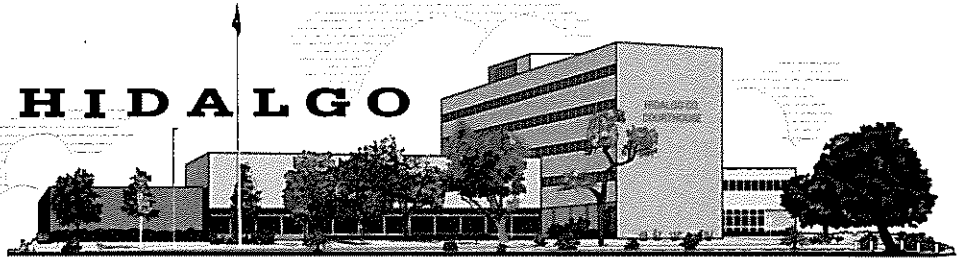


COUNTY of HIDALGO

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

November 21, 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, we are submitting for your review the following monthly reports:

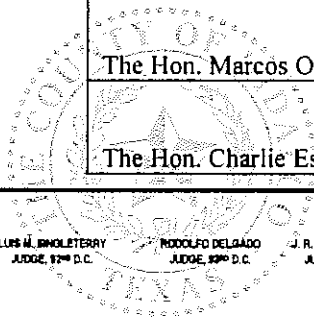
Department	Fees/Costs	Description
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	\$ 3,550,500.34	April 2017 Monthly Report
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	\$ 22,141,810.15	May 2017 Monthly Report
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	\$ 2,819,646.91	June 2017 Monthly Report

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

Department	Description
The Hon. Gilberto Saenz, Justice of the Peace Pct. 1 Pl 1	Review of Monthly Fines and Fees Report and Supporting Documentation for the months of August through September 2017
The Hon. Jesus E. Morales, Justice of the Peace Pct. 1 Pl. 2	Review of Monthly Fines and Fees Report and Supporting Documentation for the months of August through September 2017
The Hon. Bobby Contreras, Justice of the Peace Pct. 2 Pl 1	Review of Monthly Fines and Fees Report and Supporting Documentation for the months of August through September 2017
The Hon. Jaime J. Munoz, Justice of the Peace Pct. 2 Pl 2	Review of Monthly Fines and Fees Report and Supporting Documentation for the months of August through September 2017
The Hon. Luis Garza, Justice of the Peace Pct. 3 Pl 1	Review of Monthly Fines and Fees Report and Supporting Documentation for the months of August through September 2017
The Hon. Marcos Ochoa, Justice of the Peace Pct. 3 Pl 2	Review of Monthly Fines and Fees Report and Supporting Documentation for the months of August through September 2017
The Hon. Charlie Espinoza, Justice of the Peace Pct. 4 Pl. 1	Review of Monthly Fines and Fees Report and Supporting Documentation for the months of August through September 2017

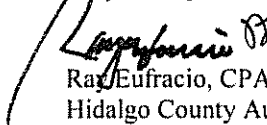
HIDALGO COUNTY DISTRICT JUDGES

LUIS A. BINGOLETERRY JUDGE, 17th D.C. RODOLFO DELGADO JUDGE, 18th D.C. J. R. "BOBBY" FLORES JUDGE, 19th D.C. ROSE GUERRA REYNA JUDGE, 20th D.C. JUAN R. PARTIDA JUDGE, 21st D.C. MARIO E. RAMIREZ, JR. JUDGE, 22nd D.C. NOE GONZALEZ JUDGE, 17th D.C. OVERSEER LETICIA LOPEZ JUDGE, 20th D.C. L. KENO VASQUEZ JUDGE, 20th D.C. ISRAEL RAMON, JR. JUDGE, 20th D.C. RENEE R. BETANCOURT JUDGE, 14th D.C.

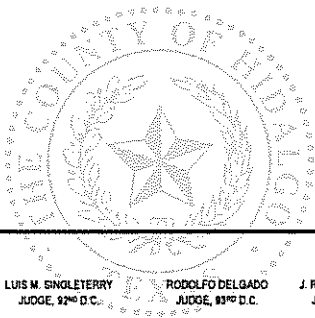


The Hon. Homero A. Jasso, Justice of the Peace Pct. 4 Pl. 2	Review of Monthly Fines and Fees Report and Supporting Documentation for the months of August through September 2017
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	Review of the Hidalgo County Tax Collected Reports for the months of April 2017 through June 2017
The Hon. Arturo Guajardo Jr. Hidalgo County Clerk	Review of Fee Monthly Report and Supporting Documentation for the months of July 2017 through September 2017
The Hon. Arturo Guajardo Jr. Hidalgo County Clerk	Review of Civil and Probate Fees and Court Costs Monthly Report and Supporting Documentation for the months of July 2017 through September 2017
The Hon. Eddie Guerra, Hidalgo County Sheriff	Review of the Sheriff's Fee Monthly Fees Report for the month of August 2017
Hidalgo County Commissioners Court	Review of Request for Qualifications (RFQ) No. 2016-267-09-21-HGO Report No. 2017-31
Mr. Daniel Flores, Building Maintenance Manager	Audit of Facilities Management Audit No. 2017-10
The Hon. Ricardo Rodriguez, Jr., Criminal District Attorney	Cash Count Report No. 2017-53
The Hon. Ricardo Rodriguez, Jr., Criminal District Attorney	District Attorney's Office Asset Forfeiture Section Cash Count Report No. 2017-54
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	Weslaco Motor Vehicle Substation Cash Count Report No. 2017-527
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	Elsa Motor Vehicle Substation Cash Count Report No. 2017-532
The Hon. Jaime J. Munoz, Justice of the Peace Pct. 2 Pl 2	Cash Count Report No. 2017-539
Mr. Eduardo Olivarez, Chief Administrator Officer Hidalgo County Health and Human Services Department	Pharr Health Clinic Cash Count Report No. 2017-546
Ms. Yvonne Ramon, Elections Administrator	Cash Count Report No. 2017-563

