively.

The County Auditor's Office requires that financial statements be filed within ten days after the last day of the month.

Failure to ensure that the financial statements are filed with the County Auditor's Office within ten days after the last day of the month may result in the improper reporting of County funds.

Recommendation:

Management should ensure that financial statements along with supporting documentation are filed with the County Auditor's Office within ten days after the last day of the month.

Please provide a management response to the observations noted above by February 24, 2017.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETEPRY
JUDGE, 82ND D C

RODOLFO DELGADO
JUDGE, 89TH D C

J R "BOBBY" FLORES
JUDGE, 139TH D C

ROSE GUERRA REYNA
JUDGE, 206TH D C

JUAN R. PARTIDA
JUDGE, 275TH D C

MARIO E. RAMIREZ, JR.
JUDGE, 312ND D C

NOE GONZALEZ
JUDGE, 316TH D C
OVERSEER

LEFICIA LOPEZ
JUDGE, 388TH D C

L. KENO VASQUEZ
JUDGE, 398TH D C

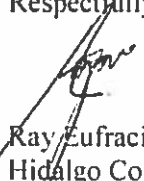
ISRAEL RAMON, JR.
JUDGE, 430TH D C

RENEE R. BETANCO
JUDGE, 448TH D C

The Honorable Eddie Guerra
February 6, 2017
Page 2 of 2

If you have any questions, please contact Letty Chavez, Compliance Audit Supervisor, at 318-2511, ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufracio, CPA
Hidalgo County Auditor

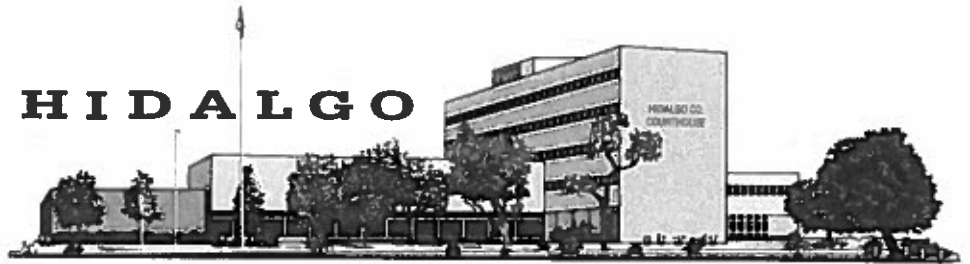
cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

| | | | | | | | | | | |
|--|---|---|--|--|--|---|--|---|--|--|
| LUIS M. SINGETERRY JUDGE, 92 ND D.C. | RODOLFO DELGADO JUDGE, 93 RD D.C. | J. R. "BOBBY" FLORES JUDGE, 139 TH D.C. | POSE GUERRA FEYNA JUDGE, 204 TH D.C. | JUAN R. PARTIDA JUDGE, 275 TH D.C. | MARIO E. RAMIREZ, JR. JUDGE, 332 ND D.C. | NOE GONZALEZ JUDGE, 370 TH D.C. OVERSEER | LETICIA LOPEZ JUDGE, 389 TH D.C. | ADA SALINAS FLORES JUDGE, 398 TH D.C. | ISRAEL RAMON, JR. JUDGE, 430 TH D.C. | JESSE CONTRERAS JUDGE, 449 TH 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



EDINBURG, TEXAS 78539

January 17, 2017

The Honorable Eddie Guerra
Hidalgo County Sheriff
711 El Cibolo Rd.
Edinburg, Texas 78540

Re: Review of Sheriff's Fee Financial Statements
For the Months of October 2016 and November 2016

Dear Sheriff Guerra:

We conducted a limited scope review of the Fee Trust Account financial statements for the months of October 2016 and November 2016 pursuant to Local Government Code §112.006 (a), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatement.

Management is responsible for the preparation of the financial statements including the design, implementation, and maintenance of internal controls relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that the financial statements are free from material misstatement.

Based on our review, nothing came to our attention that caused us to believe that the financial statements contained any material misstatements. However, we noted that the system of internal controls relevant to the preparation of the financial statements requires improvement as noted in the following observations.

Observation No. 1:

The Due from Army" for boarding of prisoners balance as of November 30, 2016 was \$2,548.00 and consisted of billings for the months of April 2011 (\$468.00); September 2011 (\$260.00); November 2011 (\$520.00); May 2013 (\$156.00); August 2013 (\$260.00); May 2016 (\$52.00); and June 2016 (\$832.00). The Sheriff's Office staff is actively seeking collection from the Army. However, according to the US Army, they are only able to use a credit card to pay the amount due. The Sheriff's Office and the IT Department are working together to resolve this issue.

We recommend that management continue to seek payment from the US Army.

Observation No. 2:

The Due to Others – Voided Checks balance as of November 30, 2016 was \$90.20. The balance included 7 voided checks with original issue date of December 12, 2013 through July 11, 2016.

Pursuant to Texas Property Code Chapter 76, a check may be presumed abandoned on the latest of the third anniversary of the date (1) the check was payable; (2) the issuer or payor of the check last received documented communication from the payee of the check; or (3) the check was issued if, according to the knowledge and records of the issuer or payor of the check, during that period, a claim to the check has not been asserted or an act of ownership by the payee has not been exercised.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 379TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 448TH D.C.

We recommend that a notice be mailed to the last known address of the payee for the 7 voided checks stating that: (1) the Sheriff's Office is holding the funds; and (2) the Sheriff's Office may be required to deliver the funds to the County Treasurer on or before July 1 if the funds are not claimed. Any applicable funds not claimed should be escheated to the County Treasurer prior to closing the "Fee" bank account.

Observation No. 3:

The Sheriff's Fee Balance Sheet and applicable supporting documentation were not submitted to the County Auditor's Office within ten days after the last day of the month. The October and November Balance Sheets were submitted 26 and 22 working days late, respectively.

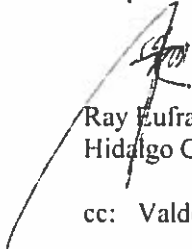
The County Auditor's Office requires that balance sheets be submitted within ten days after the last day of the month.

Failure to ensure that balance sheets are submitted to the County Auditor's Office within ten days after the last day of the month may result in the improper reporting of County funds.

Management should implement formal monitoring procedures to ensure that balance sheets along with supporting documentation are submitted to the County Auditor's Office within ten days after the last day of the month.

If you should have any questions, feel free to call Letty Chavez, Compliance Auditor Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668 or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 92ND D.C.

ROOOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 322ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 388TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 448TH 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



EDINBURG, TEXAS 78539

February 7, 2017

The Honorable Eddie Guerra, Sheriff
Hidalgo County Sheriff's Office
711 El Cibolo Rd.
Edinburg, Texas 78540

Re: Review of Sheriff's Fee Financial Statements
For the Month of December 2016

Dear Sheriff Guerra:

We conducted a limited scope review of the Fee Trust Account financial statements for the month of December 2016 pursuant to Local Government Code §112.006 (a), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatement.

Management is responsible for the preparation of the financial statements including the design, implementation, and maintenance of internal controls relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that the financial statements are free from material misstatement.

Based on our review, the financial statements did not contain any material misstatements. However, we noted that the system of internal controls relevant to the preparation of the financial statements requires improvement as noted in the following observations.

Observation No. 1:

The "Due from Army" balance as of December 31, 2016 was \$2,548.00 and consisted of billings for the months of April 2011 (\$468.00); September 2011 (\$260.00); November 2011 (\$520.00); May 2013 (\$156.00); August 2013 (\$260.00); May 2016 (\$52.00); and June 2016 (\$832.00). The Sheriff's Office staff is actively seeking collection from the Army. However, according to the US Army, they are only able to use a credit card to pay the amount due. The Sheriff's Office and the IT Department are working together to resolve this issue.

We recommend that management continue to seek payment from the US Army.

Observation No. 2:

The "Due to Others – Voided Checks" balance as of December 31, 2016 was \$90.20. The balance included 7 voided checks with original issue date of December 12, 2013 through July 11, 2016.

Pursuant to Texas Property Code Chapter 76, a check may be presumed abandoned on the latest of the third anniversary of the date (1) the check was payable; (2) the issuer or payor of the check last received documented communication from the payee of the check; or (3) the check was issued if, according to the knowledge and records of the issuer or payor of the check, during that period, a claim to the check has not been asserted or an act of ownership by the payee has not been exercised.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 12TH D.C.

RODOLFO DELGADO
JUDGE, 13TH D.C.

J. R. BOBBY FLECHES
JUDGE, 13TH D.C.

ROSE GUERRA REYNA
JUDGE, 20TH D.C.

JUAN R. PARTIDA
JUDGE, 27TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 33RD D.C.

NOE GONZALEZ
JUDGE, 37TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38TH D.C.

L. KENO VASQUEZ
JUDGE, 39TH D.C.

ISRAEL RAMON, JR.
JUDGE, 43RD D.C.

RENEE R. BETANCOURT
JUDGE, 44TH D.C.

We recommend that a notice be mailed to the last known address of the payee for the 7 voided checks stating that: (1) the Sheriff's Office is holding the funds; and (2) the Sheriff's Office may be required to deliver the funds to the County Treasurer on or before July 1 if the funds are not claimed. Any applicable funds not claimed should be escheated to the County Treasurer prior to closing the "Fee" bank account.

Observation No. 3:

The Sheriff's Fee Balance Sheet and applicable supporting documentation were not submitted to the County Auditor's Office within ten days after the last day of the month. The December Balance Sheet was submitted 12 working days late.

The County Auditor's Office requires that balance sheets be submitted within ten days after the last day of the month.

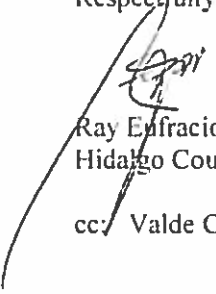
Failure to ensure that balance sheets are submitted to the County Auditor's Office within ten days after the last day of the month may result in the improper reporting of County funds.

Management should implement formal monitoring procedures to ensure that balance sheets along with supporting documentation are submitted to the County Auditor's Office within ten days after the last day of the month.

Please provide a management response to the observations noted above by February 24, 2017.

If you should have any questions, feel free to call Letty Chavez, Compliance Auditor Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668 or me at ext. 4604.

Respectfully,



Ray Efracio, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J R "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GLERRA REYNA
JUDGE, 208TH D.C.

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

MARIC E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE OONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 380TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOL
JUDGE, 448TH D.C.

COUNTY *of* HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE
Hidalgo County Administration Building
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Edinburg, Texas 78539-6243
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WEBSITE: www.co.hidalgo.tx.us/auditor



EDINBURG, TEXAS 78539

January 10, 2017

The Honorable Eddie Guerra
Hidalgo County Sheriff
711 El Cibolo Rd.
Edinburg, Texas 78540

Re: Review of Sheriff's "B" Account Financial Statements
For the Month ended October 31, 2016

Dear Sheriff Guerra:

We conducted a limited scope review of the "B" Account financial statements for the month ended October 31, 2016 pursuant to Local Government Code §112.006 (a), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatement.

Management is responsible for the preparation of the financial statements including the design, implementation, and maintenance of internal controls relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that the balance sheet is free from material misstatement.

Based on our review, nothing came to our attention that caused us to believe that the financial statements contained any material misstatement. However, we noted that the system of internal controls relevant to the preparation of financial statements requires improvements as noted in the following observation:

Observation No. 1:

The "B" Account financial statements and applicable supporting documentation were not filed with the County Auditor's Office within ten days after the last day of the month. The financial statements were filed 18 working days late.

The County Auditor's Office requires that financial statements be submitted within ten days after the last day of the month.

Failure to ensure that the financial statements are submitted with the County Auditor's Office within ten days after the last day of the month may result in the loss of County funds.

Recommendation:

Management should ensure that financial statements along with supporting documentation are submitted with the County Auditor's Office within ten days after the last day of the month.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 139th D.C.

ROSE GUERRA REYNA
JUDGE, 201th D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332nd D.C.

NOE GONZALEZ
JUDGE, 378th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 381st D.C.

L. KENO VASQUEZ
JUDGE, 398th D.C.

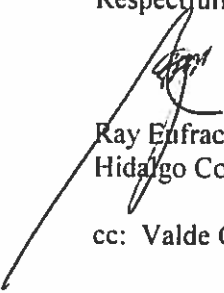
ISRAEL RAMON, JR.
JUDGE, 430th D.C.

RENEE R. BETANCOURT
JUDGE, 449th D.C.

Please provide a management response to the observations noted above by January 27, 2017.

If you have any questions, please contact Letty Chavez, Compliance Audit Supervisor, at 318-2511, ext 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Enfracio, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

JUAN R. PARTIDA
JUDGE, 273TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH D.C.

COUNTY *of* HIDALGO

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WEBSITE: www.co.hidalgo.tx.us/auditor



EDINBURG, TEXAS 78539

February 7, 2017

The Honorable Eddie Guerra, Sheriff
Hidalgo County Sheriff's Office
711 El Cibolo Rd.
Edinburg, Texas 78540

Re: Review of Sheriff's "B" Account Financial Statements
For the Month ended November 30, 2016

Dear Sheriff Guerra:

We conducted a limited scope review of the "B" Account financial statements for the month ended December 31, 2016 pursuant to Local Government Code §112.006 (a), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatement.

Management is responsible for the preparation of the financial statements including the design, implementation, and maintenance of internal controls relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that the balance sheet is free from material misstatement.

Based on our review, the financial statements did not contain any material misstatement. However, we noted that the system of internal controls relevant to the preparation of financial statements requires improvements as noted in the following observation:

Observation No. 1:

The "B" Account financial statements and applicable supporting documentation were not filed with the County Auditor's Office within ten days after the last day of the month. The financial statements were filed 22 working days late.

The County Auditor's Office requires that financial statements be submitted within ten days after the last day of the month.

Failure to ensure that the financial statements are submitted with the County Auditor's Office within ten days after the last day of the month may result in the improper reporting of County funds.

Recommendation:

Management should ensure that financial statements along with supporting documentation are submitted to the County Auditor's Office within ten days after the last day of the month.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 381TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 449TH D.C.

Please provide a management response to the observation noted above by February 24, 2017.

If you have any questions, please contact Letty Chavez, Compliance Audit Supervisor, at 318-2511, ext 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

HOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH D.C.

COUNTY *of* HIDALGO

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



EDINBURG, TEXAS 78539

January 27, 2017

The Honorable Eddie Guerra, Sheriff
Hidalgo County Sheriff's Office
711 El Cibolo Rd.
Edinburg, Texas 78540

Re: Review of Sheriff's "B" Account Financial Statements
For the Month ended December 31, 2016

Dear Sheriff Guerra:

We conducted a limited scope review of the "B" Account financial statements for the month ended December 31, 2016 pursuant to Local Government Code §112.006 (a), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatement.

Management is responsible for the preparation of the financial statements including the design, implementation, and maintenance of internal controls relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that the balance sheet is free from material misstatement.

Based on our review, the financial statements did not contain any material misstatement. However, we noted that the system of internal controls relevant to the preparation of financial statements requires improvements as noted in the following observation:

Observation No. 1:

The "B" Account financial statements and applicable supporting documentation were not filed with the County Auditor's Office within ten days after the last day of the month. The financial statements were filed 5 working days late.

The County Auditor's Office requires that financial statements be submitted within ten days after the last day of the month.

Failure to ensure that the financial statements are submitted with the County Auditor's Office within ten days after the last day of the month may result in the improper reporting of County funds.

Recommendation:

Management should ensure that financial statements along with supporting documentation are submitted to the County Auditor's Office within ten days after the last day of the month.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 89TH D.C.

J. R. "BOBBY" FLORES
JUDGE, 130TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

JUAN R. PARTIDA
JUDGE, 279TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 388TH D.C.

L. KENO VASQUEZ
JUDGE, 394TH D.C.

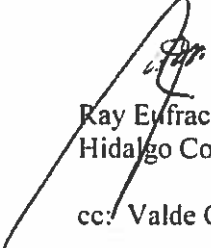
ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCO
JUDGE, 449TH D.C.

Please provide a management response to the observation noted above by February 10, 2017.

If you have any questions, please contact Letty Chavez, Compliance Audit Supervisor, at 318-2511, ext 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

| | | | | | | | | | | |
|---|---|--|---|---|---|--|---|---|---|---|
| LUIS M SINGLETERRY JUDGE, 9 TH D.C. | RODOLFO DELGADO JUDGE, 12 TH D.C. | J. R. "BOBBY" FLORES JUDGE, 13 TH D.C. | ROSE GUERRA REYNA JUDGE, 20 TH D.C. | JUAN R. PARTIDA JUDGE, 27 TH D.C. | MARIO E. RAMIREZ, JR. JUDGE, 33 RD D.C. | NOE GONZALEZ JUDGE, 37 TH D.C. OVERSEER | LETICIA LOPEZ JUDGE, 38 TH D.C. | L. KENO VASQUEZ JUDGE, 39 TH D.C. | ISRAEL RAMON, JR. JUDGE, 43 RD D.C. | RENEE R. BETANCOURT JUDGE, 44 TH D.C. |
|---|---|--|---|---|---|--|---|---|---|---|

COUNTY *of* HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE
Hidalgo County Administration Building
2808 South Business Highway 281
Edinburg, Texas 78539-6243
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WEBSITE: www.co.hidalgo.tx.us/auditor



EDINBURG, TEXAS 78539

January 13, 2017

Honorable Eddie Guerra
Hidalgo County Sheriff
711 El Cibolo Rd.
Edinburg, Texas 78540

Re: Review of Sheriff's Investigation Fund Balance Sheets
For the Month Ended October 31, 2016

Dear Sheriff Guerra:

We conducted a limited scope review of the Sheriff's Investigation Fund balance sheet for the month ended October 31, 2016 pursuant to Local Government Code §112.006 (a), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the balance sheets are free from material misstatement.

Management is responsible for the preparation of the balance sheets including the design, implementation, and maintenance of internal controls relevant to the preparation of the balance sheets. Our responsibility is to perform procedures to obtain limited assurance that the balance sheets are free from material misstatement.

Based on our review, nothing came to our attention that caused us to believe that the balance sheet contained any material misstatement. However, we noted that the system of internal controls relevant to the preparation of the balance sheet requires improvements as noted in the following observation:

Observation No. 1:

The Sheriff's Investigation Fund Balance Sheet and applicable supporting documentation were not submitted to the County Auditor's Office within ten days after the last day of the month. The financial statements were submitted 26 working days late.

The County Auditor's Office requires that balance sheets be submitted within ten days after the last day of the month.

Failure to ensure that balance sheets are submitted to the County Auditor's Office within ten days after the last day of the month may result in the improper reporting of County funds.

Recommendation:

Management should ensure that balance sheets along with supporting documentation are submitted to the County Auditor's Office within ten days after the last day of the month.

HIDALGO COUNTY DISTRICT JUDGES

LUIZ M SINGLETERRY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 83RD D.C.

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

ROSE GUERRA REYNALDO
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 312ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 388TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.


ISRAEL RAMON, JR.
JUDGE, 436TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH D.C.

Please provide a management response to the observation noted above by January 27, 2017.

If you have any questions, please contact Letty Chavez, Compliance Audit Supervisor, at 318-2511, ext 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

PODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 379TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 449TH D.C.

COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

January 16, 2017

Honorable Eddie Guerra
Hidalgo County Sheriff
711 El Cibolo Rd.
Edinburg, Texas 78540

Re: Review of Sheriff's Investigation Fund Balance Sheets
For the Month Ended November 30, 2016

Dear Sheriff Guerra:

We conducted a limited scope review of the Sheriff's Investigation Fund balance sheet for the month ended November 30, 2016 pursuant to Local Government Code §112.006 (a), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the balance sheets are free from material misstatement.

Management is responsible for the preparation of the balance sheets including the design, implementation, and maintenance of internal controls relevant to the preparation of the balance sheets. Our responsibility is to perform procedures to obtain limited assurance that the balance sheets are free from material misstatement.

Based on our review, nothing came to our attention that caused us to believe that the balance sheet contained any material misstatement. However, we noted that the system of internal controls relevant to the preparation of the balance sheet requires improvements as noted in the following observation:

Observation No. 1:

The Sheriff's Investigation Fund Balance Sheet and applicable supporting documentation were not submitted to the County Auditor's Office within ten days after the last day of the month. The financial statements were submitted 22 working days late.

The County Auditor's Office requires that balance sheets be submitted within ten days after the last day of the month.

Failure to ensure that balance sheets are submitted to the County Auditor's Office within ten days after the last day of the month may result in the improper reporting of County funds.

Recommendation:

Management should ensure that balance sheets along with supporting documentation are submitted to the County Auditor's Office within ten days after the last day of the month.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 118th D.C.

ROSE GUERRA REYNA
JUDGE, 204th D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 312th D.C.

HOE GONZALEZ
JUDGE, 370th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 388th D.C.

L. KENO VASQUEZ
JUDGE, 394th D.C.

ISRAEL RAMON, JR.
JUDGE, 430th D.C.

RENEE R. BETANCOUR
JUDGE, 448th D.C.

Please provide a management response to the observation noted above by January 27, 2017.

If you have any questions, please contact Letty Chavez, Compliance Audit Supervisor, at 318-2511, ext 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufracio, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

| | | | | | | | | | | |
|---|---|---|--|--|--|---|--|--|--|---|
| LUIS M. SINGLETERRY JUDGE, 92 ND D.C. | RODOLFO DELGADO JUDGE, 93 RD D.C. | J. R. "BOBBY" FLORES JUDGE, 139 TH D.C. | ROSE GUERRA REYNA JUDGE, 304 TH D.C. | JUAN R. PARTIDA JUDGE, 275 TH D.C. | MARIO E. RAMIREZ, JR. JUDGE, 332 ND D.C. | NOE GONZALEZ JUDGE, 370 TH D.C. OVERSEER | LETICIA LOPEZ JUDGE, 389 TH D.C. | L. KENO VASQUEZ JUDGE, 398 TH D.C. | ISRAEL RAMON, JR. JUDGE, 430 TH D.C. | RENEE R. BETANCOUR JUDGE, 449 TH 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



EDINBURG, TEXAS 78539

January 27, 2017

Honorable Eddie Guerra, Sheriff
Hidalgo County Sheriff's Office
711 El Cibolo Rd.
Edinburg, Texas 78540

Re: Review of Sheriff's Investigation Fund Balance Sheets
For the Month Ended December 31, 2016

Dear Sheriff Guerra:

We conducted a limited scope review of the Sheriff's Investigation Fund balance sheet for the month ended December 31, 2016 pursuant to Local Government Code §112.006 (a), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the balance sheets are free from material misstatement.

Management is responsible for the preparation of the balance sheets including the design, implementation, and maintenance of internal controls relevant to the preparation of the balance sheets. Our responsibility is to perform procedures to obtain limited assurance that the balance sheets are free from material misstatement.

Based on our review, the balance sheet did not contain any material misstatement. However, we noted that the system of internal controls relevant to the preparation of the balance sheet requires improvements as noted in the following observation:

Observation No. 1:

The Sheriff's Investigation Fund balance sheet and applicable supporting documentation were not submitted to the County Auditor's Office within ten days after the last day of the month. The financial statements were submitted 3 working days late.

The County Auditor's Office requires that balance sheets be submitted within ten days after the last day of the month.

Failure to ensure that balance sheets are submitted to the County Auditor's Office within ten days after the last day of the month may result in the improper reporting of County funds.

Recommendation:

Management should ensure that balance sheets along with supporting documentation are submitted to the County Auditor's Office within ten days after the last day of the month.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERARY
JUDGE, 12TH D.C.

RODOLFO DELGADO
JUDGE, 13TH D.C.

J R "BOBBY" FLORES
JUDGE, 13TH D.C.

ROSE GUERRA REYNA
JUDGE, 20TH D.C.

JUAN R PARTIDA
JUDGE, 27TH D.C.

MARIO E RAMIREZ, JR
JUDGE, 32ND D.C.

NCE GONZALEZ
JUDGE, 37TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38TH D.C.

L KENO VABQUEZ
JUDGE, 39TH D.C.

ISRAEL RAMON, JR
JUDGE, 43RD D.C.

RENEE R. BETANCOUR
JUDGE, 44TH D.C.

Please provide a management response to the observation noted above by February 10, 2017.

If you have any questions, please contact Letty Chavez, Compliance Audit Supervisor, at 318-2511, ext 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 13th D.C.

ROSE GUERRA REYNA
JUDGE, 20th D.C.

JUAN R. PARTIDA
JUDGE, 27th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 33rd D.C.

NOE GONZALEZ
JUDGE, 37th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38th D.C.

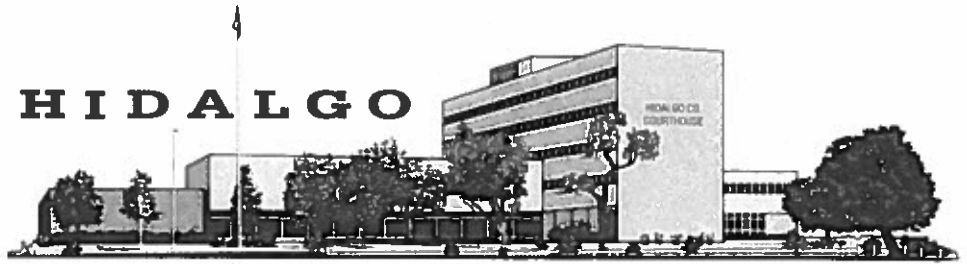
L. KENO VASQUEZ
JUDGE, 39th D.C.

ISRAEL RAMON, JR.
JUDGE, 43rd D.C.

RENEE R. BETANCOUR
JUDGE, 44th 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



EDINBURG, TEXAS 78539

January 11, 2017

Honorable Ricardo Rodriguez, Jr.
Hidalgo County Criminal District Attorney
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

Re: Review of the H.B. 65 Financial Statements
For the month of October 2016

Dear Mr. Rodriguez:


We conducted a limited scope review of the H.B. 65 financial statements for the month of October 2016 pursuant to Local Government Code §112.006 (b), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance whether any material modifications needed to be made to the financial statements.