Respectfully,


 Ray Eufrazio, CPA
 Hidalgo County Auditor

Attachments



HIDALGO COUNTY DISTRICT JUDGES

- | | | | | | | | | | | |
|---|---|---|--|--|--|---|--|--|--|--|
| LUIS M. SINGLETERRY
JUDGE, 92 ND D.C. | RODOLFO DELGADO
JUDGE, 83 RD D.C. | J. R. "BOBBY" FLORES
JUDGE, 139 TH D.C. | ROSE GUERRA REYNA
JUDGE, 206 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. BETANCOURT
JUDGE, 449 TH D.C. |
|---|---|---|--|--|--|---|--|--|--|--|

Prepared By: Abigail G. *AG*
Date: 08/09/17
Reviewed By: ~~ABD~~ *11/14/17*

**Hidalgo County Tax Office
Collections Summary
For the Month ended April 30, 2017**

Hidalgo County Tax Collections	3,531,699.75 ✓	M1-1
2017 Hospital District Funding	-	M1-1
2015/2016 Tax Year Subdivision Light Fee	317.99 ✓	M1-1
Administrative Fees Collected	18,448.75 ✓	M1-1
Road District # 2 Collections	-	M2-1
Road District # 5 Collections	7.06 ✓	M3-1
Road District # 15 Collections	1.99 ✓	M4-1
State District Collections	<u>24.80 ✓</u>	M5-1
Total Collections	<u><u>3,550,500.34</u></u> <i>fn</i>	

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

APRIL 2017
PBC

COMPARATIVE RATE OF COLLECTIONS

HIDALGO COUNTY GHD	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2016/2017	COLLECTED 2015/2016
2016 TAX ROLL	189,038,466.34 MHO ✓	73,113,296.88 MHO ✓	-	(866,442.02) MHO ✓	15,058,727.44 MHO ✓	92.00%	92.22%
2015 & PRIOR YRS ROLLBACK	31,462,771.31 MHO ✓	8,317,279.42 MHO ✓	(127,311.64) MHO ✓	(520,909.18) MHO ✓	22,497,271.07 MHO ✓	26.99%	28.08%
	231,323.17 MHI ✓	536,040.38 MHI ✓	-	515,146.60 MHI ✓	210,429.39 MHI ✓	71.81%	70.32%
TOTALS	220,732,560.82 MI-12 ✓	181,966,616.68 MI-12 ✓	(127,311.64) MI-12 ✓	(872,204.60) MI-12 ✓	173,766,427.90 MI-12 ✓		

#DIV/0!

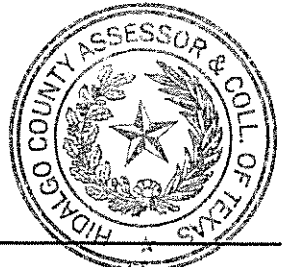
BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF APRIL 2017

		MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	✓ 2,420,820.00 d MI-10 ✓	X (41,508.78) CURRENT MHO
CURRENT YEAR-P&I	✓ 245,715.51 d MFS	
PRIOR YEARS-BASE TAX	✓ 523,515.50 d	X (12,942.23) PRIOR MHO
PRIOR YEARS-P&I	✓ 222,579.06 d	
ROLLBACK BASE	X 9,240.54 d MHO	- ROLLBACK
ROLLBACK P&I	X 41.81 d	
ATTORNEY FEES	✓ 109,787.33 d MI-9	- PURGED
HOSPITAL DISTRICT FUNDING		
HOSPITAL DISTRICT P&I		
STREET LIGHT ADMIN FEE	120.02 d MI-21 ✓	
LIGHT FEE - SUBDIVISIONS	317.99 d MI-22 ✓	
SPECIAL INVENTORY FINE	2,662.26 d MI-27 ✓	
SPECIAL INVENTORY PENALTY	10,570.02 d MI-21 ✓	
TAX CERTIFICATE FEES	490.00 d MI-33 ✓	
SERVICE CHG FEES	1,707.05 d MI-36 ✓	
MISC FEES	2,899.40 d MI-41 ✓	
TOTAL COLLECTIONS	✓ 3,531,699.75 d MI-9	
LESS HCAD COMM REND. PEN. (CURR)	X 124.26 d	✓ (54,451.01) MI-12
LESS HCAD COMM REND. PEN. (DELQ)	X 51.09 d MI-20	≠
LESS TRANSFERRED	✓ 2,104,904.82 d MI-2, MI-57	
LESS IN TRANSIT	✓ 1,316,832.25 d MI-2, MI-57	
LESS DUE TO DEL TAX ATTY FEES	✓ 109,787.33 d MI-2, MI-53	
LESS DUE TO CO TREASURER		
LESS COURT ORDER INTEREST		
BALANCE	0.00	0.00

*****AFFIDAVIT*****

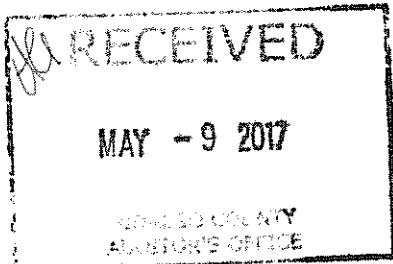
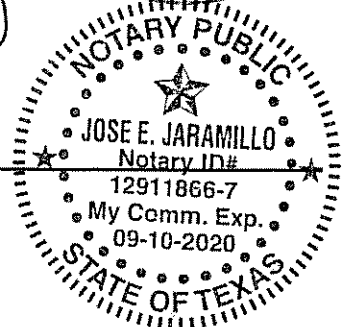
I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF APRIL 2017 IS CORRECT.

Pablo (Paul) Villarreal Jr.
ASSESSOR-COLLECTOR OF TAXES FOR HIDALGO COUNTY, TEXAS



SWORN AND SUBSCRIBED BEFORE ME THIS 5TH DAY OF MAY 2017 A.D.