Management is responsible for the preparation of the financial statements and for designing, implementing, and maintaining internal control relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that there are no material modifications that need to be made to the financial statements.

Based on our review, nothing came to our attention that caused us to believe that the financial statements contained any material misstatements.

If you should have any questions, do not hesitate to contact Reynaldo Cantu III, Internal Auditor I, at 318-2511 ext. 4653, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, or Arcy B. Duran, CPA, Director of Audit, at ext. 4645.

Respectfully,


Ray Eufrazio, CPA
County Auditor

Cc: Rosalinda Cantu, Human Resources Coordinator, District Attorney's Office

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SHOLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 139th D.C.

ROSE GUERRA REYNA
JUDGE, 204th D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332nd D.C.

NOE GONZALEZ
JUDGE, 370th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 381st D.C.

L. KENO VASQUEZ
JUDGE, 398th D.C.

ISRAEL RAMON, JR.
JUDGE, 430th D.C.

RENEE R. BETANCOURT
JUDGE, 449th D.C.

COUNTY of HIDALGO



EDINBURG, TEXAS 78539

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

January 4, 2017

The Honorable Ricardo Rodriguez, Jr.
Hidalgo County Criminal District Attorney
100 N. Closner, 3rd Floor
Edinburg, Texas 78539

Re: Review of *Hot Checks Processing Fees Reports* and Supporting Documentation
For the Month of November 2016

Dear Mr. Rodriguez:

We have conducted a limited scope review of the *Hot Checks Processing Fees Report (Processing Fees Report)* and all supporting documentation for the month of November 2016 pursuant to Local Government Code §115.002 (a) and (b). The objective of the review was to determine if collections were properly accounted and reported.

Scope:

The scope of our review was limited to collections reported by your office on the *Processing Fees Report* for the month of November 2016. 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, the *Processing Fees Report*, and fee schedules. The following procedures were performed:

- Reviewed the submittal date of the *Processing Fees Report* to the County Auditor's Office to determine if the report was received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Processing 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 *Processing Fees Report* by footing and cross-footing the report.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. ENGLEBERTY
JUDGE, 1st D.C.

RODOLFO DELBAZO
JUDGE, 1st D.C.

J. R. "BOBBY" FLORES
JUDGE, 1st D.C.

ROSE GUERRA PETA
JUDGE, 2nd D.C.

AMAR PARTIDA
JUDGE, 2nd D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 3rd D.C.

NOE GONZALEZ
JUDGE, 3rd D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 3rd D.C.

RENO VASQUEZ
JUDGE, 3rd D.C.

ISRAEL RAMOS, JR.
JUDGE, 4th D.C.

RENEE R. BETANCOURT
JUDGE, 4th D.C.

- Verified that the sequence of receipts and checks issued per the *Processing Fees Report* agreed to *Odyssey's DA Receipt Journal Report* and *Check Transaction Register Report*. In addition, verified that receipts and checks issued followed a sequential order.
- Verified collections and disbursements per the *Processing Fees Report* agreed to *Odyssey's Hot Checks Receipt Journal Report*.
- Verified that collections received from the Community Supervision and Corrections Department were receipted and included on the *Processing Fees Report*.
- Verified that the collections per the *Processing Fees Report* agreed to total receipts issued and the deposits made to the Hot Check bank account.
- Verified that the processing fees per the *Processing Fees Report* were remitted to the County Treasurer's Office in a timely manner.
- Verified that procedures for voided receipts and checks were properly followed.
- Reviewed a random sample of receipts to ensure processing and merchant fees were properly collected and reported as required by Code of Criminal Procedures §102.007 and Business and Commerce Code §3.506 (b) .
- Reviewed a random sample of receipts to determine if court costs collected were remitted to the applicable Justice of the Peace courts and receipted.

Conclusion:

Total collections for the month of November 2016 were \$122,084.41. Based on the results of the review, we have concluded that collections were generally properly accounted and reported. However, improvements could be made to the system of internal controls as noted in the following observation.

Observation No. 1:

We randomly selected 15 of 156 (10%) receipts issued during the period of review to determine if processing and merchant fees were properly collected and reported as required by Code of Criminal Procedures §102.007 and Business and Commerce Code § 3.506 (b).

The results of our review revealed that the processing and merchant fees were properly collected and reported. However, we noted that the District Attorney's Office does not have a formal policy that details the amount of merchant fee to be collected. According to the District Attorney's Office Accountant, a formal policy has been provided to legal for final approval.

Pursuant to Code of Criminal Procedures §102.007 (b), a District Attorney may collect a processing fee from any person who is a party to an offense described in Code of Criminal Procedures §102.007 (a). Pursuant to Code of Criminal Procedures 102.007 (c), the amount of the fee may not exceed:

- \$10 if the face amount of the check or sight order does not exceed \$10;
- \$15 if the face amount of the check or sight order is greater than \$10 but does not exceed \$100;
- \$30 if the face amount of the check or sight order is greater than \$100 but does not exceed \$300;
- \$50 if the face amount of the check or sight order is greater than \$300 but does not exceed \$500; and
- \$75 if the face amount of the check or sight order is greater than \$500.

Pursuant to Business and Commerce Code § 3.506 (b), on return of a payment device to the holder following dishonor of the payment device by a payor, the holder, the holder's assignee, agent, or representative, or any other person retained by the holder to seek collection of the face value of the dishonored payment device may charge the drawer or endorser a maximum (merchant) fee of \$30.

Recommendation:

Management should implement formal policies and procedures detailing the merchant fee to be collected pursuant to Business Commerce Code 3.506 (b).

Please provide a written management response to the observation noted above by January 13, 2017.

HIDALGO COUNTY DISTRICT JUDGES

LUIS H. SHOLETARY
JUDGE, 17th D.C.

RODOLFO DELGADO
JUDGE, 17th D.C.

J. R. "BOBBY" FLORES
JUDGE, 18th D.C.

ROSÉ GUERRA REYNA
JUDGE, 20th D.C.

AIAN R. PARTIDA
JUDGE, 21st D.C.

DANNO E. RAMIREZ, JR.
JUDGE, 22nd D.C.

NOE GONZALEZ
JUDGE, 23rd D.C.
CHIEF CLERK

LETICIA LOPEZ
JUDGE, 24th D.C.

RENZO VASQUEZ
JUDGE, 26th D.C.

ISRAEL RAMON, JR.
JUDGE, 43rd D.C.

RENÉE R. BETANCOURT
JUDGE, 46th D.C.

The Honorable Ricardo Rodriguez, Jr.
January 4, 2017
Page 3 of 3

If you should have any questions or would like to schedule a meeting to discuss this report, please do not hesitate to 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, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Mr. Valde Guerra, County Executive Office



HIDALGO COUNTY DISTRICT JUDGES

LUIS DE SMOLETTY
JUDGE, 1ST D.C.

RODOLFO DELAIDO
JUDGE, 1ST D.C.

J. R. "BOBBY" FLORES
JUDGE, 1ST D.C.

ROSE GUERRA REYNA
JUDGE, 2ND D.C.

JUAN R. PARTIDA
JUDGE, 2ND D.C.

SEARO E. RAMIREZ, JR.
JUDGE, 3RD D.C.

NOE BONZALEZ
JUDGE, 3RD D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 3RD D.C.

KENO VASQUEZ
JUDGE, 3RD D.C.

ISRAEL RAMON, JR.
JUDGE, 4TH D.C.

RENEE R. BETANCOURT
JUDGE, 4TH 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



EDINBURG, TEXAS 78539

February 1, 2017

The Honorable Ricardo Rodriguez, Jr.
Hidalgo County Criminal District Attorney
100 N. Clossner, 3rd Floor
Edinburg, Texas 78539

Re: Review of *Hot Checks Processing Fees Reports* and Supporting Documentation
For the Month of December 2016

Dear Mr. Rodriguez:

We have conducted a limited scope review of the *Hot Checks Processing Fees Report (Processing Fees Report)* and all supporting documentation for the month of December 2016 pursuant to Local Government Code §115.002 (a) and (b). The objective of the review was to determine if collections were properly accounted and reported.

Scope:

The scope of our review was limited to collections reported by your office on the *Processing Fees Report* for the month of December 2016. 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, the *Processing Fees Report*, and fee schedules. The following procedures were performed:

- Reviewed the submittal date of the *Processing Fees Report* to the County Auditor's Office to determine if the report was received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Processing 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 *Processing Fees Report* by footing and cross-footing the report.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 13TH D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

JUAN R. PARTIDA
JUDGE, 273TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 383TH D.C.

L. KENO VASQUEZ
JUDGE, 384TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 448TH D.C.

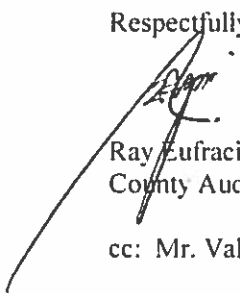
- Verified that the sequence of receipts and checks issued per the *Processing Fees Report* agreed to *Odyssey's DA Receipt Journal Report* and *Check Transaction Register Report*. In addition, verified that receipts and checks issued followed a sequential order.
- Verified collections and disbursements per the *Processing Fees Report* agreed to *Odyssey's Hot Checks Receipt Journal Report*.
- Verified that collections received from the Community Supervision and Corrections Department were received and included on the *Processing Fees Report*.
- Verified that the collections per the *Processing Fees Report* agreed to total receipts issued and the deposits made to the Hot Check bank account.
- Verified that the processing fees per the *Processing Fees Report* were remitted to the County Treasurer's Office in a timely manner.
- Verified that procedures for voided receipts and checks were properly followed.
- Reviewed a random sample of receipts to ensure processing and merchant fees were properly collected and reported as required by Code of Criminal Procedures §102.007 and Business and Commerce Code §3.506 (b) .
- Reviewed a random sample of receipts to determine if court costs collected were remitted to the applicable Justice of the Peace courts and receipted.

Conclusion:

Total collections for the month of December 2016 were \$77,351.05. Based on the results of the review, we have concluded that collections were generally properly accounted and reported.

If you should have any questions or concerns, please do not hesitate to call Reynaldo Cantu III, Internal Auditor II, at 318-2511 ext. 4653, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Zufracio, CPA
County Auditor

cc: Mr. Valde Guerra, County Executive Office

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

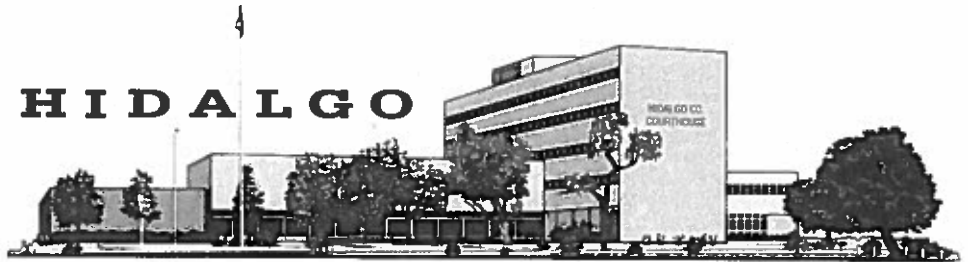
L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH 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



EDINBURG, TEXAS 78539

January 12, 2017

Honorable Ricardo Rodriguez, Jr.
Hidalgo County Criminal District Attorney
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

Re: Review of the Hot Checks Balance Sheet
For the month of October 2016

Dear Mr. Rodriguez:


We have conducted a limited scope review of the statements of net assets (balance sheets) and applicable supporting documentation of the Hot Checks Account for the month of October 2016 pursuant to Local Government Code §112.006 (b), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for the preparation of the financial statements and for designing, implementing, and maintaining internal control relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that there are no material modifications that need to be made to the financial statements.

Based on our review, we are not aware of any material modifications that should be made to the balance sheet and applicable supporting documentation.

If you should have any questions, do not hesitate to contact 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, Linda Fong, First Assistant Auditor, at ext. 4668, or me at 4604.

Respectfully,


Ray Eufrazio, CPA
County Auditor

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 13th D.C.

ROSE GUERRA REYNA
JUDGE, 20th D.C.

JUAN R. PARTIDA
JUDGE, 27th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 32nd D.C.

NOE GONZALEZ
JUDGE, 37th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38th D.C.

L. KENO VASQUEZ
JUDGE, 39th D.C.

ISRAEL RAMON, JR.
JUDGE, 43rd D.C.

RENEE R. BETANCOURT
JUDGE, 44th D.C.

COUNTY *of* HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE
Hidalgo County Administration Building
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Edinburg, Texas 78539-6243
PHONE: (956) 318-2511
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WEBSITE: www.co.hidalgo.tx.us/auditor



EDINBURG, TEXAS 78539

January 20, 2017

Honorable Ricardo Rodriguez, Jr.
Hidalgo County Criminal District Attorney
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

Re: Review of the Hot Checks Balance Sheet
For the month of November 2016

Dear Mr. Rodriguez:


We have conducted a limited scope review of the statements of net assets (balance sheets) and applicable supporting documentation of the Hot Checks Account for the month of November 2016 pursuant to Local Government Code §112.006 (b), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for the preparation of the financial statements and for designing, implementing, and maintaining internal control relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that there are no material modifications that need to be made to the financial statements.

Based on our review, we are not aware of any material modifications that should be made to the balance sheet and applicable supporting documentation.

If you should have any questions, do not hesitate to contact Reynaldo Cantu III, Internal Auditor II, at 318-2511 ext. 4653, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at 4604.

Respectfully,


Ray Eufrazio, CPA
County Auditor

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 13th D.C.

ROSE GUERRA REYNA
JUDGE, 20th D.C.

JUAN R. PARTIDA
JUDGE, 27th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 32nd D.C.

HOE GONZALEZ
JUDGE, 37th D.C.
OVERSEER

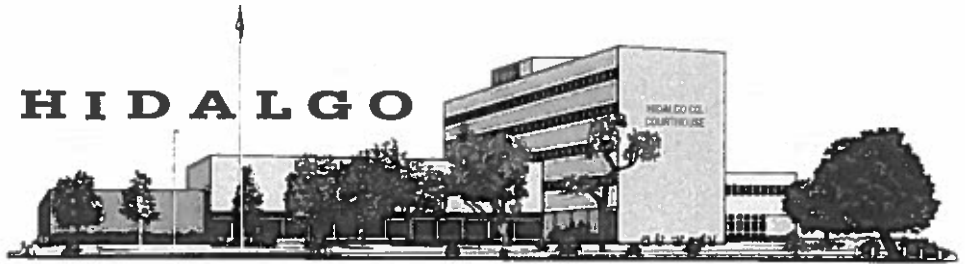
LETICIA LOPEZ
JUDGE, 34th D.C.

L. KENO VASQUEZ
JUDGE, 36th D.C.

ISRAEL RAMON, JR.
JUDGE, 43rd D.C.

REYEE R. BETANCOURT
JUDGE, 44th D.C.

COUNTY of HIDALGO



EDINBURG, TEXAS 78539

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

February 6, 2017

Honorable Ricardo Rodriguez, Jr.
Hidalgo County Criminal District Attorney
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

Re: Review of the Hot Checks Balance Sheet
For the month of December 2016

Dear Mr. Rodriguez:


We have conducted a limited scope review of the statements of net assets (balance sheets) and applicable supporting documentation of the Hot Checks Account for the month of December 2016 pursuant to Local Government Code §112.006 (b), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for the preparation of the financial statements and for designing, implementing, and maintaining internal control relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that there are no material modifications that need to be made to the financial statements.

Based on our review, the financial statements did not contain any material misstatements.

If you should have any questions, do not hesitate to contact Reynaldo Cantu III, Internal Auditor II, at 318-2511 ext. 4653, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at 4604.

Respectfully,


Ray Eufrazio, CPA
County Auditor

Cc: Rosalinda Cantu, Human Resources Coordinator, District Attorney's Office

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 93rd D.C.

J. R. "BOBBY" FLORES
JUDGE, 119th D.C.

ROSE GUERRA REYNA
JUDGE, 206th D.C.

JUAN R. PARTIDA
JUDGE, 273rd D.C.

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JUDGE, 379th D.C.
OVERSEER

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ISRAEL RAMON, JR.
JUDGE, 430th D.C.

RENEE R. BETANCOURT
JUDGE, 448th D.C.

COUNTY of HIDALGO

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EDINBURG, TEXAS 78539

January 27, 2017

Honorable Ricardo Rodriguez, Jr.
Hidalgo County Criminal District Attorney
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

Re: Review of the H.B. 65 Financial Statements
For the month of November 2016

Dear Mr. Rodriguez:

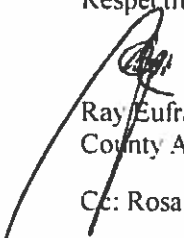
We conducted a limited scope review of the H.B. 65 financial statements for the month of November 2016 pursuant to Local Government Code §112.006 (b), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for the preparation of the financial statements and for designing, implementing, and maintaining internal control relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that there are no material modifications that need to be made to the financial statements.

Based on our review, the financial statements did not contain any material misstatements.

If you should have any questions, do not hesitate to contact Reynaldo Cantu III, Internal Auditor II, at 318-2511 ext. 4653, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, or Arcy B. Duran, CPA, Director of Audit, at ext. 4645. Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,


Ray Eufracio, CPA
County Auditor

Cc: Rosalinda Cantu, Human Resources Coordinator, District Attorney's Office

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

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JUDGE, 13th D.C.

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JUDGE, 43rd D.C.

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EDINBURG, TEXAS 78539

February 6, 2017

Honorable Ricardo Rodriguez, Jr.
Hidalgo County Criminal District Attorney
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

Re: Review of the H.B. 65 Financial Statements
For the month of December 2016

Dear Mr. Rodriguez:


We conducted a limited scope review of the H.B. 65 financial statements for the month of December 2016 pursuant to Local Government Code §112.006 (b), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for the preparation of the financial statements and for designing, implementing, and maintaining internal control relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that there are no material modifications that need to be made to the financial statements.

Based on our review, the financial statements did not contain any material misstatements.

If you should have any questions, do not hesitate to contact Reynaldo Cantu III, Internal Auditor II, at 318-2511 ext. 4653, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, or Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,


Ray Lufracio, CPA
County Auditor

cc: Rosalinda Cantu, Human Resources Coordinator, District Attorney's Office

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 92nd D.C.

RODOLFO DELGADO
JUDGE, 93rd D.C.

J R. BOBBY FLORES
JUDGE, 139th D.C.

ROSIE GUERRA REYNA
JUDGE, 204th D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332nd D.C.

NOE GONZALEZ
JUDGE, 370th D.C.
OVERSEER

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JUDGE, 389th D.C.

L. KENO VASQUEZ
JUDGE, 394th D.C.

ISRAEL RAMON JR.
JUDGE, 430th D.C.

RENEE R. BETANCOUR
JUDGE, 448th D.C.

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EDINBURG, TEXAS 78539

February 6, 2017

Honorable Ricardo Rodriguez, Jr.
Hidalgo County Criminal District Attorney
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

Re: Review of the HIDTA Financial Statements
For the month of December 2016

Dear Mr. Rodriguez:

We conducted a limited scope review of the HIDTA H.B. 65 (Chapter 59) financial statements for the month of December 2016 pursuant to Local Government Code §112.006 (b), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for the preparation of the financial statements and for designing, implementing, and maintaining internal control relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that there are no material modifications that need to be made to the financial statements.

Based on our review, the financial statements did not contain any material misstatements. However, we noted that the system of internal controls for the accounting of funds requires improvements as noted below:

1. HIDTA Task Force Bank Account

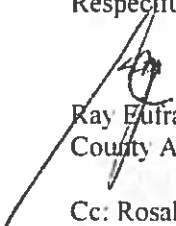
The District Attorney's Office maintains two bank accounts to deposit funds seized by law enforcement agencies once a final disposition is rendered. The HIDTA Task Force bank account is utilized to deposit funds seized by HIDTA, while the District Attorney's HB65 (Chapter 59) bank account is utilized to deposit funds seized by all other law enforcement agencies.

In order to minimize the DA's bank accounts, we recommend that the HIDTA Task Force bank account be closed unless an agreement exists requiring HIDTA to maintain a separate bank account. Funds seized by HIDTA should be deposited to the District Attorney's HB65 bank account once a final disposition is rendered.

Please provide a management response to item 1 above by February 24, 2017.

If you should have any questions, do not hesitate to contact Reynaldo Cantu III, Internal Auditor II, at 318-2511 ext. 4653. Letty Chavez, Compliance Audit Supervisor, at ext. 4651. Arcy B. Duran, CPA, Director of Audit, at ext. 4645. Linda Fong, First Assistant Auditor, at ext. 4668. or me at ext. 4604.

Respectfully,


Ray Eufrazio, CPA
County Auditor

Cc: Rosalinda Cantu, Human Resources Coordinator, District Attorney's Office

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

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JUDGE, 275TH D.C.

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JUDGE, 370TH D.C.
OVERSEER

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JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 449TH 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



EDINBURG, TEXAS 78539

February 1, 2017

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 - December 2016
Report No. 2017-12

Dear Mr. Villarreal:

We have completed a limited scope review of the December 2016 payment request prepared by your office for delinquent tax attorney (DTA) fees due to Linebarger, Goggan, Blair, and Sampson LLP ("LGBS") 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 December 31, 2016. The County Auditor's Office did not review the tax accounts listed on the "Hidalgo County Tax Office Prior Collection Report" that reflected a refund since LGBS stated that they would not seek reimbursement for DTA fees previously paid to the prior DTA firm. 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 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 December 2016."
- Reviewed the "Hidalgo County Tax Office Prior Collection Report" to determine if the DTA fees were collected at the 15% rate specified in the contract.
- Reviewed the "Hidalgo County Tax Office Prior Collection Report" to determine if the total amount of DTA fees collected agree to the amount transferred to the Hidalgo County Treasurer's Office.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SMOLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

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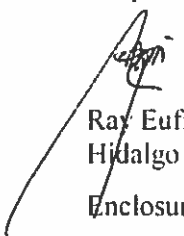
The results of our review revealed that the payment request was generally accurate and properly authorized. More specifically, the following was noted:

- The payment request 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 December 2016."
- Although DTA fees for 203 tax accounts were not collected at the 15% rate specified in the contract; we concluded that the differences in rates were attributed to tax deferrals (198 tax accounts) and small amounts collected (5 tax accounts) (see Exhibit A). The small amounts collected on the 5 tax account resulted in a net overage of \$.01.

We will proceed to process the December 2016 DTA payment request in the amount of \$115,531.39 to LGBS.

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, Linda Fong, First Assistant Auditor at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
Hidalgo County Auditor

Enclosures

cc: Ms. Lucy Canales, Linebarger Goggan Blair & Sampson, LLP

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 97th D.C.

RODOLFO DELGADO
JUDGE, 93rd D.C.

J. R. "BOBBY" FLORES
JUDGE, 139th D.C.

ROSE GUERRA REYNA
JUDGE, 206th D.C.

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L. KENO VASQUEZ
JUDGE, 396th D.C.

ISRAEL RAMON, JR.
JUDGE, 430th D.C.

RENEE R. BETANCOURT
JUDGE, 448th D.C.