Jose E. Jaramillo
NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: *[Signature]*
DATE: 08/04/17 8/14/17

MI-1

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR
 ROAD DIST # 2 TAXES COLLECTED
 APRIL 2017
 PBC

COMPARATIVE RATE OF COLLECTIONS

ROAD DIST # 2 RD2	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2016/2017	COLLECTED 2015/2016
1981 & PRIOR YRS	60.90	-	-	-	60.90	0.00%	0.00%
TOTALS	60.90	+M2-3 ✓ - #M23	-	-	+M2-3 60.90 M24 ✓ #A		

BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF APRIL 2017

	MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	CURRENT
CURRENT YEAR-P&I	-
PRIOR YEARS-BASE TAX	PRIOR
PRIOR YEARS-P&I	-
ROLLBACK BASE	ROLLBACK
ROLLBACK P&I	-
ATTORNEY FEES	- PURGED
TOTAL COLLECTIONS	- dM2-4
LESS HCAD COMM REND. PEN.	
LESS TRANSFERRED	
LESS IN TRANSIT	
LESS DUE TO DEL TAX ATTY FEES	
LESS DUE TO CO TREASURER	
BALANCE	- dM2-2

*****AFFIDAVIT*****

I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF APRIL 2017 IS CORRECT.

Pablo (Paul) Villarreal Jr.

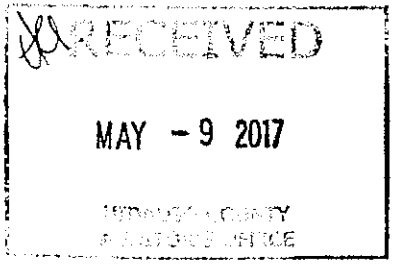
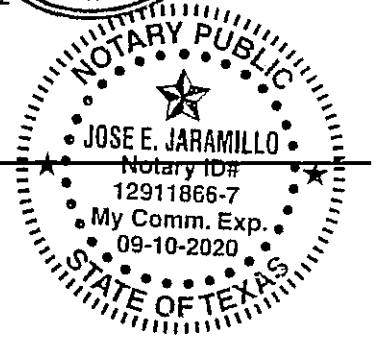
 ASSESSOR-COLLECTOR OF TAXES FOR ROAD DISTRICT # 2



SWORN AND SUBSCRIBED BEFORE ME THIS 5TH DAY OF MAY 2017 A.D.

Jose E. Jaramillo

 NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: *llh* LA
 DATE: 08/02/17 8/14/17

M21

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR
 ROAD DIST # 5 TAXES COLLECTED
 APRIL 2017
 PBC

COMPARATIVE RATE OF COLLECTIONS

ROAD DIST # 5
 RD5

	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2016/2017	COLLECTED 2015/2016
1999 & PRIOR YRS	7,890.50	474.32	(316.36)	(355.11)	6,744.71	6.57%	3.26%
TOTALS	7,890.50	474.32	(316.36)	(355.11)	6,744.71		

M3-5 *M3-5* *M3-5* *M3-5* *M3-5* *M3-6*

BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF APRIL 2017

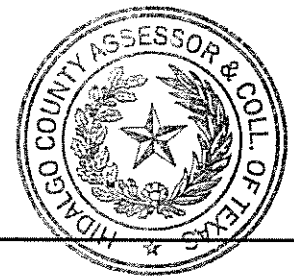
		MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	- d	CURRENT
CURRENT YEAR-P&I	- d	
PRIOR YEARS-BASE TAX	1.85d	- PRIOR
PRIOR YEARS-P&I	4.44d	
ROLLBACK BASE		ROLLBACK
ROLLBACK P&I		
ATTORNEY FEES	0.77d	- PURGED
TOTAL COLLECTIONS	7.06d	- d M3-6
LESS HCAD COMM REND. PEN.		
LESS TRANSFERRED	6.29d	
LESS IN TRANSIT	- d	
LESS DUE TO DEL TAX ATTY FEES	0.77d	
LESS DUE TO CO TREASURER		
BALANCE	2	

M3-3 *M3-4* *M3-2, M1-57* *M3-2, M1-57* *M3-2, M1-53*

*****AFFIDAVIT*****

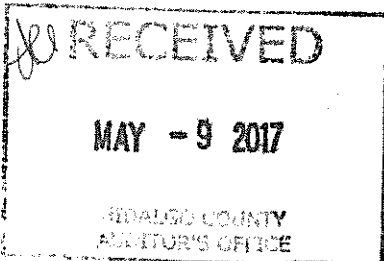
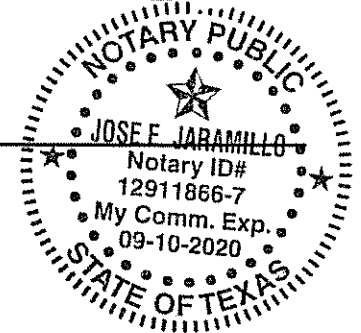
I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF APRIL 2017 IS CORRECT.

Pablo (Paul) Villarreal Jr.
 ASSESSOR-COLLECTOR OF TAXES FOR ROAD DISTRICT # 5



SWORN AND SUBSCRIBED BEFORE ME THIS 5TH DAY OF MAY 2017 A.D.

Jose E. Jaramillo
 NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: *[Signature]*
 DATE: *08/02/17* *8/14/17*

M3-1

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR
 ROAD DIST # 15 TAXES COLLECTED
 APRIL 2017
 PBC

COMPARATIVE RATE OF COLLECTIONS

ROAD DIST # 15
 RD15

	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2016/2017	COLLECTED 2015/2016
1993 & PRIOR YRS ROLLBACK	704.87	6.10	-	(0.17)	698.60	0.87%	4.67%
	-	-	-	-	-	0.00%	0.00%
TOTALS	704.87 M4-5	6.10 M4-5 ✓	-	(0.17) M4-5 ✓	698.60 M4-5 ✓	M4-5 ✓	4.67%

BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF APRIL 2017

		MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX		CURRENT
CURRENT YEAR-P&I		PRIOR
PRIOR YEARS-BASE TAX		ROLLBACK
PRIOR YEARS-P&I		
ROLLBACK BASE		
ROLLBACK P&I		
ATTORNEY FEES		
TOTAL COLLECTIONS	✓ 0.25d M4-4	- PURGED
LESS HCAD COMM REND. PEN.	✓ 1.99d	- M4-5
LESS TRANSFERRED		
LESS IN TRANSIT	- M4-2; M1-57	
LESS DUE TO DEL TAX ATTY FEES	1.74d M4-2; M1-57 ✓	
LESS DUE TO CO TREASURER	0.25d M4-2; M1-53 ✓	
LESS PENDING JULY BALANCE	-	
BALANCE	✓	

*****AFFIDAVIT*****

I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF APRIL 2017 IS CORRECT.