Exhibit A

| | Tax Unit | Year | Account No. | Levy Paid | Penalty/Interest Paid | Subtotal Paid | Attorney Paid |
|----|-----------------|-------------|--------------------|------------------|------------------------------|----------------------|----------------------|
| 1 | 1 | 2015 | H440000000011400 | 0.36 | 0.09 | 0.45 | 0.06 |
| 2 | 1 | 2015 | B365000006000100 | 0.13 | 0.03 | 0.16 | 0.03 |
| 3 | 1 | 2014 | K867001000002300 | 263.83 | 83.55 | 347.38 | 49.47 |
| 4 | 1 | 2014 | G120003000011900 | 96.74 | 29.99 | 126.73 | 17.85 |
| 5 | 1 | 2014 | C675000002001800 | 38.56 | 12.47 | 51.03 | 7.34 |
| 6 | 1 | 2014 | C260000001001400 | 33.87 | 10.73 | 44.6 | 6.35 |
| 7 | 1 | 2014 | H120000066001400 | 19.12 | 5.67 | 24.79 | 3.41 |
| 8 | 1 | 2014 | E370000005000100 | 17.26 | 5.58 | 22.84 | 3.29 |
| 9 | 1 | 2014 | B157005000013300 | 17.11 | 5.3 | 22.41 | 3.16 |
| 10 | 1 | 2014 | B157005000013300 | 17.12 | 5.3 | 22.42 | 3.16 |
| 11 | 1 | 2014 | P200000019002400 | 8.35 | 2.62 | 10.97 | 1.55 |
| 12 | 1 | 2013 | E370000005000100 | 87.32 | 38.71 | 126.03 | 18.21 |
| 13 | 1 | 2013 | C980000002000111 | 24.23 | 9.62 | 33.85 | 4.54 |
| 14 | 1 | 2013 | C465000000000500 | 17.72 | 6.6 | 24.32 | 3.13 |
| 15 | 1 | 2013 | D780000003000800 | 14.9 | 5.81 | 20.71 | 2.75 |
| 16 | 1 | 2013 | E330000380000400 | 5.88 | 2.51 | 8.39 | 1.2 |
| 17 | 1 | 2013 | P320002006001200 | 3.8 | 1.47 | 5.27 | 0.69 |
| 18 | 1 | 2013 | S397501000001900 | 0.39 | 0.18 | 0.57 | 0.08 |
| 19 | 1 | 2013 | A690001002001300 | 0.15 | 0.08 | 0.23 | 0.04 |
| 20 | 1 | 2012 | A180000028000609 | 148.08 | 67.13 | 215.21 | 26.21 |
| 21 | 1 | 2012 | P927701000001600 | 124.82 | 62.83 | 187.65 | 24.9 |
| 22 | 1 | 2012 | W010000037000218 | 122.43 | 56.32 | 178.75 | 22.04 |
| 23 | 1 | 2012 | T260000000000402 | 35.77 | 16.21 | 51.98 | 6.33 |
| 24 | 1 | 2012 | W380000392000006 | 18.35 | 9.73 | 28.08 | 3.88 |
| 25 | 1 | 2012 | A080000000102515 | 18.88 | 8.69 | 27.57 | 3.4 |
| 26 | 1 | 2012 | H302000000003900 | 14.71 | 6.87 | 21.58 | 2.69 |
| 27 | 1 | 2012 | S359302000005300 | 7.85 | 4.29 | 12.14 | 1.74 |
| 28 | 1 | 2012 | S367500007000600 | 7.55 | 3.85 | 11.4 | 1.53 |
| 29 | 1 | 2012 | E330000380000400 | 5.21 | 2.85 | 8.06 | 1.16 |
| 30 | 1 | 2012 | P927701000001600 | -124.82 | -62.83 | -187.65 | -24.9 |
| 31 | 1 | 2011 | V333000000002000 | 136.92 | 77.13 | 214.05 | 26.08 |
| 32 | 1 | 2011 | F345000155000600 | 136.11 | 75.77 | 211.88 | 25.52 |
| 33 | 1 | 2011 | A180000064001602 | 62.6 | 42.57 | 105.17 | 15.21 |
| 34 | 1 | 2011 | L313002000008200 | 43.03 | 23.94 | 66.97 | 8.06 |
| 35 | 1 | 2011 | V089500000006500 | 29.88 | 19.51 | 49.39 | 6.9 |
| 36 | 1 | 2011 | W010000037000218 | 25.1 | 14.56 | 39.66 | 4.97 |
| 37 | 1 | 2011 | N861301000000900 | 20.12 | 13.01 | 33.13 | 4.65 |
| 38 | 1 | 2011 | A180000028000609 | 19.16 | 10.99 | 30.15 | 3.74 |
| 39 | 1 | 2011 | N486000000002300 | 16.39 | 10.33 | 26.72 | 3.61 |
| 40 | 1 | 2011 | M155000000005100 | 13.95 | 8.79 | 22.74 | 3.07 |
| 41 | 1 | 2011 | V089500000006500 | 9.96 | 6.5 | 16.46 | 2.3 |
| 42 | 1 | 2011 | S130000003000900 | 11.66 | 6.49 | 18.15 | 2.18 |
| 43 | 1 | 2011 | C162700000003600 | 3.87 | 2.17 | 6.04 | 0.73 |
| 44 | 1 | 2011 | M71200000000200 | 0.67 | 0.36 | 1.03 | 0.16 |
| 45 | 1 | 2011 | A210000048001001 | 0.51 | 0.32 | 0.83 | 0.11 |

Exhibit A

| | Tax Unit | Year | Account No. | Levy Paid | Penalty/Interest Paid | Subtotal Paid | Attorney Paid |
|----|-----------------|-------------|--------------------|------------------|------------------------------|----------------------|----------------------|
| 46 | 1 | 2011 | P407097000014005 | 0.07 | 0.04 | 0.11 | 0.01 |
| 47 | 1 | 2011 | V0895000000006500 | -29.88 | -19.51 | -49.39 | -6.9 |
| 48 | 1 | 2010 | C980000001000740 | 180.59 | 121.6 | 302.19 | 36.84 |
| 49 | 1 | 2010 | M1850000000000500 | 79.62 | 49.63 | 129.25 | 14.45 |
| 50 | 1 | 2010 | V056000000012800 | 57.72 | 39.26 | 96.98 | 11.95 |
| 51 | 1 | 2010 | V056000000012800 | 57.73 | 39.25 | 96.98 | 11.95 |
| 52 | 1 | 2010 | F345000155000600 | 57.51 | 38.92 | 96.43 | 11.82 |
| 53 | 1 | 2010 | N860000002005200 | 44.94 | 31.16 | 76.1 | 9.57 |
| 54 | 1 | 2010 | S477000000040600 | 29.24 | 20.57 | 49.81 | 6.36 |
| 55 | 1 | 2010 | W340000000000800 | 21.01 | 16.8 | 37.81 | 5.48 |
| 56 | 1 | 2010 | S477000000041500 | 21.07 | 16.65 | 37.72 | 5.4 |
| 57 | 1 | 2010 | N486000000002300 | 8.81 | 6.61 | 15.42 | 2.1 |
| 58 | 1 | 2010 | L198000000000800 | 8.7 | 6.15 | 14.85 | 1.91 |
| 59 | 1 | 2010 | M578500000007200 | 7.03 | 5.31 | 12.34 | 1.7 |
| 60 | 1 | 2010 | A210000048001001 | 0.82 | 0.62 | 1.44 | 0.2 |
| 61 | 1 | 2009 | V360000001006500 | 183.86 | 130.54 | 314.4 | 33.92 |
| 62 | 1 | 2009 | N340000000303513 | 53.04 | 44.19 | 97.23 | 12.73 |
| 63 | 1 | 2009 | L450003000008600 | 35.33 | 29.09 | 64.42 | 8.32 |
| 64 | 1 | 2009 | P927701000001700 | 45.28 | 31.99 | 77.27 | 8.29 |
| 65 | 1 | 2009 | N861301000009900 | 17.56 | 15.16 | 32.72 | 4.45 |
| 66 | 1 | 2009 | B190040000004900 | 13.74 | 10.54 | 24.28 | 2.89 |
| 67 | 1 | 2009 | A35000003001200 | 11.01 | 8.87 | 19.88 | 2.51 |
| 68 | 1 | 2009 | B158504000009200 | 11.51 | 8.97 | 20.48 | 2.48 |
| 69 | 1 | 2009 | P927701000001700 | -45.28 | -31.99 | -77.27 | -8.29 |
| 70 | 1 | 2009 | L450003000008600 | -35.33 | -29.09 | -64.42 | -8.32 |
| 71 | 1 | 2008 | H350000003000500 | 229.15 | 232.2 | 461.35 | 66.68 |
| 72 | 1 | 2008 | V360000001006500 | 200.08 | 166.07 | 366.15 | 40.52 |
| 73 | 1 | 2008 | P927701000001700 | 27.57 | 22.8 | 50.37 | 5.54 |
| 74 | 1 | 2008 | E583002000000100 | 17.45 | 17.32 | 34.77 | 4.81 |
| 75 | 1 | 2008 | M059002000001100 | 14.39 | 13.19 | 27.58 | 3.47 |
| 76 | 1 | 2007 | H350000003000500 | 371.06 | 420.53 | 791.59 | 114.66 |
| 77 | 1 | 2007 | G74000600B000100 | 130.7 | 129.39 | 260.09 | 31.17 |
| 78 | 1 | 2007 | O210000005000035 | 96.83 | 106.2 | 203.03 | 27.74 |
| 79 | 1 | 2007 | O210000005000035 | 96.84 | 106.19 | 203.03 | 27.74 |
| 80 | 1 | 2007 | P640000026000400 | 80.87 | 74.41 | 155.28 | 16.74 |
| 81 | 1 | 2007 | E43100000000200 | 44.09 | 43.64 | 87.73 | 10.51 |
| 82 | 1 | 2007 | C655000004000800 | 38.33 | 36.93 | 75.26 | 8.68 |
| 83 | 1 | 2007 | N135000000003400 | 26.75 | 25.59 | 52.34 | 5.98 |
| 84 | 1 | 2007 | N580000004001500 | 9.88 | 9.8 | 19.68 | 2.37 |
| 85 | 1 | 2007 | B505000015001100 | 8.88 | 8.32 | 17.2 | 1.9 |
| 86 | 1 | 2007 | E43100000000200 | -44.09 | -43.64 | -87.73 | -10.51 |
| 87 | 1 | 2006 | V360000001006500 | 153.64 | 164.4 | 318.04 | 36.64 |
| 88 | 1 | 2006 | J816500000000300 | 82.36 | 88.69 | 171.05 | 19.89 |
| 89 | 1 | 2006 | C211000000002600 | 46.9 | 44.56 | 91.46 | 8.65 |
| 90 | 1 | 2006 | P927701000001600 | 19.22 | 23.5 | 42.72 | 5.91 |

Exhibit A

| | Tax Unit | Year | Account No. | Levy Paid | Penalty/Interest Paid | Subtotal Paid | Attorney Paid |
|-----|-----------------|-------------|--------------------|------------------|------------------------------|----------------------|----------------------|
| 91 | 1 | 2006 | M015000067001405 | 28.22 | 26.79 | 55.01 | 5.2 |
| 92 | 1 | 2006 | L672500000014000 | 12.7 | 15.31 | 28.01 | 3.81 |
| 93 | 1 | 2006 | B156007000004400 | 8.92 | 9.15 | 18.07 | 1.95 |
| 94 | 1 | 2006 | E720000016001200 | 9.64 | 9.16 | 18.8 | 1.78 |
| 95 | 1 | 2006 | N135000000003400 | 4.63 | 4.98 | 9.61 | 1.12 |
| 96 | 1 | 2006 | C211000000002600 | -46.9 | -44.56 | -91.46 | -8.65 |
| 97 | 1 | 2005 | I210000000000800 | 41.52 | 56.05 | 97.57 | 13.64 |
| 98 | 1 | 2005 | S367500002000800 | 37.02 | 38.15 | 75.17 | 6.83 |
| 99 | 1 | 2005 | B158003004001600 | 16.46 | 22.67 | 39.13 | 5.6 |
| 100 | 1 | 2005 | N120003000001025 | 18.94 | 23.48 | 42.42 | 5.29 |
| 101 | 1 | 2005 | M475000002001600 | 6.25 | 7.36 | 13.61 | 1.57 |
| 102 | 1 | 2005 | R225001003001900 | 3.01 | 3.49 | 6.5 | 0.73 |
| 103 | 1 | 2004 | G230000001000900 | 88.15 | 104.9 | 193.05 | 19.44 |
| 104 | 1 | 2004 | C211000000002600 | 40.63 | 48.36 | 88.99 | 8.96 |
| 105 | 1 | 2004 | M355000119001100 | 20.27 | 30.46 | 50.73 | 7.32 |
| 106 | 1 | 2004 | E431000000000200 | 24.91 | 33.62 | 58.53 | 7.29 |
| 107 | 1 | 2004 | I210000000000800 | 20.51 | 30.15 | 50.66 | 7.11 |
| 108 | 1 | 2004 | H365003000001100 | 24.54 | 31.75 | 56.29 | 6.55 |
| 109 | 1 | 2004 | O540000004000500 | 28.13 | 31.21 | 59.34 | 5.19 |
| 110 | 1 | 2004 | G160000000003100 | 18.71 | 22.28 | 40.99 | 4.13 |
| 111 | 1 | 2004 | G450000000000900 | 14.18 | 17.53 | 31.71 | 3.42 |
| 112 | 1 | 2004 | M355000150002100 | 2.16 | 3.04 | 5.2 | 0.68 |
| 113 | 1 | 2004 | H520003000005600 | 1.06 | 1.42 | 2.48 | 0.3 |
| 114 | 1 | 2004 | S725002008000200 | 0.65 | 0.88 | 1.53 | 0.19 |
| 115 | 1 | 2003 | S575001003000100 | 96.46 | 137.29 | 233.75 | 27.93 |
| 116 | 1 | 2003 | G230000001000900 | 94.94 | 124.37 | 219.31 | 22.64 |
| 117 | 1 | 2003 | S52500144A000900 | 42 | 56.71 | 98.71 | 10.78 |
| 118 | 1 | 2003 | M015000067001405 | 34.7 | 45.45 | 80.15 | 8.28 |
| 119 | 1 | 2003 | G230000001000900 | 30.98 | 40.59 | 71.57 | 7.39 |
| 120 | 1 | 2003 | D780000009000600 | 25.7 | 33.66 | 59.36 | 6.13 |
| 121 | 1 | 2003 | L080000009000402 | 28.47 | 33.88 | 62.35 | 5.25 |
| 122 | 1 | 2003 | T500001004002400 | 22.97 | 28.26 | 51.23 | 4.65 |
| 123 | 1 | 2003 | W230000052000300 | 8.42 | 13.14 | 21.56 | 2.96 |
| 124 | 1 | 2003 | D780000009000600 | 10.96 | 14.37 | 25.33 | 2.61 |
| 125 | 1 | 2003 | E431000000000200 | 7.71 | 11.33 | 19.04 | 2.39 |
| 126 | 1 | 2002 | G230000001000900 | 267.91 | 383.12 | 651.03 | 68.72 |
| 127 | 1 | 2002 | T500001004002400 | 209.34 | 282.61 | 491.95 | 46.16 |
| 128 | 1 | 2002 | S575001003000100 | 106.54 | 164.43 | 270.97 | 32.76 |
| 129 | 1 | 2002 | L080000009000402 | 80.54 | 105.51 | 186.05 | 16.31 |
| 130 | 1 | 2002 | D780000009000600 | 51.96 | 73.94 | 125.9 | 13.32 |
| 131 | 1 | 2002 | D780000009000600 | 27.54 | 39.38 | 66.92 | 7.06 |
| 132 | 1 | 2002 | R106000000003400 | 23.45 | 35.47 | 58.92 | 6.89 |
| 133 | 1 | 2002 | R106000000003400 | 23.45 | 35.47 | 58.92 | 6.89 |
| 134 | 1 | 2002 | H265000007003500 | 16.01 | 22.25 | 38.26 | 3.82 |
| 135 | 1 | 2002 | D780000009000600 | 13.86 | 19.72 | 33.58 | 3.55 |

Exhibit A

| | Tax Unit | Year | Account No. | Levy Paid | Penalty/Interest Paid | Subtotal Paid | Attorney Paid |
|-----|-----------------|-------------|--------------------|------------------|------------------------------|----------------------|----------------------|
| 136 | 1 | 2002 | G212000000006200 | 10.25 | 13.84 | 24.09 | 2.26 |
| 137 | 1 | 2002 | S170002063000100 | 4.75 | 6.41 | 11.16 | 1.05 |
| 138 | 1 | 2002 | B505000015000600 | 2.65 | 3.59 | 6.24 | 0.59 |
| 139 | 1 | 2002 | H265000007003500 | -16.01 | -22.25 | -38.26 | -3.82 |
| 140 | 1 | 2001 | S575001003000100 | 87.36 | 145.31 | 232.67 | 28.44 |
| 141 | 1 | 2001 | L080000009000402 | 70.23 | 100.43 | 170.66 | 15.49 |
| 142 | 1 | 2001 | C655000004000800 | 24.19 | 40.72 | 64.91 | 8.09 |
| 143 | 1 | 2001 | R015000000009700 | 17.72 | 26.78 | 44.5 | 4.55 |
| 144 | 1 | 2001 | V382000000000100 | 17.3 | 25.4 | 42.7 | 4.12 |
| 145 | 1 | 2001 | G212000000006200 | 17.12 | 25.17 | 42.29 | 4.08 |
| 146 | 1 | 2001 | K240000000011314 | 9.52 | 16.88 | 26.4 | 3.66 |
| 147 | 1 | 2001 | K240000000011314 | 9.49 | 16.91 | 26.4 | 3.65 |
| 148 | 1 | 2001 | K240000000011314 | 9.46 | 16.95 | 26.41 | 3.63 |
| 149 | 1 | 2001 | V358000000000700 | 7.5 | 13.93 | 21.43 | 3.1 |
| 150 | 1 | 2001 | R015000000009700 | 6.62 | 9.98 | 16.6 | 1.7 |
| 151 | 1 | 2001 | V382000000000100 | 6.93 | 10.18 | 17.11 | 1.65 |
| 152 | 1 | 2001 | S415002008001000 | 6.27 | 8.46 | 14.73 | 1.16 |
| 153 | 1 | 2000 | S575001003000100 | 84.2 | 150.16 | 234.36 | 28.92 |
| 154 | 1 | 2000 | S395000002000401 | 29.45 | 49.19 | 78.64 | 8.62 |
| 155 | 1 | 2000 | C655000004000800 | 23.32 | 42.05 | 65.37 | 8.22 |
| 156 | 1 | 2000 | S477000000009500 | 17.98 | 27.87 | 45.85 | 4.29 |
| 157 | 1 | 2000 | L080000009000402 | 17.35 | 26.9 | 44.25 | 4.14 |
| 158 | 1 | 2000 | W010000044001052 | 13.18 | 20.95 | 34.13 | 3.38 |
| 159 | 1 | 2000 | R015000000009700 | 9.67 | 15.77 | 25.44 | 2.66 |
| 160 | 1 | 2000 | G040000006000100 | 4.99 | 9.53 | 14.52 | 2 |
| 161 | 1 | 2000 | V382000000000100 | 4.78 | 7.6 | 12.38 | 1.23 |
| 162 | 1 | 2000 | M687000000002600 | 2.46 | 3.99 | 6.45 | 0.67 |
| 163 | 1 | 2000 | M687000000002600 | 2.46 | 3.99 | 6.45 | 0.67 |
| 164 | 1 | 1999 | S575001003000100 | 75.12 | 142.98 | 218.1 | 27.16 |
| 165 | 1 | 1999 | H345000000001400 | 40.38 | 74.05 | 114.43 | 13.33 |
| 166 | 1 | 1999 | C655000004000800 | 20.8 | 40.01 | 60.81 | 7.71 |
| 167 | 1 | 1999 | R230002000003900 | 20.15 | 36.08 | 56.23 | 6.26 |
| 168 | 1 | 1999 | L314000000003500 | 23.56 | 38.56 | 62.12 | 5.69 |
| 169 | 1 | 1999 | V382000000006900 | 9.07 | 18.48 | 27.55 | 3.83 |
| 170 | 1 | 1999 | T685000000005800 | 6.77 | 12.65 | 19.42 | 2.35 |
| 171 | 1 | 1998 | S575001003000100 | 75.12 | 151.99 | 227.11 | 28.51 |
| 172 | 1 | 1998 | H345000000001400 | 50.44 | 98.53 | 148.97 | 17.55 |
| 173 | 1 | 1998 | L505000000013400 | 11.92 | 19.44 | 31.36 | 2.41 |
| 174 | 1 | 1998 | L314000000003500 | 5.99 | 10.52 | 16.51 | 1.55 |
| 175 | 1 | 1998 | C700000006000500 | 2 | 3.46 | 5.46 | 0.49 |
| 176 | 1 | 1998 | C655000004000800 | 0.23 | 0.48 | 0.71 | 0.09 |
| 177 | 1 | 1997 | H345000000001400 | 53.6 | 111.13 | 164.73 | 19.62 |
| 178 | 1 | 1997 | E540000042001100 | 18.58 | 34.02 | 52.6 | 4.77 |
| 179 | 1 | 1997 | S735000006000700 | 6.79 | 13.76 | 20.55 | 2.35 |
| 180 | 1 | 1997 | S170003007001200 | 3.47 | 6.62 | 10.09 | 1.01 |

Exhibit A

| | Tax Unit | Year | Account No. | Levy Paid | Penalty/Interest Paid | Subtotal Paid | Attorney Paid |
|-----|-----------------|-------------|--------------------|------------------|------------------------------|----------------------|----------------------|
| 181 | 1 | 1997 | L505000000013400 | 3.06 | 5.36 | 8.42 | 0.68 |
| 182 | 1 | 1996 | H345000000001400 | 29.57 | 64.87 | 94.44 | 11.36 |
| 183 | 1 | 1996 | H345000000001400 | 22.98 | 50.4 | 73.38 | 8.82 |
| 184 | 1 | 1996 | G590001004002100 | 9.86 | 18.85 | 28.71 | 2.54 |
| 185 | 1 | 1995 | R026300000001100 | 12.77 | 31.3 | 44.07 | 5.93 |
| 186 | 1 | 1994 | A210000051001900 | 16.39 | 37.86 | 54.25 | 5.97 |
| 187 | 1 | 1994 | S595000027000512 | 10.2 | 23.13 | 33.33 | 3.53 |
| 188 | 1 | 1993 | E330000346000900 | 3.42 | 8.16 | 11.58 | 1.25 |
| 189 | 1 | 1990 | L255001005001900 | 4.34 | 13.51 | 17.85 | 2.53 |
| 190 | 1 | 1988 | P240000004001800 | 28.78 | 86.06 | 114.84 | 13.09 |
| 191 | 12 | 1999 | H345000000001400 | 1 | 1.81 | 2.81 | 0.32 |
| 192 | 12 | 1998 | H345000000001400 | 2.2 | 4.29 | 6.49 | 0.77 |
| 193 | 12 | 1997 | H345000000001400 | 2.6 | 5.39 | 7.99 | 0.95 |
| 194 | 12 | 1996 | H345000000001400 | 2.82 | 6.19 | 9.01 | 1.08 |
| 195 | 12 | 1996 | G590001004002100 | 0.52 | 1 | 1.52 | 0.14 |
| 196 | 17 | 1993 | E330000346000900 | 0.05 | 0.09 | 0.14 | 0.02 |
| 197 | 1 | 2002 | F675006000001900 | 36 | 54.96 | 90.96 | 10.8 |
| 198 | 1 | 2000 | T527002000004100 | 1.72 | 3.13 | 4.85 | 0.61 |
| 199 | 12 | 1995 | W010000023000416 | 0.6 | 1.54 | 2.14 | 0.31 |
| 200 | 1 | 2012 | L010000000001100 | 60.49 | 33.47 | 93.96 | 13.43 |
| 201 | 1 | 2012 | D520003003000300 | 61.26 | 28.59 | 89.85 | 11.21 |
| 202 | 1 | 2010 | L319000006001700 | 9.04 | 5.77 | 14.81 | 1.73 |
| 203 | 1 | 2009 | B355002000004800 | 70.65 | 51.11 | 121.76 | 13.46 |

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



EDINBURG, TEXAS 78539

January 25, 2017

Richard Hinojosa, City Manager
City of Edinburg
415 W. University Drive
Edinburg, Texas 78541

Re: Reinvestment Zone No. 1, Edinburg, Texas, The Shoppes (THEB2)
Report No. 2016-29

Dear Mr. Hinojosa:

We conducted a limited scope review of the interlocal agreement between the City of Edinburg, Texas, Hidalgo County, Texas and Reinvestment Zone (TIRZ) No. 1, City of Edinburg, Texas. The objectives of the review were to determine the accuracy of the Edinburg TIRZ No. 1 2015-2016 (collections from February 1, 2015 through January 31, 2016) payment amount and compliance with Section 3 (b) and Tax Code § 311.016 regarding completion of the Edinburg TIRZ No. 1 annual report.

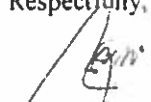
The scope of the review was limited to the TIRZ tax accounts coded THEB2 by the Appraisal District for tax year 2015 and prior. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented 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 the review revealed the following:

1. The County Auditor's Office determined that the amount due to City of Edinburg TIRZ No. 1 for collections that occurred between February 1, 2015 through January 31, 2016 for tax year 2015 and prior years is \$186,927.57 (see Exhibit A).
2. The annual report, fact sheet, and annual financial review were submitted in compliance with Section 3 (b) and Tax Code §311.016. According to the Edinburg TIRZ No. 1, they did not have any contracts with disadvantaged businesses; therefore, the applicable report was not provided.

If you have any questions, feel free to call Reynaldo Cantu III, Internal Auditor I, at 318-2511 ext. 4653, Letty Chavez, Compliance Audit Supervisor, ext. 4651. Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, 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

DAIS SINGLETERRY
JUDGE, 12TH D.C.

RODOLFO DELJADO
JUDGE, 13TH D.C.

J. R. "BOBBY" NLORES
JUDGE, 13TH D.C.

ROSAL GUERRA RIFYNA
JUDGE, 20TH D.C.

JUAN R. PARTIDA
JUDGE, 27TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 32ND D.C.

NOE GONZALEZ
JUDGE, 37TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38TH D.C.

L. KENO VASQUEZ
JUDGE, 39TH D.C.

ISRAEL RAMON, JR.
JUDGE, 43RD D.C.

RENEE R. BETANCOURT
JUDGE, 44TH D.C.