Pablo (Paul) Villarreal Jr.

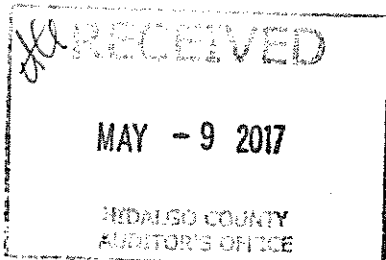
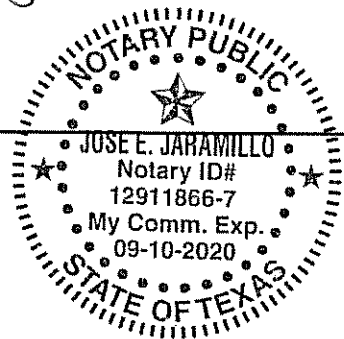
 ASSESSOR/COLLECTOR OF TAXES FOR ROAD DISTRICT # 15



SWORN AND SUBSCRIBED BEFORE ME THIS 5TH DAY OF MAY 2017 A.D.

Jose E. Jaramillo

 NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: *[Signature]*
 DATE: 05/09/17

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

APRIL 2017

PLC

COMPARATIVE RATE OF COLLECTIONS

STATE DIST
TEX

	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2016/2017	COLLECTED 2015/2016
1979 & PRIOR YRS	20.47	6.31	-	-	14.16	30.83%	0.00%
TOTALS	20.47 MS-5 ✓	6.31 MS-5 ✓	-	- MS-5	14.16 MS-6 #A		

BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF APRIL 2017

		MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	-	- CURRENT
CURRENT YEAR-P&I	-	-
PRIOR YEARS-BASE TAX	3.93 d	- PRIOR
PRIOR YEARS-P&I	17.63 d	-
ROLLBACK BASE	-	- ROLLBACK
ROLLBACK P&I	-	-
ATTORNEY FEES	3.24 d	- PURGED
TOTAL COLLECTIONS	24.80 d	- MS-6
LESS HCAD COMM REND. PEN.	-	
LESS TRANSFERRED	- MS-2; MS-7	
LESS IN TRANSIT	21.56 d MS-2; MS-7 ✓	
LESS DUE TO DEL TAX ATTY FEES	3.24 d MS-2; MS-3 ✓	
LESS DUE TO CO TREASURER	-	
BALANCE	-	

*****AFFIDAVIT*****

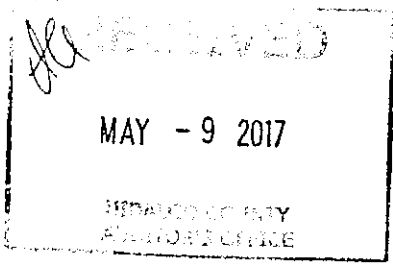
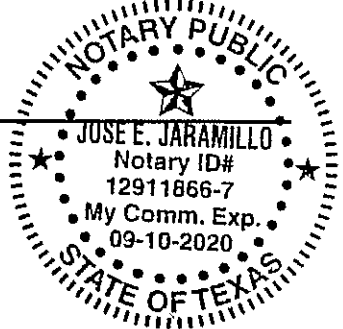
I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF APRIL 2017 IS CORRECT.

Pablo (Paul) Villarreal Jr.
ASSESSOR-COLLECTOR OF TAXES FOR STATE DIST TAXES



SWORN AND SUBSCRIBED BEFORE ME THIS 5TH DAY OF MAY 2017 A.D.

Jose E. Jaramillo
NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: *[Signature]*
DATE: 08/02/17 8/14/17

MS-1

Prepared By: Abigail G. *AG*
 Date: 08/11/17
 Reviewed By: *[Signature]* 11/14/17

**Hidalgo County Tax Office
 Collections Summary
 For the Month ended May 31, 2017**

Hidalgo County Tax Collections	2,979,595.28 ✓	M1-1
2017 Hospital District Funding - 3rd Qtr	19,144,013.02 ✓	M1-1
2015/2016 Tax Year Subdivision Light Fee	633.57 ✓	M1-1
Administrative Fees Collected	17,531.86 ✓	M1-1
Road District # 2 Collections	-	M2-1
Road District # 5 Collections	33.46 ✓	M3-1
Road District # 15 Collections	2.96 ✓	M4-1
State District Collections	<u>-</u>	M5-1
Total Collections	<u><u>22,141,810.15</u></u> *^	

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

MAY 2017

COMPARATIVE RATE OF COLLECTIONS

HIDALGO COUNTY GHD	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2016/2017	COLLECTED 2015/2016
2016 TAX ROLL	189,038,466.34 MHO ✓	175,004,064.51 MI-10 ✓	-	(976,460.80) MI-10 ✓	13,057,941.03 MHO ✓	93.06%	93.08%
2015 & PRIOR YRS ROLLBACK	31,462,771.31 MI-10 ✓	8,802,261.49 MI-10 ✓	(127,311.64) MHO	(542,284.58) MI-10 ✓	21,990,913.60 MI-10 ✓	28.59%	29.63%
	231,323.17 MI-11 ✓	604,817.56 MI-11 ✓	-	743,767.60 MI-11 ✓	370,273.21 MI-11 ✓	62.03%	63.76%
TOTALS	220,732,560.82 MHO ✓	184,411,143.56 MI-10 ✓	(127,311.64) MHO	(774,977.78) MI-10 ✓	135,419,127.84 MI-10 ✓		

#DIV/0!

BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF MAY 2017

		MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	✓ 1,890,767.63 d MI-5	X (110,018.78) CURRENT MHO
CURRENT YEAR-P&I	✓ 213,727.24 d MI-5	
PRIOR YEARS-BASE TAX	✓ 484,982.07 d MI-10	X (21,375.40) PRIOR MI-10
PRIOR YEARS-P&I	✓ 210,535.37 d MI-10	
ROLLBACK BASE	✓ 68,777.18 d MI-11	X 228,621.00 ROLLBACK MI-11
ROLLBACK P&I	✓ 4,071.42 d MI-11	
ATTORNEY FEES	✓ 106,734.37 d MI-9	- PURGED
HOSPITAL DISTRICT FUNDING		
HOSPITAL DISTRICT P&I		19,144,013.02 d MI-20 ✓
STREET LIGHT ADMIN FEE		235.68 d MI-24 ✓
LIGHT FEE - SUBDIVISIONS		633.57 d MI-25 ✓
SPECIAL INVENTORY FINE		2,922.26 d MI-31 ✓
SPECIAL INVENTORY PENALTY		11,052.68 d MI-34 ✓
TAX CERTIFICATE FEES		1,150.00 d MI-37 ✓
SERVICE CHG FEES		1,143.44 d MI-41 ✓
MISC FEES		1,027.80 d MI-44 ✓
TOTAL COLLECTIONS	✓ 2,979,595.28 d MI-9	X 97,226.82 MI-12
LESS HCAD COMM REND. PEN. (CURR)	✓ 249.62 d MI-9	#
LESS HCAD COMM REND. PEN. (DELQ)	✓ 62.31 d MI-9	
LESS TRANSFERRED	✓ 1,825,923.82 d MI-2; MI-6	5,424,881.79 d MI-24 ✓
LESS IN TRANSIT	✓ 1,046,625.16 d MI-2; MI-6	13,737,296.66 d MI-6 ✓
LESS DUE TO DEL TAX ATTY FEES	106,734.37 d MI-2; MI-6	
LESS DUE TO CO TREASURER		
LESS COURT ORDER INTEREST		
BALANCE	0.00	0.00

*****AFFIDAVIT*****

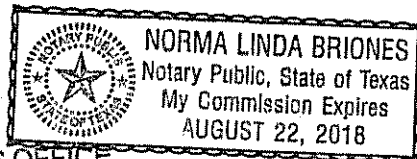
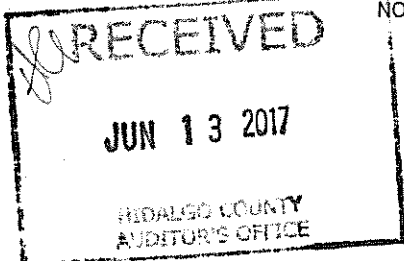
I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF MAY 2017 IS CORRECT.

Pablo (Paul) Villarreal Jr.
ASSESSOR-COLLECTOR OF TAXES FOR HIDALGO COUNTY, TEXAS



SWORN AND SUBSCRIBED BEFORE ME THIS 7TH DAY OF JUNE 2017 A.D.

NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: *[Signature]*
DATE: 06/10/17 8/17/17

MIH

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR
 ROAD DIST # 2 TAXES COLLECTED
 MAY 2017
PBC

COMPARATIVE RATE OF COLLECTIONS

ROAD DIST # 2
 RD2

	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2016/2017	COLLECTED 2015/2016
1981 & PRIOR YRS	60.90	-	-	(16.83)	44.07	0.00%	0.00%
TOTALS	60.90	<i>4M23</i> ✓	<i>4M23</i>	(16.83)	<i>4M23</i> ✓ <i>44.07</i> <i>44</i>	<i>0.00%</i>	<i>0.00%</i>

BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF MAY 2017

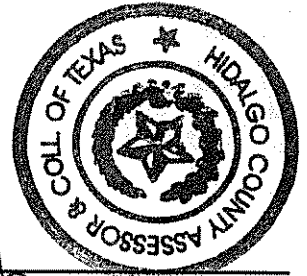
		MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	-	- CURRENT
CURRENT YEAR-P&I	-	
PRIOR YEARS-BASE TAX	-	(16.83) PRIOR <i>M23</i> ✓
PRIOR YEARS-P&I	-	
ROLLBACK BASE	-	- ROLLBACK
ROLLBACK P&I	-	
ATTORNEY FEES	-	- PURGED
TOTAL COLLECTIONS	- <i>4M22</i>	(16.83) <i>4M24</i>
LESS HCAD COMM REND. PEN.	-	
LESS TRANSFERRED	-	
LESS IN TRANSIT	-	
LESS DUE TO DEL TAX ATTY FEES	-	
LESS DUE TO CO TREASURER	-	
BALANCE	- <i>4M22</i>	

*****AFFIDAVIT*****

I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF MAY 2017 IS CORRECT.

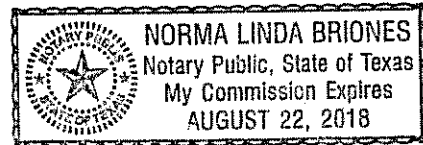
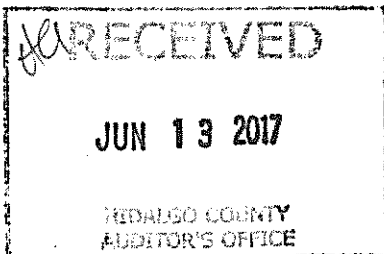
Pablo (Paul) Villarreal Jr.

 ASSESSOR-COLLECTOR OF TAXES FOR ROAD DISTRICT # 2



SWORN AND SUBSCRIBED BEFORE ME THIS 7TH DAY OF JUNE 2017 A.D.

 NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: *[Signature]*
 DATE: *08/09/17* *8/9/17*

M2-1

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR
 ROAD DIST # 5 TAXES COLLECTED
 MAY 2017

PBC

COMPARATIVE RATE OF COLLECTIONS

ROAD DIST # 5
 RD5

	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2016/2017	COLLECTED 2015/2016
1999 & PRIOR YRS	7,890.50	483.05	(316.36)	(355.11)	6,735.98	6.69%	3.50%
TOTALS	7,890.50	483.05	(316.36)	(355.11)	6,735.98		

M3-5 ✓ 483.05 ✓ M3-5 (316.36) ✓ M3-5 (355.11) ✓ M3-5 6,735.98 M3-6 ✓
 #n

BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF MAY 2017

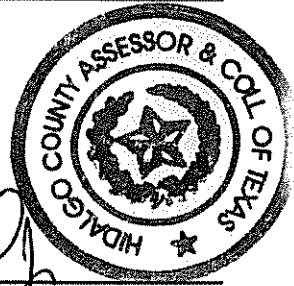
	MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	- CURRENT ✓
CURRENT YEAR-P&I	- PRIOR ✓
PRIOR YEARS-BASE TAX	- ROLLBACK ✓
PRIOR YEARS-P&I	- PURGED ✓
ROLLBACK BASE	- M3-6 ✓
ROLLBACK P&I	
ATTORNEY FEES	
TOTAL COLLECTIONS	
LESS HCAD COMM REND. PEN.	
LESS TRANSFERRED	
LESS IN TRANSIT	
LESS DUE TO DEL TAX ATTY FEES	
LESS DUE TO CO TREASURER	
BALANCE	

- d }
 x 8.73d } M3-3
 x 20.71d }
 ✓ 4.02d } M3-4
 ✓ 33.46d }
 11.09d M3-2; M1-01 ✓
 18.35d M3-2; M1-01 ✓
 4.02d M3-2; M1-01 ✓

AFFIDAVIT

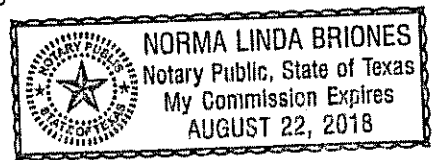
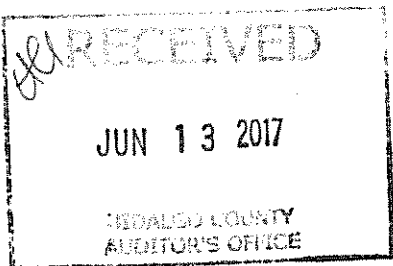
I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF MAY 2017 IS CORRECT.

Paul Villarreal Jr.
 ASSESSOR-COLLECTOR OF TAXES FOR ROAD DISTRICT # 5



SWORN AND SUBSCRIBED BEFORE ME THIS 7TH DAY OF JUNE 2017 A.D.

Norma Linda Briones
 NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: *[Signature]*
 DATE: 06/13/17

M3-4

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR
 ROAD DIST # 15 TAXES COLLECTED
 MAY 2017
 PBC

COMPARATIVE RATE OF COLLECTIONS

ROAD DIST # 15
 RD15

	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2016/2017	COLLECTED 2015/2016
1993 & PRIOR YRS ROLLBACK	704.87	6.78	-	(0.17)	697.92	0.96%	4.73%
	-	-	-	-	-	0.00%	0.00%
TOTALS	704.87 #M4-5 ✓	6.78 #M4-5 ✓	-	(0.17) #M4-5 ✓	697.92 #M4-6 ✓		

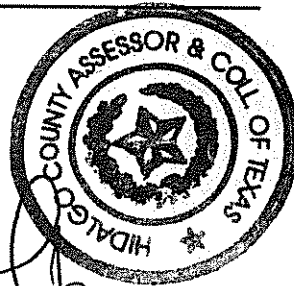
BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF MAY 2017

		MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	- d	- CURRENT ✓
CURRENT YEAR-P&I	- d	- PRIOR ✓
PRIOR YEARS-BASE TAX	✓ 0.68 d } M4-3	- ROLLBACK ✓
PRIOR YEARS-P&I	✓ 2.18 d }	- PURGED
ROLLBACK BASE	-	for M4-6
ROLLBACK P&I	-	
ATTORNEY FEES	✓ 0.10 d } M4-4	
TOTAL COLLECTIONS	✓ 2.96 d)	
LESS HCAD COMM REND. PEN.		
LESS TRANSFERRED	2.11 d M4-2, M1-6 ✓	
LESS IN TRANSIT	0.75 d M4-2, M1-6 ✓	
LESS DUE TO DEL TAX ATTY FEES	0.10 d M4-2, M1-6 ✓	
LESS DUE TO CO TREASURER	-	
LESS PENDING JULY BALANCE	-	
BALANCE	-	

*****AFFIDAVIT*****

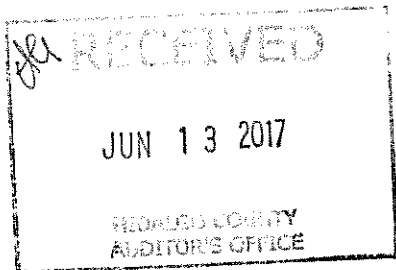
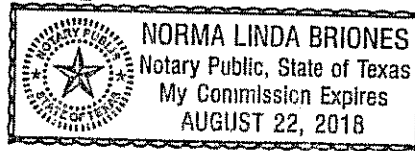
I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF MAY 2017 IS CORRECT.

ASSESSOR-COLLECTOR OF TAXES FOR ROAD DISTRICT # 15



SWORN AND SUBSCRIBED BEFORE ME THIS 7TH DAY OF JUNE 2017 A.D.

NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: [Signature]
 DATE: 06/09/17

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR
 STATE DIST TAXES COLLECTED
 MAY 2017
PEC

COMPARATIVE RATE OF COLLECTIONS

STATE DIST
 TEX

	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2016/2017	COLLECTED 2015/2016
1979 & PRIOR YRS	20.47 ✓	6.31	-	(2.67)	11.49	35.45%	0.00%
TOTALS	20.47 <i>MS-3</i>	6.31 <i>MS-3</i> ✓	-	(2.67) <i>MS-3</i>	11.49 <i>MS-4</i> ✓ <i>↑</i>		

BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF MAY 2017

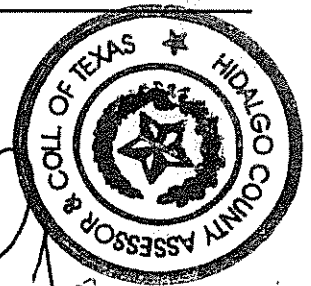
		MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	-	- CURRENT
CURRENT YEAR-P&I	-	
PRIOR YEARS-BASE TAX	-	(2.67) PRIOR <i>MS-3</i> ✓
PRIOR YEARS-P&I	-	
ROLLBACK BASE	-	- ROLLBACK
ROLLBACK P&I	-	
ATTORNEY FEES	-	- PURGED
TOTAL COLLECTIONS	- <i>MS-2</i>	(2.67) <i>MS-4</i>
LESS HCAD COMM REND. PEN.	-	
LESS TRANSFERRED	-	
LESS IN TRANSIT	-	
LESS DUE TO DEL TAX ATTY FEES	-	
LESS DUE TO CO TREASURER	-	
BALANCE	- <i>MS-2</i>	

*****AFFIDAVIT*****

I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF MAY 2017 IS CORRECT.

Pablo Paul Villarreal Jr.

 ASSESSOR-COLLECTOR OF TAXES FOR STATE DIST TAXES



SWORN AND SUBSCRIBED BEFORE ME THIS 7TH DAY OF JUNE 2017 A.D.

Norma Linda Briones

 NOTARY PUBLIC, HIDALGO COUNTY, TEXAS

RECEIVED
 JUN 13 2017
 HIDALGO COUNTY
 AUDITOR'S OFFICE

NORMA LINDA BRIONES
 Notary Public, State of Texas
 My Commission Expires
 AUGUST 22, 2018

HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: *HLB*
 DATE: 08/09/17

Prepared By: Abigail G. *AG*
Date: 09/27/17
Reviewed By: *MD* *11/9/17*

**Hidalgo County Tax Office
Collections Summary
For the Month ended June 30, 2017**

Hidalgo County Tax Collections	2,798,314.84	M1-1
2017 Hospital District Funding - 3rd Qtr	-	M1-1
2015/2016 Tax Year Subdivision Light Fee	335.22	M1-1
Administrative Fees Collected	20,966.43	M1-1
Road District # 2 Collections	-	M2-1
Road District # 5 Collections	26.98	M3-1
Road District # 15 Collections	3.44	M4-1
State District Collections	-	M5-1
Total Collections	<u>2,819,646.91</u>	
	<i>KA</i>	

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR
 HIDALGO COUNTY TAXES COLLECTED
 JUNE 2017

COMPARATIVE RATE OF COLLECTIONS

HIDALGO COUNTY GHD	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2016/2017	COLLECTED 2015/2016
2016 TAX ROLL	✓ 189,038,466.34 MI-12	176,643,278.06 MI-12	-	✓ (1,009,448.45) MI-12	11,385,739.83 MI-12	93.94%	94.09%
2015 & PRIOR YRS ROLLBACK	✓ 31,462,771.31 MI-12	9,298,525.29 MI-12	(288,489.15) MI-12	(559,950.57) MI-12	21,315,806.30 MI-12	30.37%	31.23%
	✓ 231,323.17 MI-13	703,640.22 MI-13	-	✓ 747,405.04 MI-13	275,087.99 MI-13	71.89%	68.68%
TOTALS	✓ 220,732,560.82 MI-14	186,645,443.57 MI-14	(288,489.15) MI-14	(821,993.98) MI-14	32,976,634.12 MI-14		

#DIV/0!

BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF JUNE 2017

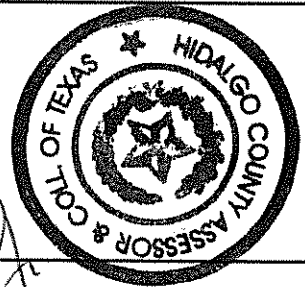
		MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	✓ 1,639,213.55 d MI-12	X (32,987.65) CURRENT MI-12
CURRENT YEAR-P&I	X 229,077.99 d MI-10	
PRIOR YEARS-BASE TAX	X 496,263.80 d MI-10	X (17,665.99) PRIOR MI-12
PRIOR YEARS-P&I	X 225,965.41 d MI-10	
ROLLBACK BASE	X 98,822.66 d MI-7	X 3,637.44 ROLLBACK MI-13
ROLLBACK P&I	X 0.91 d MI-10	
ATTORNEY FEES	✓ 108,970.52 d MI-10	X (161,177.51) PURGED MI-12
HOSPITAL DISTRICT FUNDING		
HOSPITAL DISTRICT P&I		
STREET LIGHT ADMIN FEE		133.07 d MI-22 ✓
LIGHT FEE - SUBDIVISIONS		335.22 d MI-23 ✓
SPECIAL INVENTORY FINE		3,630.57 d MI-28 ✓
SPECIAL INVENTORY PENALTY		13,910.44 d MI-31 ✓
TAX CERTIFICATE FEES		450.00 d MI-34 ✓
SERVICE CHG FEES MISC FEES		1,890.10 d MI-41 ✓
MISC FEES SERVICE CHG FEES		952.25 d MI-37 ✓
TOTAL COLLECTIONS	✓ 2,798,314.84 d MI-10	✓ (208,193.71) MI-14
LESS HCAD COMM REND. PEN. (CURR)	X 189.62 d MI-21	✗
LESS HCAD COMM REND. PEN. (DELQ)	X 87.83 d MI-21	✗
LESS TRANSFERRED	1,813,100.01 d MI-2; MI-59 ✓	
LESS IN TRANSIT	875,966.86 d MI-2; MI-59 ✓	
LESS DUE TO DEL TAX ATTY FEES	108,970.52 d MI-2; MI-54 ✓	21,301.05 d MI-54 ✓
LESS DUE TO CO TREASURER		
LESS COURT ORDER INTEREST		
BALANCE	0.00	21,301.66

*****AFFIDAVIT*****

I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF JUNE 2017 IS CORRECT.