EXHIBIT A

2015-2016 Edinburg TIRZ No. 1 - The Shoppes Payment

| Tax Increment Reinvestment Zone (TIRZ) Payment Calculation | Edinburg TIRZ No. 1 Calculation 2014 | Edinburg TIRZ No. 1 Calculation 2015 | Total |
|--|---|---|----------------------|
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) <i>(Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)</i> | \$ 43,630,130.00 0.0059 | \$ 43,630,130.00 0.0059 | |
| GHD Actual Tax Levy for all real property tax accounts located within the TIRZ | \$ 257,417.77 | \$ 257,417.77 | |
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) | \$ 43,630,130.00 | \$ 43,630,130.00 | |
| <i>(Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)</i> | \$ 3,497,400.00 | \$ 3,497,400.00 | |
| Captured Appraised Value | \$ 40,132,730.00 | \$ 40,132,730.00 | |
| <i>(Multiplied by) Contribution Rate (88% of County Rate not to exceed current years M&O rate) (.5107/100)</i> | 0.005107 | 0.005107 | |
| Tax Levy Due to TIRZ | \$ 204,957.85 | \$ 204,957.85 | |
| TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office | \$ 2,766.27 | \$ 217,619.25 | |
| <i>(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ</i> | \$ 257,417.77 | \$ 257,417.77 | |
| Percent Collected of Actual Levy | 1.0000% | 85.0000% | |
| Tax Levy Due to TIRZ <i>(Multiplied by) Percent Collected of Actual Levy</i> | \$ 204,957.85 1.0000% | \$ 204,957.85 85.0000% | |
| <i>(Less) Adjustments **</i> | \$ 2,049.58 | \$ 174,214.17 | |
| <i>(Less) Adjustments **</i> | \$ - | \$ - | |
| <i>(Less) Adjustments **</i> | \$ - | \$ - | |
| 2015-2016 TIRZ PAYMENT AMOUNT | \$ 2,049.58 | \$ 174,214.17 | \$ 176,263.75 |

** 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 Calculation for Tax Year 2014 | County Auditor's Calculation for Tax Year 2015 | Total |
|--|--|--|----------------------|
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) <i>(Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)</i> | \$ 42,799,787.00 0.0059 | \$ 43,630,130.00 0.0059 | |
| GHD Actual Tax Levy for all real property tax accounts located within the TIRZ | \$ 252,518.74 | \$ 257,417.77 | |
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) | \$ 42,799,787.00 | \$ 43,630,130.00 | |
| <i>(Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)</i> | \$ 1,577,021.00 | \$ 1,577,021.00 | |
| Captured Appraised Value | \$ 41,222,766.00 | \$ 42,053,109.00 | |
| Captured Appraised Value <i>(Multiplied by) Contribution Rate (Per agreement s/b the lesser of current M&O Rate or 88% of County Rate) (.5102/100)</i> | 0.005192 | 0.005192 | |
| Tax Levy Due to TIRZ | \$ 214,028.60 | \$ 218,339.74 | |
| TIRZ Collections (for Feb 1 through Jan 31) as per Collections Reports provided by Hidalgo County Tax Office | \$ 2,766.27 | \$ 217,619.25 | |
| <i>(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ</i> | \$ 252,518.74 | \$ 257,417.77 | |
| Percent Collected of Actual Levy | 1.0955% | 84.5393% | |
| Tax Levy Due to TIRZ <i>(Multiplied by) Percent Collected of Actual Levy</i> | \$ 214,028.60 1.0955% | \$ 218,339.74 84.5393% | |
| <i>(Less) Administrative Cost</i> | \$ 2,344.68 | \$ 184,582.89 | |
| <i>(Less) Adjustments **</i> | \$ - | \$ - | |
| <i>(Less) Adjustments **</i> | \$ - | \$ - | |
| 2015-2016 TIRZ PAYMENT AMOUNT | \$ 2,344.68 | \$ 184,582.89 | \$ 186,927.57 |

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

\$ (10,663.82)

COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

January 26, 2017

Richard Hinojosa, City Manager
City of Edinburg
415 W. University Drive
Edinburg, Texas 78541

Re: Reinvestment Zone No. 4, Edinburg, Texas, Entertainment Center (THEB4)
Report No. 2016-31

Dear Mr. Hinojosa:

We conducted a limited scope review of the interlocal agreement between the City of Edinburg, Texas, Hidalgo County, Texas and Reinvestment Zone (TIRZ) No. 4, City of Edinburg, Texas. The objectives of the review were to determine the accuracy of the Edinburg TIRZ No. 4 2015-2016 (collections from February 1, 2015 through January 31, 2016) payment amount and compliance with Section IV (B)(2) and Section VII (J) of the interlocal agreement and Tax Code § 311.016 regarding completion of the Edinburg TIRZ No. 4 annual report.


The scope of the review was limited to the TIRZ tax accounts coded THEB4 by the Appraisal District for tax year 2015 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 the review revealed the following:

1. The County Auditor's Office determined that the amount due to the City of Edinburg TIRZ No. 4 for collections that occurred from February 1, 2015 through January 31, 2016 for tax year 2015 and prior years is \$53,025.62 (see Exhibit A).
2. The annual report, fact sheet, and annual financial review were submitted in compliance with Section IV (B)(2), Section VII (J) of the interlocal agreement and Tax Code §311.016. According to the Edinburg TIRZ No. 4, they did not have any contracts with disadvantaged businesses; therefore, the applicable report was not provided.

If you have any questions, feel free to call Reynaldo Cantu III, Internal Auditor II, at 318-2511 ext. 4653, Letty Chavez, Compliance Audit Supervisor, ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, 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

LUIS SINGLETERRY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 83RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NCE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

EXHIBIT A

2015-2016 Edinburg TIRZ No. 4 - Entertainment Center

| Tax Increment Reinvestment Zone (TIRZ) Payment Calculation | Edinburg TIRZ No. 4 Calculation 2015 | Total |
|--|---|--------------|
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) <i>(Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)</i> | \$ 15,943,910.00 0.0059 | |
| GHD Actual Tax Levy for all real property tax accounts located within the TIRZ | \$ 94,069.07 | |
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) | \$ 15,943,910.00 | |
| <i>(Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)</i> | \$ 23,034,367.00 | |
| Captured Appraised Value | \$ (7,090,457.00) | |
| Captured Appraised Value <i>(Multiplied by) Contribution Rate (The lesser of actual tax year M&O rate or rate specified on agreement) (.5127/100)</i> | \$ 0.005127 | |
| Tax Levy Due to TIRZ | \$ (36,352.77) | |
| TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office | \$ 78,849.88 | |
| <i>(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ</i> | \$ (36,352.77) | |
| Percent Collected of Actual Levy | -216.9020% | |
| Tax Levy Due to TIRZ <i>(Multiplied by) Percent Collected of Actual Levy</i> | \$ (36,352.77) -216.9020% | |
| <i>(Less) Adjustments **</i> | \$ 78,849.88 | |
| <i>(Less) Adjustments **</i> | \$ - | |
| 2015-2016 TIRZ PAYMENT AMOUNT | \$ - | |
| | \$ 78,849.88 | \$ 78,849.88 |

** 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 Calculation for Tax Year 2015 | Total |
|--|--|--------------|
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) <i>(Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)</i> | \$ 13,369,723.00 0.0059 | |
| GHD Actual Tax Levy for all real property tax accounts located within the TIRZ | \$ 78,881.37 | |
| TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) | \$ 13,369,723.00 | |
| <i>(Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)</i> | \$ 444,933.00 | |
| Captured Appraised Value | \$ 12,924,790.00 | |
| Captured Appraised Value <i>(Multiplied by) Contribution Rate (Per agreement s/o the lesser of current M&O Rate or 80% of M&O County Rate) (.5225/100)</i> | \$ 0.004180 | |
| Tax Levy Due to TIRZ | \$ 64,025.62 | |
| TIRZ Collections (for Feb 1 through Jan 31) as per Collections Reports provided by Hidalgo County Tax Office | \$ 78,881.37 | |
| <i>(divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ</i> | \$ 78,881.37 | |
| Percent Collected of Actual Levy | 100.0000% | |
| Tax Levy Due to TIRZ <i>(Multiplied by) Percent Collected of Actual Levy</i> | \$ 64,025.62 100.0000% | |
| <i>(Less) Administrative Cost</i> | \$ (1,000.00) | |
| <i>(Less) Adjustments **</i> | \$ - | |
| 2015-2016 TIRZ PAYMENT AMOUNT | \$ 63,025.62 | \$ 63,025.62 |

** Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy
\$ 25,824.26

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



EDINBURG, TEXAS 78539

January 5, 2017

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 - November 2016
Report No. 2016-82

Dear Mr. Villarreal:

We have completed a limited scope review of the November 2016 payment request prepared by your office for delinquent tax attorney (DTA) fees due to Linebarger, Goggan, Blair, and Sampson LLP ("LGBS") 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 November 30, 2016. The County Auditor's Office did not review the tax accounts listed on the "Hidalgo County Tax Office Prior Collection Report" that reflected a refund since LGBS stated that they would not seek reimbursement for DTA fees previously paid to the prior DTA firm. 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 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 November 2016."
- Reviewed the "Hidalgo County Tax Office Prior Collection Report" to determine if the DTA fees were collected at the 15% rate specified in the contract.
- Reviewed the "Hidalgo County Tax Office Prior Collection Report" to determine if the total amount of DTA fees collected agree to the amount transferred to the Hidalgo County Treasurer's Office.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. ENOLETERY
JUDGE, 12th D.C.

RODOLFO CELDADO
JUDGE, 19th D.C.

J. R. "BOBBY" FLORES
JUDGE, 13th D.C.

ROSE GUERRA REYNA
JUDGE, 26th D.C.

JUAN R. PARTIDA
JUDGE, 37th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 32nd D.C.

NOE GONZALEZ
JUDGE, 37th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 36th D.C.

L. NINO VASQUEZ
JUDGE, 26th D.C.

ISRAEL RAMON, JR.
JUDGE, 43rd D.C.

RENÉE R. BETANCOURT
JUDGE, 45th D.C.

The results of our review revealed that the payment request was generally accurate and properly authorized. More specifically, the following was noted:

- The payment request 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 November 2016."
- Although DTA fees for 172 tax accounts were not collected at the 15% rate specified in the contract; we concluded that the differences in rates were attributed to tax deferrals (171 tax accounts) and small amounts collected (1 tax account) (see Exhibit A). The small amounts collected on the 1 tax account resulted in a net shortage of \$.01.

We will proceed to process the November 2016 DTA payment request in the amount of \$115,457.90 to LGBS.

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, Linda Fong, First Assistant Auditor at ext. 4668, or me at ext. 4604.

Respectfully,


Ray Bufracio, CPA
Hidalgo County Auditor

Enclosures

cc: Ms. Lucy Canales, Linebarger Goggan Blair & Sampson, LLP

HIDALGO COUNTY DISTRICT JUDGES

LARI H. SMOLETSKY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 12th D.C.

J. R. "BOBBY" FLORES
JUDGE, 12th D.C.

ROSE GUERRA REYNA
JUDGE, 20th D.C.

JUAN R. PARTIDA
JUDGE, 27th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 32nd D.C.

NOE OCHOA
JUDGE, 37th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38th D.C.

L. KENNY VASQUEZ
JUDGE, 38th D.C.

ISRAEL RAMON, JR.
JUDGE, 40th D.C.

RENEZ R. BETANCOURT
JUDGE, 48th D.C.

Exhibit A

| | Tax Unit | Year | Account No. | Levy Paid | Penalty/Interest Paid | Subtotal Paid | Attorney Paid |
|----|----------|------|-------------------|-----------|-----------------------|---------------|---------------|
| 1 | 1 | 2014 | E850003009001300 | 137.77 | 41.79 | 179.56 | 25.42 |
| 2 | 1 | 2014 | C260000001001400 | 44.54 | 13.81 | 58.35 | 8.35 |
| 3 | 1 | 2014 | J273000000000500 | 32.69 | 10.03 | 42.72 | 6.08 |
| 4 | 1 | 2014 | L045098049000301 | 31.84 | 9.87 | 41.71 | 5.97 |
| 5 | 1 | 2014 | B157005000013300 | 17.19 | 5.21 | 22.4 | 3.17 |
| 6 | 1 | 2014 | B444301000004100 | 11.88 | 3.72 | 15.6 | 2.25 |
| 7 | 1 | 2014 | G080000018000400 | 10.36 | 3.14 | 13.5 | 1.91 |
| 8 | 1 | 2014 | P200000019002400 | 8.38 | 2.58 | 10.96 | 1.56 |
| 9 | 1 | 2014 | W392002000015300 | 0.57 | 0.2 | 0.77 | 0.11 |
| 10 | 1 | 2013 | S295000000037130 | 77.78 | 31.11 | 108.89 | 14.93 |
| 11 | 1 | 2013 | S170002062001500 | 4.42 | 1.88 | 6.3 | 0.9 |
| 12 | 1 | 2013 | P320002006001200 | 3.81 | 1.45 | 5.26 | 0.7 |
| 13 | 1 | 2012 | R225001003001200 | 218.51 | 99.06 | 317.57 | 39.33 |
| 14 | 1 | 2012 | E540000027003900 | 25.83 | 11.63 | 37.46 | 4.61 |
| 15 | 1 | 2012 | R325300000000600 | 21.32 | 9.73 | 31.05 | 3.93 |
| 16 | 1 | 2012 | A080000000102515 | 18.95 | 8.6 | 27.55 | 3.41 |
| 17 | 1 | 2012 | S359302000005300 | 11.76 | 6.35 | 18.11 | 2.61 |
| 18 | 1 | 2012 | E330000380000400 | 10.84 | 5.84 | 16.68 | 2.4 |
| 19 | 1 | 2012 | L198000000000800 | 6.13 | 2.83 | 8.96 | 1.12 |
| 20 | 1 | 2011 | C520000000001200 | 721.33 | 483.29 | 1,204.62 | 174.2 |
| 21 | 1 | 2011 | R225001003001200 | 80.18 | 45.97 | 126.15 | 15.88 |
| 22 | 1 | 2011 | K867001000002300 | 60.21 | 40.34 | 100.55 | 14.54 |
| 23 | 1 | 2011 | M500000003000310 | 42.86 | 24.86 | 67.72 | 8.62 |
| 24 | 1 | 2011 | N861301000000900 | 20.21 | 12.93 | 33.14 | 4.67 |
| 25 | 1 | 2011 | M1550000000005100 | 13.99 | 8.73 | 22.72 | 3.09 |
| 26 | 1 | 2011 | E330000359001000 | 14.65 | 8.02 | 22.67 | 2.73 |
| 27 | 1 | 2011 | B030000026002300 | 0.44 | 0.26 | 0.7 | 0.09 |
| 28 | 1 | 2010 | C520000000001200 | 676.46 | 534.41 | 1,210.87 | 175.54 |
| 29 | 1 | 2010 | S477000000040600 | 68.06 | 47.41 | 115.47 | 14.8 |
| 30 | 1 | 2010 | B040000000001800 | 71.32 | 44.22 | 115.54 | 13.05 |
| 31 | 1 | 2010 | V056000000012800 | 57.94 | 39 | 96.94 | 11.99 |
| 32 | 1 | 2010 | N500000002000500 | 42.56 | 33.35 | 75.91 | 10.92 |
| 33 | 1 | 2010 | N860000002005200 | 45.09 | 30.97 | 76.06 | 9.61 |
| 34 | 1 | 2010 | J570000006000409 | 49.79 | 31.2 | 80.99 | 9.26 |
| 35 | 1 | 2010 | A160003000006800 | 38.27 | 26.4 | 64.67 | 8.21 |
| 36 | 1 | 2010 | W380000767000094 | 25.09 | 18.74 | 43.83 | 6.02 |
| 37 | 1 | 2010 | N486000000002300 | 22.74 | 16.9 | 39.64 | 5.42 |
| 38 | 1 | 2010 | N760000004001200 | 17.51 | 12.38 | 29.89 | 3.89 |
| 39 | 1 | 2010 | H005000000001800 | 16.1 | 11.22 | 27.32 | 3.5 |
| 40 | 1 | 2010 | C211000000002900 | 10.56 | 7.65 | 18.21 | 2.43 |
| 41 | 1 | 2010 | M578500000007200 | 9.17 | 6.87 | 16.04 | 2.21 |
| 42 | 1 | 2010 | L198000000000800 | 5.23 | 3.67 | 8.9 | 1.15 |
| 43 | 1 | 2010 | W380000767000094 | 0.09 | 0.06 | 0.15 | 0.02 |
| 44 | 1 | 2009 | C687000000003300 | 95.2 | 79.02 | 174.22 | 22.99 |
| 45 | 1 | 2009 | J570000006000409 | 41.92 | 31.29 | 73.21 | 8.55 |

Exhibit A

| | Tax Unit | Year | Account No. | Levy Paid | Penalty/Interest Paid | Subtotal Paid | Attorney Paid |
|----|-----------------|-------------|--------------------|------------------|------------------------------|----------------------|----------------------|
| 46 | 1 | 2009 | H28400000013400 | 15.26 | 11.34 | 26.6 | 3.13 |
| 47 | 1 | 2009 | B19004000004900 | 13.79 | 10.48 | 24.27 | 2.9 |
| 48 | 1 | 2009 | B158504000009200 | 11.55 | 8.93 | 20.48 | 2.49 |
| 49 | 1 | 2009 | G130000001000200 | 12.86 | 9.09 | 21.95 | 2.39 |
| 50 | 1 | 2009 | A176502000000200 | 12.01 | 8.69 | 20.7 | 2.32 |
| 51 | 1 | 2009 | H302000000000700 | 7.93 | 5.89 | 13.82 | 1.61 |
| 52 | 1 | 2009 | N340000000303513 | 0.63 | 0.54 | 1.17 | 0.16 |
| 53 | 1 | 2008 | L630601000007900 | 25.09 | 25.17 | 50.26 | 7.11 |
| 54 | 1 | 2008 | N340000000303513 | 24.14 | 22.85 | 46.99 | 6.23 |
| 55 | 1 | 2008 | E583002000000100 | 17.49 | 17.26 | 34.75 | 4.83 |
| 56 | 1 | 2008 | M059002000001100 | 14.43 | 13.13 | 27.56 | 3.49 |
| 57 | 1 | 2008 | A1600030000006800 | 10.9 | 10.13 | 21.03 | 2.73 |
| 58 | 1 | 2008 | L630601000007900 | 7.53 | 7.55 | 15.08 | 2.13 |
| 59 | 1 | 2007 | O210000005000035 | 97.1 | 105.84 | 202.94 | 27.82 |
| 60 | 1 | 2007 | M355000131000900 | 19.93 | 19.67 | 39.6 | 4.78 |
| 61 | 1 | 2007 | H265000007005000 | 24.5 | 21.07 | 45.57 | 4.48 |
| 62 | 1 | 2007 | M167002000001600 | 15.47 | 14.96 | 30.43 | 3.58 |
| 63 | 1 | 2007 | N580000004001500 | 9.9 | 9.77 | 19.67 | 2.38 |
| 64 | 1 | 2007 | H350000005000100 | 11.46 | 10.4 | 21.86 | 2.34 |
| 65 | 1 | 2006 | M215000005000200 | 29.31 | 27.65 | 56.96 | 5.41 |
| 66 | 1 | 2006 | L672500000014000 | 12.72 | 15.28 | 28 | 3.82 |
| 67 | 1 | 2006 | I604802000004200 | 19.89 | 18.78 | 38.67 | 3.67 |
| 68 | 1 | 2006 | A555000000000300 | 10.67 | 12.31 | 22.98 | 2.98 |
| 69 | 1 | 2006 | B156007000004400 | 12.58 | 12.83 | 25.41 | 2.75 |
| 70 | 1 | 2006 | E720000016001200 | 9.68 | 9.12 | 18.8 | 1.78 |
| 71 | 1 | 2006 | G805000000013100 | 5.98 | 5.65 | 11.63 | 1.1 |
| 72 | 1 | 2005 | S367500002000800 | 37.14 | 38.01 | 75.15 | 6.85 |
| 73 | 1 | 2005 | C200000002000400 | 27.2 | 28.94 | 56.14 | 5.51 |
| 74 | 1 | 2005 | N120003000001025 | 18.99 | 23.42 | 42.41 | 5.3 |
| 75 | 1 | 2005 | B525000000000300 | 20.3 | 21.59 | 41.89 | 4.11 |
| 76 | 1 | 2005 | W560000000006300 | 10.06 | 12.53 | 22.59 | 2.86 |
| 77 | 1 | 2005 | M475000002001600 | 9.4 | 11.01 | 20.41 | 2.36 |
| 78 | 1 | 2005 | E540000026002500 | 6.23 | 7.5 | 13.73 | 1.65 |
| 79 | 1 | 2005 | R225001003001900 | 3.03 | 3.47 | 6.5 | 0.73 |
| 80 | 1 | 2004 | I210000000000800 | 51.66 | 75.6 | 127.26 | 17.9 |
| 81 | 1 | 2004 | M355000119001100 | 20.31 | 30.4 | 50.71 | 7.34 |
| 82 | 1 | 2004 | D680000028001300 | 20.54 | 27.45 | 47.99 | 5.95 |
| 83 | 1 | 2004 | D680000028001300 | 20.54 | 27.45 | 47.99 | 5.95 |
| 84 | 1 | 2004 | F345000146000800 | 11.75 | 13.9 | 25.65 | 2.59 |
| 85 | 1 | 2004 | H365003000001100 | 5.29 | 6.79 | 12.08 | 1.41 |
| 86 | 1 | 2004 | L136500000004900 | 2.88 | 3.18 | 6.06 | 0.53 |
| 87 | 1 | 2004 | S725002008000200 | 0.65 | 0.88 | 1.53 | 0.19 |
| 88 | 1 | 2004 | D680000028001300 | -20.54 | -27.45 | -47.99 | -5.95 |
| 89 | 1 | 2003 | T475002000001700 | 30.81 | 48.97 | 79.78 | 11.32 |
| 90 | 1 | 2003 | H365003000001100 | 14.24 | 20.03 | 34.27 | 4.06 |

Exhibit A

| | Tax Unit | Year | Account No. | Levy Paid | Penalty/Interest Paid | Subtotal Paid | Attorney Paid |
|-----|-----------------|-------------|--------------------|------------------|------------------------------|----------------------|----------------------|
| 91 | 1 | 2003 | W230000052000300 | 3.22 | 5.01 | 8.23 | 1.13 |
| 92 | 1 | 2003 | S430000001001400 | 2.62 | 3.87 | 6.49 | 0.83 |
| 93 | 1 | 2003 | V370003001001200 | 0.31 | 0.52 | 0.83 | 0.13 |
| 94 | 1 | 2002 | F765000004000900 | 173.87 | 219.67 | 393.54 | 32.08 |
| 95 | 1 | 2002 | R106000000003400 | 23.5 | 35.4 | 58.9 | 6.91 |
| 96 | 1 | 2002 | M190001000003200 | 26.39 | 36.52 | 62.91 | 6.3 |
| 97 | 1 | 2002 | H265000010000500 | 25.24 | 32.89 | 58.13 | 5.11 |
| 98 | 1 | 2002 | W230000052000300 | 4.88 | 8.16 | 13.04 | 1.8 |
| 99 | 1 | 2002 | L136500000004900 | 5.24 | 7.04 | 12.28 | 1.16 |
| 100 | 1 | 2002 | S170002063000100 | 4.76 | 6.4 | 11.16 | 1.05 |
| 101 | 1 | 2002 | B505000015000600 | 1.93 | 2.59 | 4.52 | 0.43 |
| 102 | 1 | 2001 | T590002022000112 | 19.63 | 30.3 | 49.93 | 5.39 |
| 103 | 1 | 2001 | C765000003002000 | 20.76 | 28.31 | 49.07 | 4.02 |
| 104 | 1 | 2001 | K240000000011314 | 9.47 | 16.93 | 26.4 | 3.64 |
| 105 | 1 | 2001 | L136500000004900 | 12.99 | 19 | 31.99 | 3.1 |
| 106 | 1 | 2001 | L215500000000800 | 9.78 | 13.91 | 23.69 | 2.15 |
| 107 | 1 | 2001 | T706000000000200 | 4.07 | 5.73 | 9.8 | 0.87 |
| 108 | 1 | 2001 | T706000000000200 | 4.08 | 5.73 | 9.81 | 0.87 |
| 109 | 1 | 2001 | T590002022000112 | -19.63 | -30.3 | -49.93 | -5.39 |
| 110 | 1 | 2000 | C765000003002000 | 58.69 | 87.05 | 145.74 | 12.41 |
| 111 | 1 | 2000 | S395000002000401 | 30.61 | 50.9 | 81.51 | 8.95 |
| 112 | 1 | 2000 | M520000085000300 | 20.76 | 30.03 | 50.79 | 4.05 |
| 113 | 1 | 2000 | W010000044001052 | 13.2 | 20.91 | 34.11 | 3.39 |
| 114 | 1 | 2000 | V382000000000100 | 9.23 | 14.61 | 23.84 | 2.36 |
| 115 | 1 | 2000 | T220000008001804 | 4.64 | 9.11 | 13.75 | 1.98 |
| 116 | 1 | 2000 | V057700000001300 | 4.17 | 6.59 | 10.76 | 1.07 |
| 117 | 1 | 2000 | G040000006000100 | 2.41 | 4.59 | 7 | 0.97 |
| 118 | 1 | 2000 | M687000000002600 | 2.47 | 3.98 | 6.45 | 0.67 |
| 119 | 1 | 2000 | R015000000009700 | 1.79 | 2.91 | 4.7 | 0.49 |
| 120 | 1 | 1999 | T220000008001804 | 13.62 | 28.33 | 41.95 | 6.05 |
| 121 | 1 | 1999 | V382000000006900 | 9.09 | 18.46 | 27.55 | 3.83 |
| 122 | 1 | 1999 | S395000002000401 | 12.26 | 21.87 | 34.13 | 3.81 |
| 123 | 1 | 1999 | T685000000005800 | 6.79 | 12.63 | 19.42 | 2.35 |
| 124 | 1 | 1999 | H419500000006600 | 4.17 | 7.1 | 11.27 | 1.14 |
| 125 | 1 | 1999 | G040000006000100 | 2.66 | 5.38 | 8.04 | 1.11 |
| 126 | 1 | 1999 | C765000003002000 | 4.67 | 7.49 | 12.16 | 1.07 |
| 127 | 1 | 1999 | V382000000006900 | 2.28 | 4.61 | 6.89 | 0.96 |
| 128 | 1 | 1999 | R230002000003900 | 2.04 | 3.65 | 5.69 | 0.64 |
| 129 | 1 | 1999 | R230002000003900 | 1.51 | 2.68 | 4.19 | 0.47 |
| 130 | 1 | 1999 | N135000000001400 | 1.42 | 2.37 | 3.79 | 0.37 |
| 131 | 1 | 1998 | R230002000003900 | 15.91 | 30.28 | 46.19 | 5.23 |
| 132 | 1 | 1998 | R230002000003900 | 9.87 | 18.77 | 28.64 | 3.24 |
| 133 | 1 | 1998 | C535001001000700 | 6.76 | 12.33 | 19.09 | 1.98 |
| 134 | 1 | 1998 | R055003000002000 | 1.75 | 3.33 | 5.08 | 0.57 |
| 135 | 1 | 1998 | C700000006000500 | 1 | 1.72 | 2.72 | 0.25 |

xl-d

Exhibit A

| | Tax Unit | Year | Account No. | Levy Paid | Penalty/Interest Paid | Subtotal Paid | Attorney Paid |
|-----|----------|------|------------------|-----------|-----------------------|---------------|---------------|
| 136 | 1 | 1997 | E540000042001100 | 18.67 | 33.92 | 52.59 | 4.79 |
| 137 | 1 | 1997 | E540000042001100 | 18.62 | 33.97 | 52.59 | 4.78 |
| 138 | 1 | 1997 | L505000000013400 | 15.8 | 27.54 | 43.34 | 3.49 |
| 139 | 1 | 1997 | S170003007001200 | 3.47 | 6.61 | 10.08 | 1.02 |
| 140 | 1 | 1996 | M490000000009302 | 16.16 | 36.78 | 52.94 | 6.86 |
| 141 | 1 | 1995 | L605000000014430 | 15.33 | 39 | 54.33 | 7.8 |
| 142 | 1 | 1995 | R026300000001100 | 12.79 | 31.27 | 44.06 | 5.94 |
| 143 | 1 | 1995 | H120000095001700 | 0.48 | 1.21 | 1.69 | 0.23 |
| 144 | 1 | 1994 | H120000095001700 | 22.37 | 57.79 | 80.16 | 10.97 |
| 145 | 1 | 1994 | S595000027000512 | 10.21 | 23.12 | 33.33 | 3.54 |
| 146 | 1 | 1994 | F375000000005100 | 3.34 | 7.54 | 10.88 | 1.15 |
| 147 | 1 | 1993 | W460002008000900 | 17.69 | 46.34 | 64.03 | 8.33 |
| 148 | 1 | 1993 | J570000001001034 | 6.27 | 14.8 | 21.07 | 2.22 |
| 149 | 1 | 1988 | P240000004001800 | 57.65 | 172.02 | 229.67 | 26.21 |
| 150 | 12 | 1998 | R055003000002000 | 0.07 | 0.15 | 0.22 | 0.03 |
| 151 | 12 | 1996 | M490000000009302 | 0.85 | 1.97 | 2.82 | 0.37 |
| 152 | 17 | 1993 | J570000001001034 | 0.07 | 0.18 | 0.25 | 0.03 |
| 153 | 1 | 1989 | P420002003001000 | 42.8 | 139.09 | 181.89 | 26.26 |
| 154 | 1 | 1986 | S525001043003500 | 3.35 | 11.19 | 14.54 | 1.82 |
| 155 | 12 | 1998 | N800001008000000 | 2.73 | 5.18 | 7.91 | 0.89 |
| 156 | 12 | 1997 | N800001008000000 | 2.67 | 5.4 | 8.07 | 0.93 |
| 157 | 12 | 1997 | N800001008000000 | 0.47 | 0.97 | 1.44 | 0.17 |
| 158 | 12 | 1997 | N800001008000000 | 0.11 | 0.21 | 0.32 | 0.04 |
| 159 | 12 | 1989 | P420002003001000 | 2.46 | 8.01 | 10.47 | 1.51 |
| 160 | 12 | 1986 | S525001043003500 | 0.63 | 2.07 | 2.7 | 0.34 |
| 161 | 12 | 1977 | S525001043003600 | 0.17 | 0.68 | 0.85 | 0.11 |
| 162 | 95 | 1977 | S525001043003600 | 0.06 | 0.19 | 0.25 | 0.03 |
| 163 | 95 | 1976 | S525001043003600 | 0.58 | 2.45 | 3.03 | 0.39 |
| 164 | 1 | 2013 | F155501000007000 | 26.88 | 11.55 | 38.43 | 5.52 |
| 165 | 1 | 2012 | D520003003000300 | 39.1 | 17.99 | 57.09 | 7.16 |
| 166 | 1 | 2012 | L010000000001100 | 3.2 | 1.75 | 4.95 | 0.71 |
| 167 | 1 | 2011 | L010000000001100 | 105.52 | 70.34 | 175.86 | 25.32 |
| 168 | 1 | 2011 | D520003003000300 | 82.87 | 48.07 | 130.94 | 16.66 |
| 169 | 1 | 2008 | S477000000006900 | 32.82 | 31.51 | 64.33 | 8.67 |
| 170 | 1 | 2004 | E540000045000300 | 3.96 | 5.86 | 9.82 | 1.41 |
| 171 | 1 | 2004 | E540000045000300 | 3.81 | 5.66 | 9.47 | 1.36 |
| 172 | 1 | 2003 | E540000045000300 | 0.12 | 0.19 | 0.31 | 0.05 |

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



EDINBURG, TEXAS 78539

January 16, 2017

Honorable Atanacio "J.R." Gaitan
Hidalgo County Constable, Precinct 4
2814 S. Business Highway 281
Edinburg, TX 78539

Ref: Cash Count
Audit No: 2016-81

Dear Constable Gaitan:

We conducted a surprise cash count of the cash held at your office on December 13, 2016, 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 \$230.00. 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. 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:

The December 9, 2016 collections totaling \$230.00 were not reconciled against receipts issued using the *Cashier's Daily Close-Out Report/Revenue Remittance* form (Close-Out Report) until December 13, 2016. In addition, the collections were not deposited with the County Treasurer's Office until December 13, 2016. According to staff, the Close-Out Report was not prepared and collections were not deposited on the day received due to time constraints. The collections were safeguarded in a locked cash box in locked drawer under lock and key until the deposit was made.

The County Auditor's Office requires that each day, the cashier reconcile the cash drawer against receipts issued using the *Cashier's Daily Close-Out Report/Revenue Remittance form*. Cash receipts must be deposited intact on a daily

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 1ST D.C.

RODOLFO DELGADO
JUDGE, 1ST D.C.

J. R. "BOBBY" FLORES
JUDGE, 1ST D.C.

ROSE GUERRA REYNA
JUDGE, 2ND D.C.

JUAN R. PARTIDA
JUDGE, 2ND D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 3RD D.C.

NOE DONZALEZ
JUDGE, 3RD D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 3RD D.C.

L. KENO VASQUEZ
JUDGE, 3RD D.C.

ISRAEL RAMON, JR.
JUDGE, 4TH D.C.

RENEE R. BETANCO
JUDGE, 4TH D.C.

basis, unless the amount collected is less than \$100.00. All cash left overnight must be protected immediately by using a cash drawer, safe, or other secure place until it is deposited.

Failure to ensure that collections are reconciled against receipts issued using the Close-Out Report and that collections are deposited a daily basis increases the risk of loss or misuse of County revenues.

Recommendation:

Management should ensure that collections are reconciled against receipts issued using the Close-Out Report and that collections are deposited a daily basis.

Observation No. 2:

We noted during our review that segregation of duties over the handling of collections requires improvement. The Administrative Assistant 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 deposit, and has access to the inventory of unused receipts
- Recording: Accounts for numerical sequence of cash receipts and prepares reports of cash received.
- Authorization: Verifies that voided original receipts are kept and reviewed, and accounts for numerical sequence of cash receipts.

According to staff, management does not feel that segregation of duties need be implemented since there hasn't been any issues with the way they are handling the collection of funds.

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 a cash drawer, 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 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 and accounting for the numerical sequence of cash receipts.

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 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. 3:

We noted that security cameras were not utilized in the area where cash is safeguarded. According to staff, cameras are not utilized where cash is safeguarded since the cash is safeguarded in the Administrative Assistant's Office.

The County Auditor's Office recommends that 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 properly utilize security cameras increases the risk of loss or misuse of County funds.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 128TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

JUAN R. PARTIDA
JUDGE, 273RD D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 337TH D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 388TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 448TH D.C.

Recommendation:

Management should install cameras where money is safeguarded.

Please provide written management responses to the observations noted above by February 3, 2017.


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;
- 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 February 3, 2017.

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 Reynaldo Cantu III ext. 4653, Internal Auditor I, 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 Eufracio, CPA
County Auditor

cc: Mr. Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 32ND D.C.

RODOLFO DELGADO
JUDGE, 63RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 337TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 369TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOU
JUDGE, 449TH D.C.

COUNTY *of* HIDALGO



EDINBURG, TEXAS 78539

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

January 24, 2017

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. 2016-526

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the Pharr Motor Vehicle Substation on September 20, 2016 and October 6, 2016, as required by Local Government Code §115.0035. The objective of the cash counts was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash counts 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 \$229,151.88 on September 20, 2016 and \$546,571.24 on October 6, 2016. 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 counts and the approved change fund of \$8,100.00. 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:

Total cash on hand at the time of the cash count exceeded receipts issued by \$28,834.28 on September 20, 2016 and \$174,119.96 on October 6, 2016 due to the following:

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 32ND D.C.

RODOLFO DELGADO
JUDGE, 31ST D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

JUAN R. PARTIDA
JUDGE, 175TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 137TH D.C.

NOE GONZALEZ
JUDGE, 37TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 349TH D.C.

L. KENO VASQUEZ
JUDGE, 294TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH D.C.

The \$28,834.28 overage on September 20, 2016 consisted of the following:

- 3 checks totaling \$5,465.44 assigned to a cashier had not been receipted at the time of the cash count. The checks were receipted after the cash count on September 20, 2016.
- 25 checks dropped-off by Dealers on September 20, 2016 had not been receipted. According to staff, dealer drop-off checks are not assigned to an individual cashier; rather, all cashiers are allowed to receipt the checks as time permits. Of the 25 dealer checks:
 - 23 checks totaling \$20,773.29 were subsequently receipted on September 20, 2016.
 - 2 checks totaling \$2,598.80 were returned back to the dealer due to the incorrect payment amounts on September 21, 2016.
- One cashier had an unidentified cash shortage totaling \$3.25.

The \$174,119.96 overage on October 6, 2016 consisted of the following:

- 130 checks dropped-off by Dealers received during September 28, 2016 through October 6, 2016 had not been receipted. Of the 130 dealer checks:
 - 124 checks totaling \$166,252.90 were subsequently receipted between October 6, 2016 and October 17, 2016.
 - 6 checks totaling \$7,846.85 were returned back to the dealer due to the vehicle requiring current inspection, out of state title, or incorrect payment amounts on October 13, 2016 (2), October 14, 2016 (3), and October 18, 2016 (1).
- Three cashiers had a net unidentified cash overage totaling \$20.21.

According to staff, the department was not able to receipt the drop-off checks in a timely manner due to a heavy workload and limited staff.

The County Auditor's Office requires that all payments, including mail-in payments, be promptly recorded and controlled using pre-numbered official County receipts. Collections must be deposited on a daily basis, unless the amount collected is less than \$100.00. If a payment discrepancy occurs (i.e. vehicle requiring current inspection, incorrect payment amount, etc.), a pre-numbered manual Official County receipt should be issued. Once the discrepancy is resolved, an Official County receipt from the electronic receipting system should be issued and refund check issued, if applicable. In the alternative, the department may return the payment to the sender. If the department returns the payment, a log should be utilized to document the return of checks that includes: the name of the person/entity to whom the check is returned; return address; check date; check amount; date returned; and reason for return. A copy of all checks returned should be maintained on file. Management must also monitor all overages and shortages to determine if there is a pattern meriting further investigation, modification or collection procedures, retraining of personnel, or disciplinary action.

Failure to ensure that all payments are promptly receipted and deposited may result in the loss or misuse of County funds. In addition, failure to monitor all overages and shortages to determine if there is a pattern meriting further investigation, modification or collection procedures, retraining of personnel, or disciplinary action also increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that all payments are promptly receipted and deposited. In addition, management should monitor all overages and shortages to determine if there is a pattern meriting further investigation, modification or collection procedures, retraining of personnel, or disciplinary action. At a minimum, the procedures noted above should be implemented.

Observation No.2:

Security cameras were not utilized in the vault where cash is safeguarded. According to staff, the purchase of additional video equipment has been considered; however, the purchase has not been made due to budgetary constraints.

The County Auditor's Office recommends that 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

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. BINGOLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 9th D.C.

J. R. "BOBBY" FLORES
JUDGE, 13th D.C.

ROSE QUERRA REYNA
JUDGE, 20th D.C.

JUAN R. PARTIDA
JUDGE, 27th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 32nd D.C.

NICOLE GONZALEZ
JUDGE, 37th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 39th D.C.

L. KENO VASQUEZ
JUDGE, 39th D.C.

ISRAEL RAMON, JR.
JUDGE, 40th D.C.

RENEE R. BETANCOURT
JUDGE, 44th D.C.

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 in all areas where cash is safeguarded increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that security cameras are utilized in all areas where cash is safeguarded. Management should contact the Department of Budget and Management to request funding assistance for the purchase of security cameras.

Observation No. 3:

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 is maintained by the department. However, cashiers are not required to verify if the payer's name is on the hot check list prior to accepting a check as a payment.

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 by cashiers when receiving checks from customers.

Failure to ensure that a current hot check list is maintained and referenced by cashiers when receiving checks from customers may result in the loss of County funds.

Recommendation:

Management should ensure that a current hot check list is maintained and referenced by cashiers when receiving checks from customers. Checks from customers on the hot check list should not be accepted.

Observation No. 4:

During the cash count, we noted that the transaction number (receipt number) given to each transaction is not noted on the "Dealer and Fleet Log". According to the staff, the receipt number is not a requirement of the form.

The County Auditor's Office requires that all checks dropped-off by Dealers be documented on a log. The log should include the following: date and time received; number of transactions dropped off; Dealer's name and phone number; check number; applicant's name; signature/initials of the Dealer's agent picking up the documentation; date the documentation was picked up; reason for rejection, if applicable; date processed, if applicable; the name of the cashier that processed/rejected the transaction; the transaction number (receipt number) issued to each transaction processed; and signature of the employee other than the cashier that verified a receipt was issued for each transaction processed.

Failure to ensure that the "Dealer and Fleet Log" contains all the information required to maintain an adequate audit trail may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that the "Dealer and Fleet Log" contains all the information required to maintain an adequate audit trail. At a minimum, management should ensure that the "Dealer and Fleet Log" is revised to contain all the information noted above.

Observation No. 5:

According to staff, checks dropped-off by Dealers are not immediately restrictively endorsed "For Deposit Only" since the transaction may be rejected and the check returned back to the Dealer.

The County Auditor's Office requires that all checks/money orders received be restrictively endorsed "For Deposit Only" immediately, upon receipt. If the transaction is rejected and returned back to the Dealer, the restrictive endorsement should be cancelled prior to returning the check back to the Dealer.

Failure to ensure that checks received as payment are immediately restrictively endorsed "For Deposit Only" upon receipt may increase the risk of loss or misuse of County funds.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 95TH D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

JUAN R. PARTIDA
JUDGE, 215TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KEVIN VASQUEZ
JUDGE, 394TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

Recommendation:

Management should ensure that checks received as payment are immediately restrictively endorsed "For Deposit Only".

Observation No. 6:

One check receipted on September 20, 2016 and one check received from a dealer on October 5, 2016 did not contain a date and had the numeric and dollar lines left blank. According to staff, when blank checks are accepted, the amounts are subsequently filled out by the Clerk. In addition, if the check has the date filled out, the Clerk will change the check date to the date it was processed.

Pursuant to the County Auditor's Office *Cash Handling Guidelines and Procedures*, prior to accepting a check as payment, the cashier must verify that the numerical and written dollar amounts agree and are for the exact amount due. In addition, the cashier must verify that the date on the check is the date payment is presented. Furthermore, stale-dated or post-dated checks may not be accepted.

Failure to ensure that cashiers verify the date and ensure that that blank checks are not accepted may result in the loss or misuse of County funds.

Recommendation:

Management should not accept blank checks as payment and ensure cashiers verify the date of the check is the date payment is presented.

Observation No. 7:

We noted that checks received for payment were made payable to either Hidalgo County Tax Assessor Pablo "Paul" Villarreal Jr.; Pablo (Paul) Villarreal Jr. Assessor & Collector; or Pablo (Paul) Villarreal Jr. PCC. In addition, signs were posted for the public's view instructing them to make checks payable to "Pablo (Paul) Villarreal Jr. Tax Assessor & Collector.

On March 7, 2016, the County Auditor issued a letter to the Tax Assessor requiring cashiers to verify that checks are made payable to the Elected or Public Official's title (i.e. Hidalgo County Tax Assessor/Collector) prior to accepting a check as payment. Pursuant to Local Government Code Sections 112.002 and 112.006, the county auditor has financial oversight for all county offices and may dictate the accounting procedures and internal controls to be implemented by each county office.

Failure to ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector) increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector).

Please provide written management responses to the observations noted above by February 17, 2017.

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 February 17, 2017. The written procedures manual should include, at the minimum, the following:

- a. An office organizational chart;
- b. 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;
- c. 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
- d. Computer hardware and software used;

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12TH D.C.

RODOLFO DELGADO
JUDGE, 13TH D.C.

J. R. "BOBBY" FLORES
JUDGE, 13TH D.C.

ROSE GUERRA PEYNA
JUDGE, 20TH D.C.

JUAN R. PARTIDA
JUDGE, 27TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 32ND D.C.

NOE GONZALEZ
JUDGE, 37TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38TH D.C.

L. KENO VASQUEZ
JUDGE, 38TH D.C.

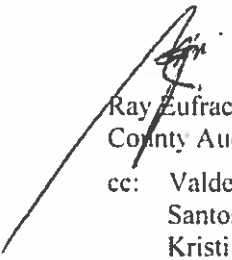
ISRAEL RAMON, JR.
JUDGE, 40TH D.C.

RENEE R. BETANCOURT
JUDGE, 44TH D.C.

- e. 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;
- f. A schedule of how often deposits will be made; and
- g. 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 Alejandra Santa Ana, MSA, Internal Auditor I, at (956) 318-2511, ext. 4647, 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
Kristi Torres, Pharr Motor Vehicle Substation Supervisor

HIDALGO COUNTY DISTRICT JUDGES

LUIS W. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 394TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

COUNTY *of* HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE
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EDINBURG, TEXAS 78539

January 23, 2017

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. 2016-527

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the Weslaco Motor Vehicle Substation on November 10, 2016, 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 \$150,756.43. Based on the results of our review, we have concluded that generally 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 \$7,200.00. 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 several checks received as payment were made payable to "Pablo (Paul) Villarreal, Jr.", "Pablo Villarreal, Jr.", or "Pablo Villarreal". According to staff, cashiers are responsible for verifying that checks are correctly completed prior to acceptance of the check.

On March 7, 2016, the County Auditor issued a letter to the Tax Assessor requiring cashiers to verify that checks are made payable to the Elected or Public Official's title (i.e. Hidalgo County Tax Assessor/Collector) prior to accepting a check as payment. Pursuant to Local Government Code Sections 112.002 and 112.006,

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 13th D.C.

ROSALBA GUERRA REYNA
JUDGE, 20th D.C.

JUAN R. PARTIDA
JUDGE, 27th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 32nd D.C.

NOE DONAZALEZ
JUDGE, 37th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38th D.C.

L. KENO VASQUEZ
JUDGE, 39th D.C.

ISRAEL RAMON, JR.
JUDGE, 43rd D.C.

RENEE R. BETANCOURT
JUDGE, 44th D.C.

the county auditor has financial oversight for all county offices and may dictate the accounting procedures and internal controls to be implemented by each county office.

Failure to ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector) instead of the Elected Official's name increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector).

Observation No. 2:

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, the Main Office emails information on hot check writers for which check payments cannot be accepted; however, it is not consolidated into one list.

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 ensure a hot check list is maintained and referenced when receiving checks from customers may result in the loss of County funds.

Recommendation:

Management should ensure that the hot check list is distributed to employees and referenced when receiving checks from customers. Checks from customers on the hot check list should not be accepted.

Observation No. 3:

Security cameras were not utilized in the vault where cash is safeguarded. According to staff, the purchase of additional video equipment would be considered; however, the purchase would not be made in the near future due to budgetary constraints.

The County Auditor's Office recommends that 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 in all areas where cash is safeguarded increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that security cameras are utilized in all areas where cash is safeguarded. Management should contact the Department of Budget and Management to request their assistance regarding funding for the purchase of security cameras.

Please provide a written management response to the observations noted above by February 16, 2017.

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
 6. Computer hardware and software used; and

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 113TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 378TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 394TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.


RENEE R. BETANCOURT
JUDGE, 441ST D.C.

c. 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 February 16, 2017.

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, MSA, Internal Auditor I, at (956) 318-2511, ext. 4647, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Arcy B. Duran, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,


Ray Dufracio, CPA
County Auditor

cc: Valde Guerra, Executive Officer of Commissioners Court
Santos Castilleja, Motor Vehicle Division Manager
Lucy Flores, Mission Motor Vehicle Substation Supervisor

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. BOBBS FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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JUDGE, 275TH D.C.

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JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH D.C.

COUNTY *of* HIDALGO



EDINBURG, TEXAS 78539

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

February 3, 2017

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. 2016-528

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the Edinburg Motor Vehicle Substation on October 20, 2016, 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 \$477,811.51. 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 \$6,900.00 (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.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RICARDO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

HOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

Observation No. 1:

Total cash on hand at the time of the cash count exceeded receipts issued by \$49,830.49 due to the following:

- 2 checks received for NSF collections totaling \$269.25 had not been receipted at the time of the cash count. The 2 checks were receipted on October 27, 2016.
- 25 checks totaling \$35,435.54 assigned to a cashier had not been receipted at the time of the cash count.
 - 21 checks totaling \$31,787.19 were receipted between October 20, 2016 and October 21, 2016.
 - 4 checks totaling \$3,648.35 were returned back to the dealer due to the incorrect payment amounts, on October 21, 2016 and October 24, 2016.
- 12 checks totaling \$3,230.00 for Beer/Wine and Liquor collections had not been receipted or restrictively endorsed "For Deposit Only" at the time of the cash count. According to the Accountant, the checks could not be immediately receipted since payment had not been made by the payer to the Texas Alcohol and Beverage Commission (TABC). Once payment has been made to TABC, a payment to the County becomes due and can be receipted. However, if payments are sent to the County prior to TABC, *ACT*, the electronic receipting system, does not allow the Motor Vehicle Division to receipt the payment. Once the payment is made to TABC, the agency will upload to *ACT* the balance owed to the County and the department is able to receipt the payment. The check is not restrictively endorsed as it may be returned to the sender if it cannot be receipted.
- 124 mail-in payments totaling \$10,895.70 were received during the cash count. Of the 124 payments, only 4 could be confirmed through the department's mail log since not all mail-in payments are consistently recorded on the mail log due to the volume of mail received.

The County Auditor's Office requires that all payments, including mail-in payments, be promptly recorded and controlled using pre-numbered official County receipts. Collections must be deposited on a daily basis, unless the amount collected is less than \$100.00. If a payment discrepancy occurs, a pre-numbered manual Official County receipt should be issued. Once the discrepancy is resolved, an Official County receipt from the electronic receipting system should be issued and refund check issued, if applicable. In the alternative, the department may return the payment to the sender. If the department returns the payment, a log should be utilized to document the return of checks that includes: the name of the person/entity to whom the check is returned; return address; check date; check amount; date returned; and reason for return. A copy of all checks returned should be maintained on file. In addition, the County Auditor's Office requires that all checks received be immediately restrictively endorsed by the person responsible for opening the mail.

Failure to ensure that all payments are immediately restrictively endorsed "For Deposit Only" and promptly receipted and deposited may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that all payments are immediately restrictively endorsed "For Deposit Only" and promptly receipted and deposited. At a minimum, the procedures noted above should be implemented.

Observation No. 2:

We noted during our review that several checks received as payment were made payable to "Pablo (Paul) Villarreal, Jr.", "Pablo Villarreal, Jr.", "Pablo Villarreal". According to staff, cashiers are responsible for verifying that checks are correctly completed prior to acceptance of the check; however, the cashier may have failed to make the required verification.

On March 7, 2016, the County Auditor issued a letter to the Tax Assessor requiring cashiers to verify that checks are made payable to the Elected or Public Official's title (i.e. Hidalgo County Tax Assessor/Collector) prior to accepting a check as payment. Pursuant to Local Government Code Sections 112.002 and 112.006, the county auditor has financial oversight for all county offices and may dictate the accounting procedures and internal controls to be implemented by each county office.

Failure to ensure that checks accepted as payment are made payable to "Hidalgo County Tax Assessor/Collector" and properly dated may result in the loss or misuse of County funds.

HIDALGO COUNTY DISTRICT JUDGES

LARS W. SINGLETERRY
JUDGE, 92ND D.C.

PODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REY-NA
JUDGE, 208TH D.C.

JUAN R. PARTIDA
JUDGE, 375TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 368TH D.C.

L. KENO VASQUEZ
JUDGE, 388TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

Recommendation:

Management should instruct staff to verify that checks accepted as payment are made payable to "Hidalgo County Tax Assessor/ Collector" and properly dated.

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, the notice was posted but had fallen off due to wear and tear.

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 dealer drop off checks and mail-in checks were not immediately restrictively endorsed "For Deposit Only". According to the staff, checks are not immediately restrictively endorsed since the transaction may be rejected and the check returned back to the dealer.

The County Auditor's Office requires that all checks received be immediately restrictively endorsed by the person responsible for opening the mail.

Failure to ensure that checks accepted as payment are immediately restrictively endorsed "For Deposit Only" may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that checks accepted as payment are immediately restrictively endorsed "For Deposit Only" by the person responsible for opening the mail.

Observation No 5:

During the surprise cash count, we were informed that the department receives dealers drop-off checks that are made payable to the order of the Tax Assessor/Collector; however, the lines for the numeric and dollar amounts are left blank. According to staff, fees for the department's services cannot always be readily determined; therefore, the dealers opt to send a blank check along with the recording documents. According to the Cashier, once the amount due is determined, the numeric and written dollar amounts are written on the check, the documents are recorded, and a receipt is issued and sent to the customer via mail.

Pursuant to the County Auditor's Office *Cash Handling Guidelines and Procedures*, prior to accepting a check as payment, the cashier must verify that the numerical and written dollar amounts agree and are for the exact amount due. Blank checks should not be accepted as payment

Failure to ensure that cashiers do not accept blank checks may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that cashiers do not accept blank checks. In addition, management should ensure that a fee schedule is provided to the dealers. The fee schedule should be utilized by the dealers to determine the amount due.

Observation No. 6:

According to staff, wire transfers are made without obtaining supervisory approval. In addition, documentation detailing the amount, purpose, and destination of the wire is not presented for supervisory review. Furthermore, the employee who executes the wire transfers also reconciles the cash per the accounting records to the bank statements. According to staff, although supervisory approval is not obtained before or after the wire transfer, the Bookkeeper uses QuickBooks to determine the amount that should be issued, and at the end of the month, the Accountant verifies the amount of the wire transfer was correct.

The County Auditor's Office requires that all wire transfers be made after approval is granted by the Department Head or his designee. Before supervisory approval is granted, documentation must be provided

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSÉ GUERRA REYNA
JUDGE, 206TH D.C.

JUAN R. PARTIDA
JUDGE, 273RD D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

detailing the amount, purpose and destination of the wire. In addition, the transmitting bank is required, prior to executing the wire, to confirm the amount and destination of the wire transfer by calling a person independent of the employee requesting the transfer. Furthermore, the employee who executes the wire transfers should not prepare or post journal entries nor reconcile the accounting records to the bank statements.

Failure to properly execute a wire transfer may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that wire transfers are properly executed and prior approval is obtained. At a minimum, the procedures noted above should be implemented.

Observation No. 7:

Passwords to gain access to *ACT*, the beer/wine receipting system, are not changed at least every 90 days. According to staff, they were not aware the password had to be changed as the system does not prompt the users to change their password.

The Information Technology (IT) Securities Policy requires that passwords be changed at least every 90 days.

Recommendation:

Management should ensure that passwords are changed at least every 90 days.

Observation No. 8:

We noted during our review that the "Cash Handling Guidelines and Procedures Receipt Acknowledgement" forms (acknowledgement receipts) for one employee responsible for handling Web Agent payments was not maintained on file. According to the Accountant, the employee did not sign the acknowledgement form as she is not listed as an employee.

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 as proof that employees were trained regarding proper cash handling procedures increases the risk of loss or misuse of County funds.

Recommendation:

Management should maintain the acknowledgement receipts on file as proof that all employees were trained regarding proper cash handling procedures.

Observation No. 9:

During the cash count, we noted that the transaction number (receipt number) given to each transaction is not noted on the "Dealer and Fleet Log". According to the staff, the receipt number is not a requirement of the form.

The County Auditor's Office requires that all checks dropped-off by Dealers be documented on a log. The log should include the following: date and time received; number of transactions dropped off; Dealer's name and phone number; check number; applicant's name; signature/initials of the Dealer's agent picking up the documentation; date the documentation was picked up; reason for rejection, if applicable; date processed, if applicable; the name of the cashier that processed/rejected the transaction; the transaction number (receipt number) issued to each transaction processed; and signature of the employee other than the cashier that verified a receipt was issued for each transaction processed.

Failure to ensure that the "Dealer and Fleet Log" contains all the information required to maintain an adequate audit trail may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that the "Dealer and Fleet Log" contains all the information required to maintain an adequate audit trail. At a minimum, management should ensure that the "Dealer and Fleet Log" is revised to contain all the information noted above.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 97th D.C.

RODOLFO DELGADO
JUDGE, 93rd D.C.

J. R. "BOBBY" FLORES
JUDGE, 139th D.C.

ROSE GUERRA REYNA
JUDGE, 306th D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 312th D.C.

NOE GONZALEZ
JUDGE, 376th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 385th D.C.

L. KENO VASQUEZ
JUDGE, 364th D.C.

ISRAEL RAMON, JR.
JUDGE, 430th D.C.

RENEE R. BETANCOURT
JUDGE, 448th D.C.

Observation No. 10:

We noted during our review that a mail log was not properly utilized to record payments received through the mail. The mail-log does not list the transaction number (receipt number) that the payment was assigned when it was processed. According to the staff, they were not aware that a transaction number needed to be listed on the mail-log.

The County Auditor's Office requires that 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.

Failure to ensure that mail-in payments are properly processed may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that mail-in payments are properly processed. At a minimum, the procedures noted above should be implemented.

Please provide a written management response to the observations noted above by February 28, 2017.

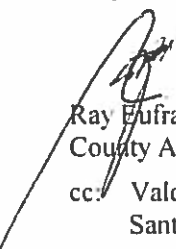
Procedures established by your department for the handling of cash were previously provided to the Auditor's Office; however, the procedures did not address the following:

- 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
 6. Computer hardware and software used; and
- c. 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 February 28, 2017.

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, MSA, Internal Auditor I, at (956) 318-2511, ext. 4647, 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

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 83RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

JUAN R. PARTIDA
JUDGE, 273RD D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 322ND D.C.

NCE GONZALEZ
JUDGE, 379TH D.C.
OVERSEER

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JUDGE, 388TH D.C.

L. KENO VASQUEZ
JUDGE, 396TH D.C.

ISRAEL RAMON, JR.
JUDGE, 436TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH 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



EDINBURG, TEXAS 78539

February 3, 2017

The Honorable Pablo (Paul) Villarreal, Jr., RTA
Hidalgo County Tax Assessor/Collector
2804 South Business Highway 281
Edinburg, TX 78539

Re: Cash Count
Audit No. 2016-531

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the Mission Motor Vehicle Substation on December 13, 2016 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 \$291,704.62. 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 \$7,200.00 (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:

We noted during our review that payments in the amount of \$147,033.90 had not been receipted. According to staff the payments had not been receipted due to the following:

- 176 checks totaling \$139,080.15 were pending to be assigned to a cashier for receipting purposes.
 - 148 checks totaling \$114,885.34 were receipted between December 13, 2016 and December 20, 2016.
 - 28 checks totaling \$24,194.81 were returned back to the dealer between December 13, 2016 and December 20, 2016 due to incorrect payment amounts.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
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JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH D.C.

- o 2 checks were receipted for the incorrect amount.
 - o Check no. 2170 was receipted for \$80.25 but was written for \$89.25, resulting in an overage of \$9.00. The numerical amount was used to receipt the payment instead of the legal (written) amount. According to staff, the excess payment will be refunded to the payer; and
 - o Check no. 3506 was receipted for \$80.25 but was written for \$8,025.00, in error, resulting in an overage of \$7,944.75. The check was corrected prior to deposit.

In addition, we noted that the variances resulting from the incorrect receipting of the two checks were not noted on the *Mission Daily Work Spreadsheet*. Furthermore, the checks were not restrictively endorsed "for deposit only."

The County Auditor's Office requires that all payments, including mail-in payments, be promptly recorded and controlled using pre-numbered official County receipts. If a payment discrepancy occurs, a pre-numbered manual Official County receipt should be issued. Once the discrepancy is resolved, an Official County receipt from the electronic receipting system should be issued and refund check issued, if applicable. In the alternative, the department may return the payment to the sender. If the department returns the payment, a log should be utilized to document the return of checks that includes: the name of the person/entity to whom the check is returned; return address; check date; check amount; date returned; and reason for return. A copy of all checks returned should be maintained on file.

In addition, the County Auditor's Office requires that all cash (i.e., cash, checks, credit card payments, etc.) received be receipted for the amount received. Payments should be recorded with the proper information stating which payment type was used. In addition, the County Auditor's Office requires that collections on hand be reconciled to receipts issued on a daily basis utilizing the *Mission Daily Work Spreadsheet*. Any variances resulting from payments not being receipted in RTS on the day that they were made should be noted on the Comments Section, with a detailed explanation.

Furthermore, the County Auditor's Office requires that all checks received be immediately restrictively endorsed.

Failure to ensure that payments are promptly recorded and controlled using pre-numbered receipts, the *Mission Daily Work Spreadsheet* is properly completed, and payments are immediately restrictively endorsed "For Deposit Only," may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that payments are promptly recorded and controlled using pre-numbered receipts, the *Mission Daily Work Spreadsheet* is properly completed, and payments are immediately restrictively endorsed "For Deposit Only." At a minimum, the procedures noted above should be implemented.

Observation No. 2:

We noted during our review that security cameras were not installed in the areas where cash is safeguarded. According to staff, the purchase of additional video equipment would be considered; however, the purchase would not be made in the near future due to budgetary constraints.

The County Auditor's Office recommends that 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 installed in areas where cash is safeguarded increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that security cameras are installed in areas where cash is safeguarded.

Observation No. 3:

We noted during our review that several checks received as payment were made payable to "Pablo (Paul) Villarreal, Jr.", "Pablo Villarreal, Jr.", or "Pablo Villarreal." According to staff, they haven't been informed not to receive checks made payable to the elected official's name.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
TVPR5FFR

LETICIA LOPEZ
JUDGE, 385TH D.C.

L. KEINO YASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 448TH D.C.

Pursuant to Local Government Code Sections 112.002 and 112.006, the county auditor has financial oversight for all county offices and may dictate the accounting procedures and internal controls to be implemented by each County office. On March 7, 2016, the County Auditor issued a letter to the Tax Assessor requiring cashiers to verify that checks are made payable to the Elected or Public Official's title (i.e. Hidalgo County Tax Assessor/Collector) prior to accepting a check as payment.

Failure to ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector) increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector).

Observation No. 4

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, the notice has not been post due to a heavy workload and limited staff; however, the notice has already been 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 where collections are taken.

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. 5:

We noted during our review that the "Dealer and Fleet Log" does not including the following information: transaction number (receipt number) and the signature of the employee conducting the verification that an official receipt was issued. According to the Supervisor, the receipt number and the signature of the employee conducting the verification are not included on the "Dealer and Fleet Log" since it is a lot of information to be included on the log. She would need to consult with management in order to modify the log.

The County Auditor's Office requires that all checks dropped-off by Dealers be documented on a log. The log should include the following: date and time received; number of transactions dropped off; Dealer's name and phone number; check number; applicant's name; signature/initials of the Dealer's agent picking up the documentation; date the documentation was picked up; reason for rejection, if applicable; date processed, if applicable; the name of the cashier that processed/rejected the transaction; the transaction number (receipt number) issued to each transaction processed; and signature of the employee other than the cashier that verified a receipt was issued for each transaction processed.

Failure to ensure that the "Dealer and Fleet Log" contains all the information required to maintain an adequate audit trail may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that the "Dealer and Fleet Log" contains all the information required to maintain an adequate audit trail. At a minimum, management should ensure that the "Dealer and Fleet Log" is revised to contain all the information noted above.

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 in the Renewals sections of the office. According to Supervisor, she was not aware that the notice was not posted.

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 where collections are taken.

Failure to post the required notice increases the risk of loss or misuse of County funds.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 13th D.C.

ROSE GUERRA REYNA
JUDGE, 20th D.C.

JUAN R. PARTIDA
JUDGE, 27th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 32nd D.C.

NOE GONZALEZ
JUDGE, 37th D.C.
DVFRRFRFR

LETICIA LOPEZ
JUDGE, 38th D.C.

L. KENO VASQUEZ
JUDGE, 39th D.C.

ISRAEL RAMON, JR.
JUDGE, 43rd D.C.

RENEE R. BETANCOUR
JUDGE, 48th D.C.

Recommendation:

Management should ensure that cashiers verify that the payer's name, address, driver's license number, date of birth, and phone is pre-printed or recorded on the face of the check.

Please provide written management responses to the observations noted above by February 20, 2017.

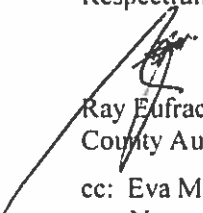
Procedures established by your department for the handling of cash were previously provided to the Auditor's Office; however, the procedures did not address the following:

- 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; and
- 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 February 20, 2017.

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 Yvonne Torres, Revenue Audit Supervisor, at 318-2511 ext. 4642, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668 or me at ext.4604.

Respectfully,



Ray Eufracio, CPA
County Auditor

cc: Eva Mireles, Chief of Operations
Norma L. Ochoa, Substation Supervisor
Valde Guerra, Commissioners Court Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 13th D.C.

ROSE GUERRA REYNA
JUDGE, 20th D.C.

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JUDGE, 27th D.C.

MARIO E. RAMIREZ, JR.
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JUDGE, 37th D.C.
OVFRKFFD

LETICIA LOPEZ
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JUDGE, 38th D.C.

ISRAEL RAMON, JR.
JUDGE, 43rd D.C.

RENEE R. BETANCOUR
JUDGE, 44th 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



EDINBURG, TEXAS 78539

January 30, 2017

Honorable Arturo Guajardo, Jr.
Hidalgo County Clerk
100 N. Closner
Edinburg, TX 78539

Re: Cash Count
Report No. 2016-532

Dear Mr. Guajardo:

We conducted a surprise cash count of the cash held at the Hidalgo County Clerk's Main Office on October 5, 2016 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 at the time of the cash count agreed to the total receipts issued 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 drawer, proper authorization of voided transactions, the use of a mail log for mail-in payments, and segregation of duties.

Conclusion:

Total cash on hand at the time of the cash count was \$71,875.70. Based on the results of our review, we have concluded that the 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 \$600.00 (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:

At the time of the cash count, cash on hand did not reconcile to the total receipts issued. Cash on hand was over by \$2,181.85 and consisted of 45 checks that had not been receipted or restrictively endorsed "For Deposit Only". Of the 45 checks:

- o 2 checks had not been receipted since the cashiers were attending walk-in customers;
- o 2 checks were received for less than the amount due; therefore, the checks were placed on hold until receipt of a second check to cover the full initial fees;

HIDALGO COUNTY DISTRICT JUDGES

WES W. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. BOBBY FLORES
JUDGE, 137TH D.C.

ROSE QUEPPA PEYNA
JUDGE, 208TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 312ND D.C.

NOE GONZALEZ
JUDGE, 379TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. HÉNO VASQUEZ
JUDGE, 396TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RÉNEE R. BETANC
JUDGE, 448TH D.C.

- 4 checks were on hold since documents to be recorded were being reviewed;
- 7 checks were on hold since the checks were dated July 22, 2016, July 25, 2016, and July 28, 2016 and approval was needed from management to receipt payments; and
- 30 checks were received through the mail on October 5, 2016. According to the Mail Clerk, payments were pending to be recorded on the mail log and distributed to the corresponding divisions.

The County Auditor's Office requires that all payments, including mail-in payments, be promptly recorded and controlled using pre-numbered official County receipts and restrictively endorsed "For Deposit Only". If a payment discrepancy occurs (i.e., check made out to the incorrect person, check made out for the incorrect amount, insufficient/incorrect information, etc.), a pre-numbered manual receipt should be issued. Once the discrepancy is resolved, an Official County receipt from the electronic receipting system should be issued and refund check issued, if applicable. In the alternative, the department may return the payment to the sender. If the department returns the payment, a log should be utilized in order to maintain an adequate audit trail of the checks returned that includes: the name of the person /entity to whom the check is returned; return address; check date; check amount; date returned; and reason for return. A copy of all checks returned should be maintained on file.

Failure to ensure that payments are promptly receipted and restrictively endorsed "For Deposit Only" may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that payments are promptly receipted and restrictively endorsed "For Deposit Only". At a minimum, the procedures noted above should be implemented.

Observation No 2:

During the cash count, we reviewed the mail log and noted that the check amounts for checks received from title companies were recorded as "Not to exceed \$100.00" or "Not to exceed \$250.00". We examined the checks and noted that the title companies made the checks payable to the "Hidalgo County Clerk"; however, the lines for the numeric and dollar amounts were left blank. Instead, the title companies noted the checks with "Not to exceed \$100.00" or "Not to exceed \$250.00". According to staff, recording fees are based on the number of pages to be recorded and customers do not always know the total amount due; therefore, customers opt to send a blank check along with the recording documents. Once the amount due is determined, the numeric and written dollar amounts are written on the check, the documents are recorded, and a receipt is issued and sent to the customer via mail.

Pursuant to the County Auditor's Office *Cash Handling Guidelines and Procedures*, prior to accepting a check as payment, the cashier must verify that the numerical and written dollar amounts agree and are for the exact amount due.

Failure to ensure that cashiers verify that the numeric and written dollar amounts agree and are for the exact amount due may result in the loss or misuse of County funds.

Recommendation:

Management should not accept blank checks as payment. In addition, management should ensure that a fee schedule is provided to the title companies. The fee schedule should be utilized by the title companies to determine the amount due.

Observation No. 3:

We were informed that passwords to gain access to *Kofile* and *Odyssey*, the electronic receipting systems, are not changed at least every 90 days. According to staff, *Kofile* and *Odyssey* are not programmed to automatically prompt and require users to change passwords at least every 90 days. According to staff, a request has been made to change passwords every three months.

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 *Kofile* and *Odyssey*.

Recommendation:

Management should contact the applicable software providers to request that *Kofile* and *Odyssey* 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.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 22ND D.C.

RODOLFO DELGADO
JUDGE, 63RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 136TH D.C.

ROSÉ GUERRA PEYNA
JUDGE, 208TH D.C.

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

MARIO E. RAMÍREZ, JR.
JUDGE, 312ND D.C.

NOE GONZALEZ
JUDGE, 378TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 388TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMÓN, JR.
JUDGE, 430TH D.C.

RENEE R. BETANK
JUDGE, 449TH D.C.

Observation No. 4:

We noted during our review that segregation of duties over the handling of cash requires improvement. Eight Bookkeepers perform the following incompatible duties:

- o Custody: Receive collections, issue receipts, maintain the cash drawer, balance copies of receipts issued to the cash drawer, prepare bank deposits, collect on returned checks (NSF), and have access to the inventory of unused manual receipts
- o Recording: Prepare reports of cash received and disbursed

According to staff, all the Bookkeepers are cross-trained to cover for unavailable staff.

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 the assets, recording transactions, and authorization. The individual responsible for receiving collections, issuing receipts, maintaining the cash drawer, balancing copies of receipts issued to the cash drawer, preparing bank deposits, collecting on returned checks (NSF), and having access to the inventory of unused manual receipts should be different from the individual responsible for preparing reports of cash received and disbursed.

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. 5:

Signed copies of the "Cash Handling Guidelines and Procedures" acknowledgement receipt were not maintained on file. According to management, although they are aware that the acknowledgement receipts need to be signed by employees, the employees have not been required to 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.

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 are required to read and sign a receipt acknowledging their understanding of the "Cash Handling Guidelines and Procedures". In addition, the forms should be maintained on file for all employees.

Observation No. 6:

According to staff, wire transfers are made without obtaining supervisory approval. In addition, documentation detailing the amount, purpose, and destination of the wire is not presented for supervisory review. Furthermore, the employee who executes the wire transfers also reconciles the cash per the accounting records to the bank statements. According to staff, approval is not granted each time a transfer is made due to limited staff.

The County Auditor's Office requires that all wire transfers be made after approval is granted by the Department Head or his designee. Before supervisory approval is granted, documentation must be provided detailing the amount, purpose and destination of the wire. In addition, the transmitting bank is required, prior to executing the wire, to confirm the amount and destination of the wire transfer by calling a person independent of the employee requesting the transfer. Furthermore, the employee who executes the wire transfers should not prepare or post journal entries nor reconcile the accounting records to the bank statements.

Failure to properly execute a wire transfer may result in the loss or misuse of County funds.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
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RODOLFO DELGADO
JUDGE, 83RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 119TH D.C.

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

JUAN R. PARTIDA
JUDGE, 273TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETAN
JUDGE, 449TH D.C.

Recommendation:

Management should ensure that wire transfers are properly executed. At a minimum, the procedures noted above should be implemented.

Observation No. 7:

We noted during our review that access authorizations to *Kofile* are not documented on standard forms and maintained on file. According to staff, department is working with *Kofile* to setup a list of users with their corresponding type of access.

Access controls provide management with reasonable assurance that data files and application programs are protected against unauthorized modification, disclosure, loss, or impairment. Access controls require users to authenticate themselves (through the use of unique user names and passwords) and limit the files and other resources that they can access and the actions that they can execute.

For access controls to be effective, management must analyze the responsibilities of individual users and determine the type of access needed for the users to effectively fulfill their responsibilities. Access granted must be restricted to those authorized functions alone. In general, users may be assigned one or more of the following types of access:

- Read access, which is the ability to look at and copy data or a software program.
- Update access, which is the ability to change data or a software program.
- Delete access, which is the ability to erase or remove data or programs.
- Merge access, which is the ability to combine data from two separate sources.
- Execute access, which is the ability to execute a software program.

Access authorizations should be documented on standard forms and maintained on file. The authorization form must be completed and signed by the user accepting the conditions of use and approved by senior management. The approved form must be securely transferred to security managers and filed.

Access authorizations and related controls should be monitored, maintained, and adjusted on an ongoing basis to accommodate for changes in a user's responsibilities (i.e., new hire, promotions, termination, and/or transfer of employees).

Without adequate access controls, unauthorized individuals may be able to read and copy sensitive data and make undetected changes or deletions for malicious purposes or personal gain. In addition, authorized users may intentionally or unintentionally read, add, delete, modify, or execute changes that are outside their scope of authority.

Recommendation:

Management should ensure authorization to access *Kofile* is documented. At a minimum, the procedures noted above should be implemented.

Observation No. 8:

A schedule of fees was not posted in a conspicuous location for the public's view. According to staff, they were not aware that the schedule of fees was not posted.

The County Auditor's Office requires that a schedule of fees that will be charged pursuant to state statutes and/or Commissioners Court approval be posted in a conspicuous location for the public's view.

Failure to post the schedule of fees in a conspicuous location increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that a schedule of authorized fees is posted in a conspicuous location for the public's view.

Observation No. 9:

We noted during our review that collections are not deposited until 2 days after the collections are receipted. According to staff, the armor car changed their pick-up time schedule to an earlier time, leaving the department with insufficient time to review and prepare the close-out reports and deposit slip. According to staff, management has met with American Surveillance Company to discuss the scheduling times; however, pick-up times could not be changed due to American Surveillance prior scheduling route.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12TH D.C.

RODOLFO DELGADO
JUDGE, 13TH D.C.

J. R. "BOBBY" FLORES
JUDGE, 13TH D.C.

ROSE GUERRA REYNA
JUDGE, 20TH D.C.

JUAN P. PARTIDA
JUDGE, 27TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 31ST D.C.

NOE GONZALEZ
JUDGE, 37TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38TH D.C.

L. KENO VASQUEZ
JUDGE, 38TH D.C.

ISRAEL RAMON, JR.
JUDGE, 43RD D.C.

PENEER BETANCOURT
JUDGE, 44TH D.C.

Pursuant to the "Cash Handling Guidelines and Procedures" prescribed by the County Auditor's Office, cash receipts must be deposited intact on a daily basis, unless the amount collected is less than \$100.00

Failure to ensure that collections are deposited at the bank on a daily basis may result in the loss or misuse of County funds.

Recommendation:

Management should contact the applicable parties to arrange a more convenient time for the armor car to pick up the daily collections in order to ensure that collections are deposited daily. In the alternative, the time for closing out and balancing the daily collections should be changed in order to have ample time to make the daily deposits.

Observation No. 10:

We noted during our review that collections for Texas Parks and Wildlife were not reconciled to receipts issued on a daily basis by preparing a Cashier's Daily Close-Out Report (The Close-Out Report). According to staff, a Cashier's Daily Close-Out Report has not been implemented; however, staff was instructed to generate a Daily Sales Report and attached a signed tape confirming that cash on hand reconciles to the Daily Sales Report.

The County Auditor's Office requires that cash on hand be reconciled to receipts issued and the change fund on a daily basis by utilizing the *Cashier's Daily Close-Out Report* (Close-out Report). The reconciliation must be conducted by the Cashier and witnessed by another individual. Both the cashier and the witness must verify that the Close-Out Report is completed in its entirety and must sign the Close-Out Report to document their responsibility for this verification. In addition, after the deposit has been made, the County official or his/her designee must verify that the total amount on the validated deposit slip agrees to the total receipts issued as noted on the Close-Out Report. The County official or his/her designee must sign the Close-out Report to document responsibility for this verification.

Failure to ensure that procedures for preparing Close-out Reports are properly implemented may result in the loss of County funds.

Recommendation:

Management should ensure that daily cash reconciliations are properly documented on the Close-Out Report.

Observation No. 11:

During the cash count, we noted that several cashiers share the same username and password to receipt Texas Parks & Wildlife collections. According to staff, staff previously contacted Texas Parks & Wildlife to change the user name and password but the agency recommended not to change the user name as it will cause additional charges.

The County Auditor's Office requires unique user ID's and passwords be assigned to each employee responsible for handling cash. In addition, sharing user ID's and passwords must be strictly prohibited.

Failure to ensure that unique user ID's and passwords are assigned to each employee responsible for handling cash may result in the unauthorized access to the Texas Parks & Wildlife receipting system.

Recommendation:

Management should ensure that unique user ID's and passwords are assigned to each employee responsible for handling cash. In addition, management should contact Texas Parks and Wildlife to add additional users to the Texas Parks and Wildlife receipting system.

Observation No. 12:

During the cash count, we were informed that cashiers collecting for Texas Parks & Wildlife collections were instructed to safeguard collections by walking over collections from the Texas Parks & Wildlife receipting area to the small safe at the Bookkeepers' area. However, cashiers are not required to document transfer or use a cash bag while the collections are transferred from one location to another.

The County Auditor's Office requires that only one cashier be allowed access to a specific cash drawer during a single shift. When cash is transferred from one person to another, it should be counted in the presence of both parties. In addition, a transfer form should be prepared when a transfer of funds takes place. This is necessary for the purposes of establishing responsibility relating to a shortage.

Failure to prepare a transfer form when a transfer of funds is made may result in the loss or misuse of County funds.

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 448TH D.C.

Recommendation:

Management should ensure that a transfer form is prepared when a transfer of funds takes place. At a minimum, the procedures noted above should be implemented

Observation No. 13:

We noted during our review that when a Texas Parks & Wildlife receipt is voided, cashiers are not required to sign, date, and write reason for void on the receipt to be voided. According the staff, cashiers are only required to write "VOID" on the face of the voided receipt and reference the replacement receipt.

The County Auditor's Office requires that if a cashier makes an error, the receipt must be voided. The following procedures must be followed:

- a) The Deputy Clerk must obtain approval by his/her supervisor prior to voiding the receipt. The name of the person approving the void must be on the Authorized Signatories Form submitted to the County Auditor's Office.
- b) The supervisor must sign and date the void sheet to document responsibility for verifying that the void sheet was properly completed. all copies of the receipt are marked "VOID" on the face of the receipt. contain an explanation for the void, and contain the date the receipt was voided and signature of the cashier requesting the void.
- c) If a new receipt is issued, the voided receipt number and the new receipt number should be cross-referenced.
- d) All copies of the voided receipt must be securely attached together and submitted to the Auditor's Office.
- e) Computer access controls to void receipts should be limited only to those authorized to approve voids.

Formal procedures have not been developed and implemented to ensure receipts are properly voided, which may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that cashiers sign, date and write reason for void on the receipt to be voided. At a minimum, the procedures noted above should be implemented.

Observation No. 14:

During the cash count, we noted that a till (cash drawer) designated for criminal collections was shared by several Bookkeepers. According to staff, during the conversion to *Odyssey*, requests were made to Tyler Technologies that separate tills for criminal payments be assigned to each Bookkeeper. However, Tyler Technologies denied their request on the basis that civil and criminal tills share the same bank account.

The County Auditor's Office requires that, to establish individual responsibility for cash receipts, each cashier be assigned a separate cash drawer which only that cashier may access while on duty. The drawer must be locked during the cashier's absence.

Failure to ensure that only one cashier is allowed access to a specific cash drawer during a single shift may result in the loss or misuse of County funds.

Recommendation:

Management should contact the Information Technology Department and Tyler Technologies to ensure that only one cashier is allowed access to a specific cash drawer during a single shift.

Observation No. 15:

During the cash count, we noted that not all receipting areas were being monitored with a security camera. The bookkeeper's area/office used to receipt payments, to safeguard prior day collections, and to reconcile collections was not being monitored. According to staff, the office does have a security camera; however, at the time of the cash count the camera was under repair.

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

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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 installed and properly working where cash is received and safeguarded increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that security cameras are installed and properly working where cash is received and safeguarded.

Observation No. 16:

During the cash count, we noted that at times cashiers accept over the phone credit card payments. According to staff, credit card payments are accepted on rare occasions when a payment is done through their E-file system that does not go through. Cashiers are required to only accept credit cards from title companies or an attorney firm and to obtain the cardholder's name, expiration date, and address to process the credit card payment. The credit card payment is processed through Hamer Enterprises and information provided from the customer needs to be exactly as indicated on the customer's credit card, otherwise the credit card will be rejected. Once the credit card payment is processed and accepted, the credit card payment is receipted into *Kofile* or *Odyssey* and the system generated receipt is sent to the customer through mail or e-mail.

The County Auditor's Office requires that the cashier request identification from the payer when a debit or credit card is presented as payment. The identification is required to verify that the card belongs to the payer.

After the card is swiped or processed and the transaction has been authorized, the cashier must obtain the payer's signature on the credit card receipt. Over-the-phone credit card payments should not be accepted due to the inability to verify the identity of the card user which is necessary to ensure proper credit card authorization.

Failure to ensure that cashiers request a valid form of identification to verify that the payers name agrees to the card being presented for payment may result in credit card fraud. In addition, taking over-the-phone credit card payments increases the risk of credit card disputes which may result in the loss of County funds.

Recommendation:

Management should not process over-the-phone credit card transactions. Individuals calling and requesting to pay fees and fines should be notified that payments can be made online and referred to the Hidalgo County Clerk Website.

Observation No. 17:

During our review, it was noted that credit card transactions can be reversed. According to staff, reversals are usually made when a customer no longer wants to process the credit card payment and only if the original transaction was processed on the same day. According to staff, when a reversal is needed, the department is required to contact *Hamer* and to submit a written notice to process the credit card reversal.

The County Auditor's Office requires that credit card transaction reversals be prohibited. Prior to taking a credit card payment the amount being charged to the credit card should be checked to ensure that it is accurate. If after the payment has been processed, it is determined that the credit card transaction amount is incorrect, then the difference should be treated as an overpayment. If a refund needs to be issued, payment of refund should not be credited back to the individuals' credit card through a reversal, instead it must follow the same procedures as any other refund and be issued by check.

Failure to ensure that credit card transactions are not reversed may result in the loss of County funds.

Recommendation:

Management should ensure that credit card transactions are not reversed. If a refund is due to the payer, it must be processed as a refund check.

Please provide written management responses to the observations noted above by February 17, 2017. 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;

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 206TH D C

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JUDGE, 275TH D C

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NOE OCHAZALEZ
JUDGE, 370TH D C
OVERSEER

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JUDGE, 394TH D C

ISRAEL RAMON, JR
JUDGE, 430TH D C

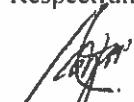
RENEE R BETAN
JUDGE, 449TH

- 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.

Please provide our office with copies of the procedures by February 17, 2017.

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 Gricelda Quintero, Internal Auditor I, at 318-2511 ext. 4643. Yvonne Torres, Revenue Audit Supervisor, at ext. 4646. Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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COUNTY of HIDALGO



EDINBURG, TEXAS 78539

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January 13, 2017

The Honorable Jaime J. Muñoz
Hidalgo County Justice of the Peace Pct. 2, Pl. 2
300 W. Hall Acres, St. B
Pharr, Texas 78577

Ref: Cash Count
Report No. 2016-538

Dear Judge Muñoz:

We conducted a surprise cash count of the cash held at your office on November 8, 2016 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 October 1, 2016 through October 31, 2016. 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 cash on hand at the time of the cash count was \$9,914.10. 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. 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 cash on hand at the time of the cash count exceeded receipts issued by \$9,383.00 due to the following:

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JUDGE, 275TH D.C.

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JUDGE, 398TH D.C.

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JUDGE, 409TH D.C.

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JUDGE, 449TH D.C.

- 92 mail-in payments totaling \$8,580.00 that were still in sealed envelopes. According to the Court Coordinator, the checks had not been receipted due to short staffing and a heavy work load. Of the 92 mail-in payments:
 - 69 checks were subsequently receipted between November 8, 2016 and December 12, 2016.
 - 23 checks were pending to be receipted as of January 5, 2017. As of today, we have not received supporting documentation to ensure payments were either receipted or returned to the sender.
- 3 checks totaling \$25.00 were found in the former Court Coordinator's desk drawer. According to the new Court Coordinator, the checks had not been receipted due to short staffing and a heavy work load. As of today, we have not received supporting documentation to ensure payments were either receipted or returned to the sender.
- 5 checks totaling \$528.00 were pending to be returned to the payers.
 - Two checks were made payable to the previous Justice of the Peace;
 - Two checks were made payable to Webb County Constable; and
 - One check was made for the incorrect amount.As of today, we have not received supporting documentation to ensure payments were either receipted or returned to the sender.
- One cashier had the Judge's "Wedding Fund" of \$250.00 in his cash box. According to staff, they were not aware that the Judge's "Wedding Fund" could not be comingled with County funds.

The County Auditor's Office requires that all payments, including mail-in payments, be promptly recorded and controlled using pre-numbered official County receipts. Collections must be deposited on a daily basis, unless the amount collected is less than \$100.00. If a payment discrepancy occurs (i.e. check made out to the incorrect person, check made out for the incorrect amount, etc.), a pre-numbered manual Official County receipt should be issued. Once the discrepancy is resolved, an Official County receipt from the electronic receipting system should be issued and refund check issued, if applicable. In the alternative, the department may return the payment to the sender. If the department returns the payment, a log should be utilized to document the return of checks that includes: the name of the person/entity to whom the check is returned; return address; check date; check amount; date returned; and reason for return. A copy of all checks returned should be maintained on file. In addition, the County Auditor's Office requires that County funds not be comingled with personal funds.

Failure to ensure that all payments are promptly receipted and that County funds are not comingled with personal funds may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that all payments are promptly receipted. In addition, management should ensure that staff does not comingle personal funds with County funds. At a minimum, the procedures noted above should be implemented.

Observation No. 2:

We noted that although security cameras were utilized, the security cameras were not utilized where cash was receipted and safeguarded. According to staff, installation of the cameras was done prior to the arrival of the current court administration; however, the Justice of the Peace will make efforts to install more cameras.

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 utilize security cameras 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

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JUDGE, 20TH D.C.

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JUDGE, 44TH D.C.

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, they were not aware that the notice needed to be posted.

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:

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 *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 into the *Odyssey* (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 *Odyssey* 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 into *Odyssey*. Since the person responsible for entering the citations/civil cases into *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 into *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 *Odyssey* and reconciled to the log by a person other than the person responsible for entering the citations into *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 *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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JUDGE, 448TH D.C.

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. 5:

A schedule of authorized fines and fees for criminal cases 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 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 "Cash Handling Guidelines and Procedures Receipt Acknowledgement" forms (acknowledgement receipts) for three employees responsible for handling cash, including the Justice of the Peace, were not maintained on file. According to staff, staff was not aware that each new employee needed to sign the acknowledgement receipt form.

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 acknowledgement receipt should be kept on file.

Failure to maintain the acknowledgement receipts as proof that employees, including the Justice of the Peace, were trained regarding proper cash handling procedures increases the risk of loss or misuse of County funds.

Recommendation:

Management should maintain the acknowledgement receipts on file as proof that all employees, including the Justice of the Peace, were trained regarding proper cash handling procedures.

Observation No. 7:

A mail log was not properly maintained to record payments received through the mail. The mail log did not contain the receipt number assigned to the payments received. According to the Court Coordinator, they were not aware that the mail log needed to contain the information noted above. The mail-in payments were also not immediately restrictively endorsed "For Deposit Only". Furthermore, the mail-in payments were not safeguarded in a locked safe; instead, the mail-in payments were placed on a staff member's desk. According to staff, a mail log has not been properly implemented due to a heavy workload and limited number of staff. In addition, mail-in payments are restrictively endorsed by the cashiers until a receipt is issued. Furthermore, they were not aware that mail-in payments need to be safeguarded until the payments are ready to be processed.

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.

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JUDGE, 13th D.C.

ROSE GUERRA REYNA
JUDGE, 26th D.C.

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JUDGE, 44th D.C.

- a. A check may not be restrictively endorsed if the payee line of the check is blank or made payable to another department, unless a supervisor has verified that the check is a proper payment to the department. If the payment is a proper payment to the department and the payee line of the check is blank, the department's name must be recorded on the payee line. If verification of proper payment is not possible, the check must be returned to the sender.
- b. A check may not be restrictively endorsed if it is stale-dated. Stale-dated checks must be returned to the sender.
3. Mail-in payments must be listed on a 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 maintained on file.

Failure to ensure that mail-in payments are promptly processed and safeguarded under lock and key may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that mail-in payments are properly processed and safeguarded under lock and key. At a minimum, the procedures noted above should be implemented.

Observation No. 8:

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. According to the Court Coordinator, he was not aware that this list needs to be kept on file. However, he will attempt to obtain the list and keep it readily available from now on.

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.9:

Passwords to gain access to *Hamer*, the County's credit card system, are not changed at least every 90 days. According to staff, *Hamer* has not been programmed to prompt and require users to change passwords 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 *Hamer*.

Recommendation:

Management should contact the Information Technology Department 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.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J.R. "BOBBY" FLORES
JUDGE, 129TH D.C.

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOÉ DONZALEZ
JUDGE, 370TH D.C.
CVFRSFFR

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 394TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

Observation No. 10:

At the time of the cash count, there were no appeal bonds on hand. However; according to staff, when appeal bonds are received, an official County receipt is not issued. The appeal bonds are made payable to the County Clerk's Office. According to staff, all documentation received including the check is placed into a sealed envelope which then gets delivered by a Deputy Constable to the County Clerk's Office. The deputy is required to sign the checks out on a log; however, no documentation is required by the Deputy Constable upon return. Staff indicated that it does not take longer than 2 days before the bonds are delivered to the County Clerk's Office. The County Clerk's Office sends a letter to the Justice of the Peace office notifying them that the payment was received and the case number assigned to the case.

The County Auditor's Office requires that all cash (i.e., cash, checks, credit card payments, etc.) received be promptly recorded and controlled using pre-numbered official County receipts.

Failure to ensure that appeal bonds are promptly receipted in a timely manner may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that all appeal bonds are promptly receipted in a timely manner. In the alternative, the Justice of the Peace should prepare all applicable court documentation and request that the payer submit the documentation along with payment of the appeal bond to the County Clerk's Office.

Observation No. 11:

We noted during our review that segregation of duties over the handling of collections requires improvement. The Court Coordinator and Assistant Court Coordinator perform the following incompatible duties:

- o Custody: Receive money, issue receipts, balance copies of receipts against cash drawer, and maintain a cash drawer
- o Recording: Have access to dismiss cases in *Odyssey* and preparing reports of cash received
- o Authorization: Verify that voided receipts are reviewed

According to staff, due to a heavy case load and limited number of staff, proper segregation of duties over the handling of collections has not been implemented.

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 cash drawer, and maintaining a cash drawer should be different from the individual having access to dismiss cases in *Odyssey*, and preparing reports of cash received. In addition, the individuals previously noted should not be responsible for verifying that voided receipts are 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 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

LUIS M. SINGLETERRY
JUDGE, 17th D.C.

RODOLFO DELGADO
JUDGE, 17th D.C.

J. R. "BOBBY" FLORES
JUDGE, 13th D.C.

ROSE GUERRA REYNA
JUDGE, 20th D.C.

JUAN R. PARTIDA
JUDGE, 27th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 32nd D.C.

NOE GONZALEZ
JUDGE, 37th D.C.
CNFRSFFR

LETICIA LOPEZ
JUDGE, 38th D.C.

L. KENO VASQUEZ
JUDGE, 39th D.C.

ISRAEL RAMON, JR.
JUDGE, 43rd D.C.

RENEE R. BETANCOURT
JUDGE, 44th D.C.

Observation No. 12:

We noted during the cash count that staff is not prohibited from receipting payments from relatives or personal friends. According to staff, they were not aware that transactions between relatives or personal friends and staff should be prohibited. However, the Court Coordinator will implement this policy.

According to the County Auditors "*Cash Handling Guidelines and Procedures*", cashiers should not receipt payments from their relatives or personal friends. Cashiers must notify their supervisor so that the supervisor may assign the receipt of the payment to another cashier.

Failure to prohibit staff from receipting payments from relatives or personal friends may increase the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that staff is prohibited from receipting payments from relatives or personal friends.

Observation No. 13:

We noted during the cash count that the court does not have a records retention schedule. According to staff, they were not aware that the court needed to have a records retention schedule; however, the Court Coordinator will contact the County Clerk's Office to obtain information to implement a records retention schedule.

According to the County Auditors "*Cash Handling Guidelines and Procedures*", receipts and related documents (e.g., accounting reports, deposit slips, credit card receipts, copies of manual cash receipts, etc.) must be maintained in accordance with the department's record retention schedule. Upon request, this documentation must be made available for review by the County Auditor's Office. In addition, there are numerous statutes (including but not limited to Local Government Code, Chapter 204 or Chapter 205) that require the retention of records for certain periods of time.

Failure to maintain a record retention schedule increases the risk of the department not being in compliance with the destruction of records and accidentally disposing of records prior the expiration of their retention period. Anyone destroying local government records without legal authorization may also be subject to criminal penalties and fines under the Public Information Act (Government Code, Chapter 552).

Recommendation

Management should contact the County Clerk's Office and the Texas State Library and Archives Commission (www.tsl.texas.gov) for guidance on establishing a records retention schedule.

Please provide written management responses to the observations noted above by January 31, 2017. 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 our office with copies of the procedures by January 31, 2017.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 83RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 378TH D.C.
OVREPTFR

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

The Honorable Jaime J. Muñoz
January 13, 2017
Page 8 of 8

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, MSA, 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, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

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JUDGE, 379TH D.C.
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LETICIA LOPEZ
JUDGE, 389TH D.C.

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JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETACOURT
JUDGE, 448TH 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



EDINBURG, TEXAS 78539

January 30, 2017

The Honorable Homer Jasso, Sr.
Justice of the Peace, Pct. 4, Pl.2
224 N. 12th Avenue
Edinburg, TX 78539

Re: Cash Count
Report No. 2016-542

Dear Judge Jasso:

We conducted a surprise cash count of the cash held at your office on November 7, 2016 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 October 1, 2016 through October 31, 2016. 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 cash on hand at the time of the cash count was \$6,583.00. Based on the results of our review, we have concluded that total cash on hand generally 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:

Although security cameras are utilized, the security cameras are not utilized in all areas where cash is received and safeguarded. According to the Court Coordinator, attempts to purchase security cameras for all areas where cash is received and safeguarded will be made.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 139th D.C.

ROSE GUERRA REYNA
JUDGE, 208th D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332nd D.C.

NOE GONZALEZ
JUDGE, 370th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 381st D.C.

L. KENO VASQUEZ
JUDGE, 398th D.C.

ISRAEL RAMON, JR.
JUDGE, 430th D.C.

RENEE R. BETANCOURT
JUDGE, 448th D.C.

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 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 the security cameras are installed in areas where cash collections are received and safeguarded.

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. According to staff, only checks received from businesses and/or attorneys are accepted. 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.

Recommendation:

Management should request the "hot check" listing from the County Treasurer's Office.

Observation No. 3:

We noted during our review that undeposited collections are not placed in a locked cash drawer. According to staff, a locked cash drawer has not been provided by the court and the cashiers place the payments received in their unlocked cash boxes until it is time to reconcile at the end of the day. All of the cashiers' desks remain unlocked throughout the day. According to the Court Coordinator, the keys to lock the cash boxes and desks in the office could not be located after the restructuring of the office. As of today, the department utilizes a locked drawer where collections are kept overnight before they are deposited at the bank the next day.

The County Auditor's Office requires for all cash to 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 a locked cash drawer is maintained by each employee responsible for handling collections may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that a locked cash drawer is assigned to each employee responsible for handling collections. At a minimum, the procedures noted above should be implemented.

Observation No. 4:

A mail log was not utilized to record payments received through the mail. Due to restructuring within the department, staff was not aware that a daily mail log was required. However, according to the Court Coordinator, she will attempt to prepare a daily mail log.

The County Auditor's Office requires that mail-in payments 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.

Failure to ensure that a daily mail log is prepared to record payments received through the mail may result in the loss or misuse of County funds.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 92ND D C

RODOLFO DELGADO
JUDGE, 93RD D C

J R "BOBBY" FLORES
JUDGE, 139TH D C

ROSE QUERRA REYNA
JUDGE, 208TH D C

JUAN R. PARTIDA
JUDGE, 273RD D C

MARIO E. RAMIREZ, JR
JUDGE, 312ND D C

NOE GONZALEZ
JUDGE, 370TH D C.
OVERSEER

LETICIA LOPEZ
JUDGE, 388TH D C.

L. KENO VASQUEZ
JUDGE, 388TH D C.

ISRAEL RAMON, JR.
JUDGE, 430TH D C

RENEE R. BETANCOURT
JUDGE, 449TH D C

Recommendation:

Management should ensure that a daily mail log is prepared to record payments received through the mail. Please refer to the mail log section of the "Cash Handling Guidelines and Procedures" prescribed by the County Auditor's Office for the minimum procedures to be implemented for processing mail-in payments.

Observation No. 5:

A notice stating "Make sure you receive an official county receipt when making payments at this office" was posted; however, it did not contain a sample of the current receipts being issued by the department. According to the Court Coordinator, the receipts will be updated.

The County Auditor's Office requires that a notice stating "Make sure you receive an official County receipt when making payments at this office" must be posted in a place visible to the public near cashiers. A sample of each official County receipt issued by the department must be posted by the notice so the public will know what type of receipt to expect.

Failure to post the required notice increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that a poster stating "Make sure you receive an official county receipt when making payments at this office" is posted with a sample of the current receipts issued in a conspicuous location for the public's view.

Observation No. 6:

We noted during our review that segregation of duties over the handling of collections requires improvement. The Court Coordinator performs the following incompatible duties:

- o Custody: Receives money, issues receipts, opens and lists mail receipts, and maintains a cash drawer
- o Recording: Has access to dismiss cases in *Odyssey* and prepares monthly reports
- o Authorization: Verifies that voided receipts are reviewed

According to staff, due to a heavy case load and limited number of staff, proper segregation of duties over the handling of collections has not been implemented.

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, and maintaining a cash drawer should be different from the individual responsible for having access to dismiss cases on *Odyssey* and preparing monthly reports. In addition, the individuals previously noted should be different from the individual responsible for verifying that voided receipts are 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 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. 7:

A notice stating "A \$__ fee will be collected on all returned checks", was not posted where the collections are taken. According to the Court Coordinator, she will ensure a notice is displayed in all areas, where cash is received.

HIDALGO COUNTY DISTRICT JUDGES

LURE M. SINGLETERRY
JUDGE, 32ND D.C.

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JUDGE, 91ST D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 322ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 400TH D.C.

RENEE R. BETANOURT
JUDGE, 449TH D.C.

The County Auditor's Office requires that a notice stating "A \$__ fee will be collected on all returned checks" is 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. 8:

During the cash count, we were informed that cashiers are allowed to process credit card payments from a person who is not the cardholder. According to staff, the payer must be able to provide all the information required in order to process a credit card payment which includes the cardholder name, address where the credit card is billed, card type, credit card number, expiration date, phone number, and amount to charge. As long as the last name on the credit card is the same as the payer's last name the transaction will be processed.

The County Auditor's Office requires that the cashier request identification from the payer when a credit card is presented as payment. The identification is required to verify that the card belongs to the payer.

After the card is swiped or processed and the transaction has been authorized, the cashier must obtain the payer's signature on the credit card receipt.

Failure to ensure that cashiers request a valid form of identification to verify that the payer's name agrees to the card being presented for payment may result in credit card fraud.

Recommendation:

Management should ensure that cashiers only process credit card transactions from an individual whose name agrees to the card being presented for payment by requesting identification to verify cardholder is present.

Observation No. 9:

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 are recorded on a log, however, required information was not recorded on the log (i.e., citation number, name of violator/plaintiff, date of entry into *Odyssey* and docket number assigned to the citation).
2. A reconciliation of citations and civil cases filed at the court to those recorded on *Odyssey* 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 and civil cases into *Odyssey* (reporting responsibility).

The County Auditor's Office requires that a reconciliation of citations and civil cases (cases) filed at the court be conducted and formally documented. This reconciliation may be conducted and formally documented by completing a cases filed log (log). Cases should be entered into *Odyssey* 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 cases should immediately list the cases on the log before distribution to the person responsible for entering them into *Odyssey*. Since the person responsible for entering the cases into *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 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 cases into *Odyssey* should enter the date of entry and docket number assigned to the case and his/her signature on the log.
- d. The "New Cases" and "Cases Filed" reports for the specified date should be generated from *Odyssey* and reconciled to the log by a person other than the person responsible for entering the cases into *Odyssey*. Any variances should be noted on the log, with a detailed explanation, and immediately brought up to the

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 32ND D.C.

RODOLFO DELGADO
JUDGE, 81ST D.C.

J. R. "BOBBY" FLORES
JUDGE, 128TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

JUAN R. PARTIDA
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MARIO E. RAMIREZ, JR.
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LETICIA LOPEZ
JUDGE, 389TH D.C.

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ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

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 from law enforcement agencies regarding the cases filed with the courts and reconcile the reports to the cases recorded in *Odyssey*.
- g. Copies of the 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 applicable 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. If these procedures cannot be implemented, management should ensure that compensating controls are implemented.

Please provide written management responses to the observations noted above by February 13, 2017. 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 our office with copies of the procedures by February 13, 2017.

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 Mirjam Sinder, Internal Auditor I, at 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
Hidalgo County Auditor

cc: Mr. Valde Guerra, Commissioners Court Executive Officer
Mr. Renán Ramirez, Chief Information Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 91ST D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

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JUDGE, 208TH D.C.

JUAN R. PARTIDA
JUDGE, 273RD D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

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OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

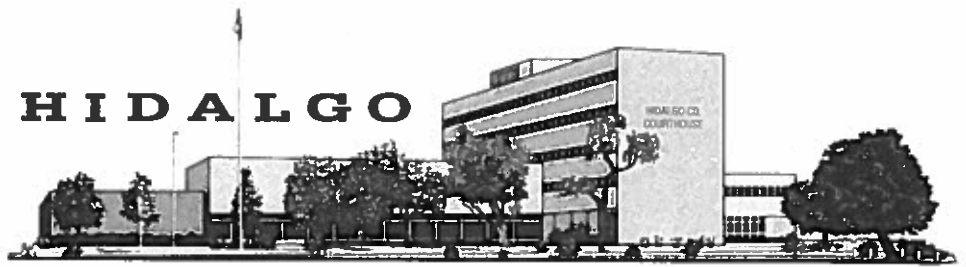
L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH 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



EDINBURG, TEXAS 78539

January 4, 2017

Mr. Eduardo Olivarez, Chief Administrative Officer
Hidalgo County Health and Human Services
1304 S. 25th Street
Edinburg, Texas 78539

Ref: Cash Count
Report No. 2016-547

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, 2016 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 \$250.00. 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. Two Clerk Managers, one Clerk II employee, and one Community Service Aid employee perform the following incompatible duties:

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 13th D.C.

ROSE GUERRA REYNA
JUDGE, 20th D.C.

JUAN R. PARTIDA
JUDGE, 27th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 32nd D.C.

NOE GONZALEZ
JUDGE, 37th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38th D.C.

L. KENO VASQUEZ
JUDGE, 39th D.C.

ISRAEL RAMON, JR.
JUDGE, 43rd D.C.

RENEE R. BETANCOURT
JUDGE, 44th D.C.

- 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

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.

Observation No. 3:

We noted during our review that when transporting the cash deposit to the bank, the key to the cash bag is taken by the employee responsible for making the deposit. According to staff, the key is taken by the employee to verify that the validated deposit slip corresponds to the amount being deposited.

HIDALGO COUNTY DISTRICT JUDGES

The County Auditor's Office requires that cash be secured in a locked cash bag when transporting deposits to the bank or County Treasurer's Office, as applicable. The courier should not take the key to the cash bag with them. Deposit slip verification should be performed by management or his designee.

Failure to ensure that the employee making the deposit does not take the key to the cash bag when transporting the cash deposit to the bank may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that the employee making the deposit does not take the key to the cash bag when transporting the cash deposit to the bank. Furthermore, staff can request to view the validated deposit slip prior to the cash being locked by the bank teller.

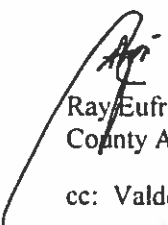
Please provide written management responses to the observations noted above by January 25, 2017.

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 25, 2017. 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 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

LUIS M SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

JUAN R. PARTIDA
JUDGE, 273RD D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 312TH D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

COUNTY 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



EDINBURG, TEXAS 78539

January 30, 2017

Mr. Eduardo Olivarez, Chief Administrator
Hidalgo County Health and Human Services Department
1304 S. 25th Street
Edinburg, Texas 78542

Ref: Cash Count
Report No. 2016-548

Dear Mr. Olivarez:

We conducted a surprise cash count of the cash held at the McAllen Health Clinic on December 19, 2016 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 \$130.00. 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 segregation of duties over the collection and recording of cash requires improvement. The Clerks perform the following incompatible duties:

- o 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

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 93rd D.C.

J.R. "BOBBY" FLORES
JUDGE, 139th D.C.

ROSE GUERRA PEYNA
JUDGE, 206th D.C.

JUAN R. PARTIDA
JUDGE, 375th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332nd D.C.

NOE GONZALEZ
JUDGE, 370th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 369th D.C.

L. KENO VASQUEZ
JUDGE, 394th D.C.

ISRAEL RAMON, JR.
JUDGE, 430th D.C.

RENEE R. BETANCOURT
JUDGE, 441st D.C.

- 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

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 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 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 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 February 13, 2017.

In addition, information regarding the items listed below was previously provided to our office; however, please provide any updated procedures, if applicable, by February 13, 2017. These procedures should include, at a minimum, the following:

- a. An office organizational chart:

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 312ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.


ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

- 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 Marissa Castillo, Internal Auditor I, at (956) 318-2511, ext. 4650, 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

LUIS M SINGLETERRY
JUDGE, 82ND D C

RODOLFO DELGADO
JUDGE, 83RD D C

J. R. "BOBBY" FLORES
JUDGE, 139TH D C

ROSE GUERRA REYNA
JUDGE, 206TH D C

JUAN R. PARTIDA
JUDGE, 275TH D C

MARIO E. RAMIREZ, JR
JUDGE, 332ND D C.

NOE GONZALEZ
JUDGE, 370TH D C
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D C

L. KENO VASQUEZ
JUDGE, 398TH D C

ISRAEL RAMON, JR
JUDGE, 430TH D C

RENEE R. BETANCOURT
JUDGE, 449TH 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



EDINBURG, TEXAS 78539

January 30, 2017

Mr. Arnold K. Patrick, Director
Community Supervision and Corrections Department
3100 South Business Highway 281
Edinburg, TX 78539

Re: Cash Count
Report No. 2016-552

Dear Mr. Patrick:

We conducted a surprise cash count of the cash held at the Community Supervision and Corrections Department on November 21, 2016 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 \$7,815.50. 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 manual receipt book orders 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. In addition, receipt books are easily accessible in the event that the computer system goes down.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

JUAN R. PARTIDA
JUDGE, 273RD D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOÉ GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH D.C.

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.

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 Accountant, a compensating control established by department is limiting access to the number of users of the accounting module.

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 was not maintained at the time of the cash count. According to staff, the department has not received any hot checks; however, the Accountant will begin to maintain a list of names of customers whose checks have been returned due to insufficient funds.

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 ensure that once a "hot check" is received, that a "hot check" listing is maintained and utilized as a reference when receiving checks from customers.

Observation No. 4:

We noted during our review that cashiers, on rare occasions and with prior approval from the Budget/Fiscal Director, issue cash refunds for overpayments made by money order that do not exceed \$2.00. According to the Budget/Fiscal Director, checks issued for \$2.00 or less usually become outstanding over 90 days and are not cashed.

The County Auditor's Office requires that cashiers be prohibited from issuing cash refunds for overpayments made by money orders, checks or credit card transactions that are in excess of the payment due. Payers should be asked to bring the money orders for the correct amount due. If this is not possible, refunds for money orders accepted in excess of the payment due should be made by check.

Failure to ensure that cashiers do not issue cash refunds for overpayments made by money order may result in the loss of funds.

Recommendation:

Management should ensure that cashiers do not issue cash refunds for overpayments made by money order. At a minimum, the procedures noted above should be implemented.

HIDALGO COUNTY DISTRICT JUDGES

LARRY M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
DVERBER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

Observation No. 5:

We noted that during a shift change, the outgoing cashier failed to log out of *FinTrak*, the electronic receipting system. In addition, the incoming cashier failed to log in with her personal username and password and began taking in payments under the outgoing cashier's username. According to the Budget Director, failure to log out of *FinTrak* and the sharing of usernames and passwords was an oversight by staff.

The County Auditor's Office requires that cashiers log out of the electronic receipting system when a cash drawer is transferred from one cashier to another, even for a short period of time (i.e., shift change). In addition, the Information Technologies (IT) Securities Policy requires that username and passwords not be shared.

Failure to ensure that cashiers log out of *FinTrak* during a shift change and do not share usernames and passwords may increase the risk of unauthorized access to *FinTrak*.

Recommendation:

Management should ensure that cashiers log out of *FinTrak* during a shift change and do not share usernames and passwords.

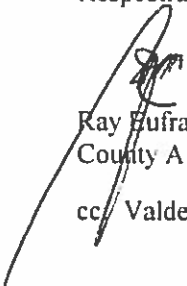
Please provide written management responses to the observations noted above by February 7, 2017.

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 February 7, 2017. 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 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 Bufracio, CPA
County Auditor

cc/ Valde Guerra, Commissioners Court Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 62ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 133TH D.C.

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 312ND D.C.

NOE GONZALEZ
JUDGE, 379TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 394TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH 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
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WEBSITE: www.co.hidalgo.tx.us/auditor



EDINBURG, TEXAS 78539

January 23, 2017

The Honorable Norma G. Garcia
Hidalgo County Treasurer
2810 South Business Highway 281
Edinburg, TX 78539-6243

Re: Cash Count
Report No. 2016-554

Dear Ms. Garcia:

We conducted a surprise cash count of the cash held at the County Treasurer's Office on November 4, 2016 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 \$164,815.70. 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. Cash on hand was \$79,391.49 over the total receipts issued (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:

Cash on hand was over by \$393.03 which consisted of two checks received from the Hidalgo County Community Supervision and Corrections Department (CSCD). In addition, we noted that there was 43 credit memos e-mailed to the Treasurer's Office staff from multiple departments for collections deposited to the General Fund bank account totaling \$78,998.46 that had not been receipted at the time of the cash count.

The County Treasurer staff receipted the two checks from the Hidalgo County Community Supervision and Corrections Department on November 4, 2016. The forty-three credit memos were receipted on November 4, 2016 and November 7, 2016.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12th D.C.

RODOLFO DELGADO
JUDGE, 13th D.C.

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JUDGE, 139th D.C.

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JUDGE, 206th D.C.

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JUDGE, 430th D.C.

RENEE R. BETANCOURT
JUDGE, 448th D.C.

The County Auditor's Office requires a cashier to immediately issue an official computer-generated or manual receipt when collections are received. Funds which are not immediately identifiable should be received into the General Fund-Undistributed Receipts - County Treasurer account (1100-227-30-000-021-0-000). Subsequently, research should be conducted and a formal request to distribute the funds to the proper general ledger account numbers should be submitted to the County Auditor's Office.

Failure to ensure that collections received are immediately received may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that collections received are immediately received. At a minimum, the procedures noted above should be implemented.

Observation No. 2:

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.

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 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 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, implementation of a daily mail log is not practical due to the limited volume of mail received by the department; however, improvements to the procedures in place 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. 4:

The inventory of unissued checks, employee payroll files, and office printers are safeguarded in the storage room. All County Treasurer employees have access to the storage room during working hours. At the end of the day, the storage room is locked by the Financial Data Specialist. The key to the storage room is stored in the Financial Data Specialist's locked desk drawer. According to the Chief Deputy, all employees have been notified that unissued checks should not be removed from the storage room. In addition, the Chief Deputy is considering moving inventory of unissued checks from the current location to a locked filing cabinet located in the office's hallway or possibly purchasing a printer/printer tray that may be locked.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
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JUDGE, 131ST D.C.

ROSE GUERRA PEYNA
JUDGE, 206TH D.C.

JUAN R. PARTIDA
JUDGE, 273RD D.C.

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JUDGE, 332ND D.C.

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JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 381ST D.C.

L. KENO VASQUEZ
JUDGE, 398TH D.C.

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JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH D.C.

In addition, deposit books are stored in the desk drawer of the person responsible for reconciling the day's collections and preparing the bank deposit. At the end of the day the employee locks their office. The Chief Deputy has a master key to all the doors in the department.

The County Auditor's Office requires that departments designate one employee responsible for maintaining custody of unissued checks and deposit books in a secure place. Access to the secure place must be limited to the employee responsible for maintaining custody of the unissued checks and deposit books and his/her designee.

Failure to ensure that access to unissued checks and deposit books 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 and deposit books is limited to the employee responsible for maintaining custody of the unissued checks and deposit books, and his/her designee, in a secure place.

Observation No. 5:

We noted during our review that segregation of duties over the handling of collections requires improvement. The Accountant II performs the following incompatible duties:

- o Custody: Opens and lists mail, balances copies of receipts against the cash drawer, and prepares bank deposits
- o Recording: Accounts for numerical sequence of receipts and prepares reports of cash received
- o Authorization: Compares listed mail receipts to recorded cash receipts,

According to staff, due to a heavy work load and limited number of staff, proper segregation of duties over the handling of collections has not been implemented.

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 opening and listing mail, balancing copies of receipts against the cash drawer, and preparing bank deposits should be different from the individual responsible for the accounting of the numerical sequence of receipts and preparing reports of cash received. In addition, the individuals previously noted should be different from the individual responsible for comparing listed mail receipts to recorded cash receipts.

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.

Observation No. 6:

The username and password to gain access to the EJuror System, the electronic juror system, is shared between two employees. According to the Chief Deputy, the EJuror System is installed in a computer used solely to print juror checks that is located in the Financial Data Specialist's office. There is one username and password to login to the computer (Windows password) and one username and password to login to the EJuror System software. According to the Chief Deputy, access is limited to printing checks and only one username and password was granted to the County Treasurer's Office.

The Information Technologies (IT) Securities Policy requires that usernames and passwords not be shared.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

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JUDGE, 83RD D.C.

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JUDGE, 138TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

JUAN R. PARTIDA
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JUDGE, 396TH D.C.

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JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 449TH D.C.

Failure to ensure that usernames and passwords are not shared may increase the risk of unauthorized access to the EJuror System.

Recommendation:

Management should ensure passwords are not shared. The Treasurer's Office should request an additional username and password from the District Clerk's Office.

Please provide written management responses to the observations noted above by February 10, 2017.

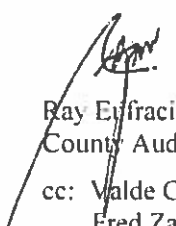
In addition, please provide us with copies of the written procedures and internal controls established by your department for the handling of cash and cash equivalent transactions. The written procedures should include, at a minimum, the following:

- 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
- h. Copies of any related forms/reports.

Please provide our office with copies of the procedures by February 10, 2017.

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 II, 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 Eufrazio, CPA
County Auditor

cc: Walde Guerra, Commissioners Court Executive Officer
Fred Zamarripa, Chief Deputy

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 82ND D.C.

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COUNTY *of* HIDALGO

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EDINBURG, TEXAS 78539

January 4, 2017

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. 2016-558

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the Alamo Tax Office on November 22, 2016, 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 \$50,645.74. Based on the results of our review, we have concluded that generally 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 \$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:

According to staff, when accepting checks as payment, cashiers are not required to ensure that the payer's name, address, driver's license number, date of birth, and phone number are pre-printed or recorded on the face

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SHOLETEERRY
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RODOLFO DELGADO
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J. R. "BOBBY" FLORES
JUDGE, 13TH D.C.

ROSE GUERRA REYNA
JUDGE, 26TH D.C.

JUAN R. PARTIDA
JUDGE, 27TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 33RD D.C.

HOE GONZALEZ
JUDGE, 37TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 36TH D.C.

L. KENO VASQUEZ
JUDGE, 35TH D.C.

ISRAEL RAMON, JR.
JUDGE, 40TH D.C.

RENEE R. BETANCOURT
JUDGE, 44TH D.C.

of the check. Staff is only required to verify that a Hidalgo County Appraisal District (HCAD) number, phone number, and cashier initials are included on the check.

The County Auditor's Office requires that, prior to accepting a check for payment; the cashier must verify that the payer's name, address, driver's license number, date of birth, and phone number is pre-printed on the face of the check. If some of this information is not pre-printed on the face of the check, the cashier must request this information and record it in on the face of the check.

Failure to ensure that cashiers verify that the payer's name, address, driver's license number, date of birth, and phone is pre-printed or recorded on the face of the check may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that cashiers verify that the payer's name, address, driver's license number, date of birth, and phone is pre-printed or recorded on the face of the check.

Observation No. 2:

According to staff, temporary receipts are not cross-referenced with the corresponding ACT receipts. In addition, notes are not entered in the taxpayer's account indicating a temporary receipt was issued. According to the Substation Supervisor, when a temporary receipt is entered into ACT, the computerized receipt is printed out and stapled with a copy of the temporary receipt. They are not required to cross-reference the receipts on the actual receipt or in the system (i.e. in the notes).

The County Auditor's Office requires that pre-numbered manual official County receipts be issued when an electronic receipting system fails. Manually receipted transactions by departments with an electronic receipting system shall be entered into the applicable electronic system as soon as possible but in no case later than the next business day after the electronic receipting system resumes operation. Each manual receipt and corresponding electronic system receipt/record should be cross-referenced. In addition, after a reconciliation of all the receipts within the manual receipt book has been completed, the Department must return each used receipt book to the County Auditor's Office.

Failure to ensure that each manual receipt and corresponding computer-generated receipt is cross-referenced increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that each manual receipt and corresponding computer-generated receipt is cross-referenced.

Observation No. 3:

During the cash count, we were informed cashiers are allowed to process credit card payments from a person who is not the cardholder. According to the Supervisor, the payer must be able to provide all the information required in order to process a credit card payment which includes the tax account being paid, the cardholder name, address where the credit card is billed, card type, credit card number, expiration date, phone number, and amount to charge. Once the transaction is processed and approved, a receipt is printed and the payer must sign and provide a phone number.

The County Auditor's Office requires that the cashier verify that the person making payment with a credit card is the actual card holder.

Failure to ensure that cashiers verify that the payers name agrees to the name on the card being presented for payment may result in credit card fraud.

Recommendation:

Management should not accept credit card payments from a person who is not the cardholder.

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 was not posted by the notice. The sample receipt was posted at the cashier's window and was outdated containing Armando Barrera's name (the

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JUDGE, 448TH D.C.

previous Tax Assessor/Collector). We informed the Substation Supervisor to relocate the sample receipt and update it with a current version. According to the Substation Supervisor, the substation would be requesting a new sample of the tax receipt from the main office.

The County Auditor's Office requires departments to post a notice visible to the public stating "Make sure you receive an official County receipt when making payments at this office". 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 ensure that a copy of the official County receipt is posted by the notice stating "Make sure you receive an official County receipt when making payments at this office" increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that a copy of the official County receipt is posted by the notice stating "Make sure you receive an official County receipt when making payments at this office".

Observation No. 5:

We noted that checks received for payment were made payable to either Hidalgo County Tax Assessor Pablo "Paul" Villarreal Jr.; Pablo (Paul) Villarreal Jr. Assessor & Collector; or Pablo (Paul) Villarreal Jr. PCC. In addition, signs were posted for the public's view instructing them to make checks payable to "Pablo (Paul) Villarreal Jr. Tax Assessor & Collector". Furthermore, tax statements sent out to tax payers instruct payers to make checks payable to "Pablo (Paul) Villarreal Jr., PCC".

On March 7, 2016, the County Auditor issued a letter to the Tax Assessor requiring cashiers to verify that checks are made payable to the Elected or Public Official's title (i.e. Hidalgo County Tax Assessor/Collector) prior to accepting a check as payment. Pursuant to Local Government Code Sections 112.002 and 112.006, the county auditor has financial oversight for all county offices and may dictate the accounting procedures and internal controls to be implemented by each county office.

Failure to ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector) increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that checks received are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector).

Please provide a written management response to the observations noted above by January 25, 2017. In addition, please provide our office with copies of the procedures listed below and any updated procedures, if applicable, by January 25, 2017.

- 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;
 6. Computer hardware and software used; and
- e. A schedule of how often deposits will be made.

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

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SIKOLETERRY
JUDGE, 92ND D.C.

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OVERSEER

LETICIA LOPEZ
JUDGE, 385TH D.C.

L. RENO VAREQUEZ
JUDGE, 386TH D.C.

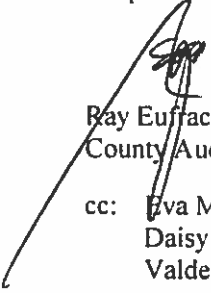
ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH D.C.

Honorable Pablo (Paul) Villarreal Jr.
January 4, 2017
Page 4 of 4

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, Substation Supervisor
Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 52ND D.C.

RODOLFO DELGADO
JUDGE, 19TH D.C.

J. R. "BOBBY" FLORES
JUDGE, 129TH D.C.

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EDINBURG, TEXAS 78539

January 30, 2017

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. 2016-559

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the San Juan Tax Office on December 20, 2016, 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 \$77,657.13. Based on the results of our review, we have concluded that generally 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 \$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:

According to staff, when accepting checks as payment, cashiers are not required to ensure that the payer's name, address, driver's license number, date of birth, and phone number are pre-printed or recorded on the face of the check. Staff is only required to verify that a Hidalgo County Appraisal District (HCAD) number, phone number, name, and address are included on the check.

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 131TH D.C.

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JUDGE, 394TH D.C.

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JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH D.C.

The County Auditor's Office requires that, prior to accepting a check for payment; the cashier must verify that the payer's name, address, driver's license number, date of birth, and phone number is pre-printed on the face of the check. If some of this information is not pre-printed on the face of the check, the cashier must request this information and record it in on the face of the check.

Failure to ensure that cashiers verify that the payer's name, address, driver's license number, date of birth, and phone is pre-printed or recorded on the face of the check may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that cashiers verify that the payer's name, address, driver's license number, date of birth, and phone is pre-printed or recorded on the face of the check.

Observation No. 2:

Temporary receipts and computer-generated receipts are not cross-referenced. According to staff, the ACT Tax Collection System does not have an option to enter comments in order to reference the temporary receipt on the computer-generated receipt.

The County Auditor's Office requires a manual receipting system be used when a computerized receipting system is not available. The manual receipts must be entered into the computerized receipting system as soon as possible, but in no event later than the next business day after the computerized receipting system is operational. Each manual receipt and corresponding computer-generated receipt should be cross-referenced.

Failure to ensure that each manual receipt and corresponding computer-generated receipt is cross-referenced increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that temporary receipts are cross-referenced to the computer-generated receipts. If the cross-referenced manual receipt cannot be noted on the ACT Tax Collection System receipt, a note should be entered into the corresponding tax account to cross-reference the receipts.

Observation No. 3:

During the cash count, we were informed cashiers are allowed to process credit card payments from a person who is not the cardholder. According to the Supervisor, the payer must provide identification (Texas Driver's License/ State ID) related to the card. The cashier can only process credit card payments by entering the information that is on the identification card and credit card which includes the cardholder name, address, card type, credit card number, and expiration date. Once the transaction is processed and approved, a receipt is printed and the payer must sign and provide a phone number.

The County Auditor's Office requires that the cashier verify that the person making payment with a credit card is the actual card holder.

Failure to ensure that cashiers verify that the payers name agrees to the name on the card being presented for payment may result in credit card fraud.

Recommendation:

Management should not accept credit card payments from a person who is not the cardholder.

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, the sample receipt was outdated and contained Armando Barrera's name (the previous Tax Assessor/Collector). We informed the Substation Supervisor to update it with a current version. According to the Substation Supervisor, the substation would be requesting a new sample of the tax receipt from the main office.

The County Auditor's Office requires departments to post a notice visible to the public stating "Make sure you receive an official County receipt when making payments at this office". A sample of each official County

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JUDGE, 449TH D.C.

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 ensure that a copy of the official County receipt is posted by the notice stating "Make sure you receive an official County receipt when making payments at this office" increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that a copy of the official County receipt is posted by the notice stating "Make sure you receive an official County receipt when making payments at this office".

Observation No. 5:

We noted that checks received for payment were made payable to either Hidalgo County Tax Assessor Pablo "Paul" Villarreal Jr.; Pablo (Paul) Villarreal Jr. Assessor & Collector; or Pablo (Paul) Villarreal Jr. PCC. In addition, signs were posted for the public's view instructing them to make checks payable to "Pablo (Paul) Villarreal Jr. Tax Assessor & Collector". Furthermore, tax statements sent out to tax payers instruct payers to make checks payable to "Pablo (Paul) Villarreal Jr., PCC".

On March 7, 2016, the County Auditor issued a letter to the Tax Assessor requiring cashiers to verify that checks are made payable to the Elected or Public Official's title (i.e. Hidalgo County Tax Assessor/Collector) prior to accepting a check as payment. Pursuant to Local Government Code Sections 112.002 and 112.006, the county auditor has financial oversight for all county offices and may dictate the accounting procedures and internal controls to be implemented by each county office.

Failure to ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector) increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that checks received are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector).

Please provide a written management response to the observations noted above by February 13, 2017.

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;
- f. An office organizational chart; and
- g. 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 February 13, 2017.

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

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L. KENO VASQUEZ
JUDGE, 398TH D.C.


ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

RENEE R. BETANCOUR
JUDGE, 449TH D.C.

Honorable Pablo (Paul) Villarreal Jr.
January 30, 2017
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like to schedule a meeting to discuss this cash count, please contact Abigail Guajardo, MSA, Internal Auditor II, 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
Herlinda Lara, Substation Supervisor
Valde Guerra, County Executive Officer

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COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

January 23, 2017

Honorable Marcos Ochoa
Justice of the Peace Precinct 3, Place 2
730 N. Breyfogle
Mission, TX 78572

Ref: Cash Count
Report No. 2016-566

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 November 14, 2016, 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 October 1, 2016 through October 31, 2016. 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 cash on hand at the time of the cash count was \$5,570.16. 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 (see Observation 1). We also 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 money order dated October 21, 2015 in the amount of \$168.10 had not been receipted at the time of the cash count. In addition, the money order had not been restrictively endorsed "For Deposit Only". According to the Court Coordinator, the money order had been received by mail and was pending to be returned back to the sender, since the case had been closed. Therefore, the mail-in payment had not been

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JUDGE, 44TH D.C.

restrictively endorsed "For Deposit Only". The department does not maintain a log to document the return of checks to senders.

The County Auditor's Office requires that all payments, including mail-in payments, be promptly recorded and controlled using pre-numbered official County receipts and restrictively endorsed "For Deposit Only". If a payment discrepancy occurs (i.e., check made out to the incorrect person, check made out for the incorrect amount, etc.), a pre-numbered manual receipt should be issued. Once the discrepancy is resolved, an Official County receipt from the electronic receipting system should be issued and refund check issued, if applicable. In the alternative, the department may return the payment to the sender. If the department returns the payment, a log should be utilized to document the return of checks that includes: the name of the person /entity to whom the check is returned; return address; check date; check amount; date returned; and reason for return. A copy of all checks returned should be maintained on file.

Failure to ensure that all payments are promptly received and restrictively endorsed "For Deposit Only" may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that all payments are promptly received and restrictively endorsed "For Deposit Only". If the department returns the payment, a log should be utilized to document the return of checks that includes: the name of the person /entity to whom the check is returned; return address; check date; check amount; date returned; and reason for return. A copy of all checks returned should be maintained on file.

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. 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 *Odyssey*, 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 *Odyssey* (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 *Odyssey*, the case management system, 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 *Odyssey*. Since the person responsible for entering the citations/civil cases on *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 *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 *Odyssey* and reconciled to the log by a person other than the person responsible for entering the citations on *Odyssey*.

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JUDGE, 44TH D.C.

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 *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. 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 Court Coordinator, 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.

Recommendation:

Management should request the "hot check" listing from the County Treasurer's Office.

Observation No. 4:

A schedule of authorized fines and fees for criminal cases was not posted. According to the Court Coordinator, she was not aware that she had to create a schedule of fines and fees for criminal cases. In addition, due to time constraints, a schedule has not been created.

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.5:

We noted during our review that the receipt sequence is not consistently noted on the deposit slips. According to the Court Coordinator, the receipt sequence is not consistently noted on the deposit slips due to time constraints.

Pursuant to the Cash Handling Guidelines, "Deposit slips must contain sufficient information to identify the cash receipts for which the deposit is being made. Deposit slips must include the date of deposit, receipt sequence, amount of currency and coins, a listing of checks numbers and amounts, and the total dollar amount of the deposit. If it is not possible to list all the checks collected, copies of the checks must be maintained and

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JUDGE, 445TH D.C.

attached to the Close-Out Report. According to the Court Coordinator, she will attempt to start noting the receipt sequence again.

Failure to properly prepare deposit slips may result in the misuse of County funds.

Recommendation:

Management should ensure that deposit slips are properly prepared. Please refer to the "Cash Handling Guidelines and Procedures" prescribed by the County Auditor's Office for the minimum procedures to be implemented for preparing deposit slips.

Observation No. 6:

Passwords to gain access to *Hamer*, the County's credit card system, are not changed at least every 90 days. According to staff, *Hamer* has not been programmed to prompt and require users to change passwords 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 *Hamer*.

Recommendation:

Management should contact the IT Department 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 February 10, 2017. 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 February 10, 2017. 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, do not hesitate to contact Marissa Castillo, Internal Auditor I, at 318-2511 ext. 4650, Yvonne Torres, Revenue Internal Audit Supervisor, at ext. 4642, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,


Ray Eufracio, CPA
Hidalgo County Auditor

cc: Valde Guerra. County Executive Officer

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