Pablo (Paul) Villarreal Jr.

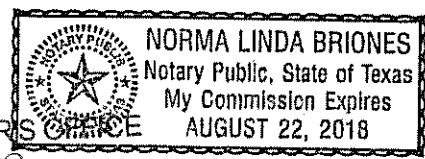
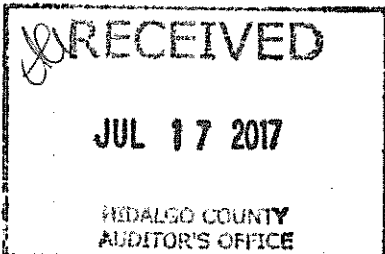
 ASSESSOR-COLLECTOR OF TAXES FOR HIDALGO COUNTY, TEXAS



SWORN AND SUBSCRIBED BEFORE ME THIS 7TH DAY OF JULY 2017 A.D.

[Signature]

 NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: *[Signature]*
 DATE: 08/11/17

MI-1

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR
 ROAD DIST # 2 TAXES COLLECTED
 JUNE 2017
 PBC

COMPARATIVE RATE OF COLLECTIONS

ROAD DIST # 2
 RD2

	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2016/2017	COLLECTED 2015/2016
1981 & PRIOR YRS	60.90	-	-	(16.83)	44.07	0.00%	0.00%
TOTALS	60.90	4M23 ✓ - 4M23	-	(16.83)	4M23 ✓ 44.07 4M23 ✓	M24 ✓	4M24 ✓

BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF JUNE 2017

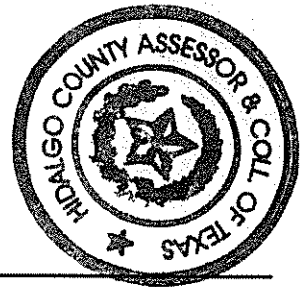
		MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	-	- CURRENT
CURRENT YEAR-P&I	-	-
PRIOR YEARS-BASE TAX	-	- PRIOR
PRIOR YEARS-P&I	-	-
ROLLBACK BASE	-	- ROLLBACK
ROLLBACK P&I	-	-
ATTORNEY FEES	-	- PURGED
TOTAL COLLECTIONS	- 4M22	- 4M24
LESS HCAD COMM REND. PEN.	-	-
LESS TRANSFERRED	-	-
LESS IN TRANSIT	-	-
LESS DUE TO DEL TAX ATTY FEES	-	-
LESS DUE TO CO TREASURER	-	-
BALANCE	- 4M22	-

*****AFFIDAVIT*****

I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF JUNE 2017 IS CORRECT.

Pablo Paul Villarreal Jr.

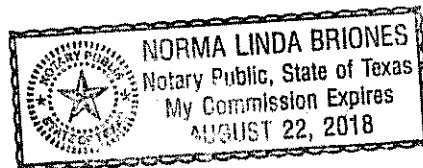
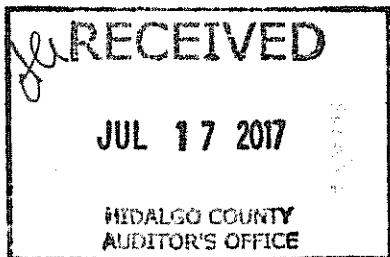
 ASSESSOR-COLLECTOR OF TAXES FOR ROAD DISTRICT # 2



SWORN AND SUBSCRIBED BEFORE ME THIS 7TH DAY OF JULY 2017 A.D.

[Signature]

 NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: *[Signature]*
 DATE: 08/17/17

M21

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR
ROAD DIST # 5 TAXES COLLECTED
JUNE 2017
PBC

COMPARATIVE RATE OF COLLECTIONS

ROAD DIST # 5 RD5	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2016/2017	COLLECTED 2015/2016
1999 & PRIOR YRS	7,890.50	490.58	(316.36)	(355.11)	6,728.45	6.80%	3.50%
TOTALS	7,890.50	490.58	(316.36)	(355.11)	6,728.45		

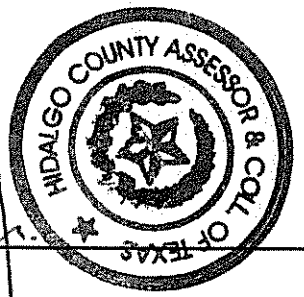
BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF JUNE 2017

		MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	-	- CURRENT
CURRENT YEAR-P&I	-	- PRIOR
PRIOR YEARS-BASE TAX	√ 7.53 d	- ROLLBACK
PRIOR YEARS-P&I	√ 16.54 d	- PURGED ✓
ROLLBACK BASE		
ROLLBACK P&I		
ATTORNEY FEES	√ 2.91 d	
TOTAL COLLECTIONS	√ 26.98 d	
LESS HCAD COMM REND. PEN.		√ 1 M3-6
LESS TRANSFERRED	9.68 d	
LESS IN TRANSIT	14.39 d	
LESS DUE TO DEL TAX ATTY FEES	2.91 d	
LESS DUE TO CO TREASURER		
BALANCE	λ	

*****AFFIDAVIT*****

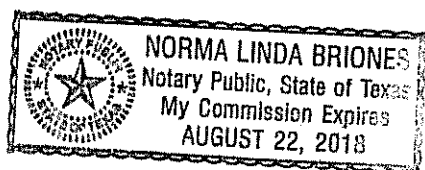
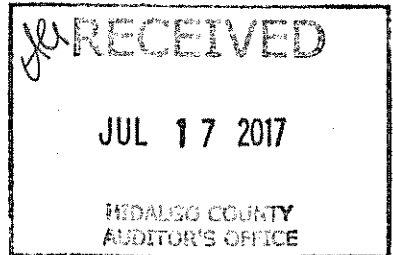
I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF JUNE 2017 IS CORRECT.

Pablo Paul Villarreal Jr.
ASSESSOR-COLLECTOR OF TAXES FOR ROAD DISTRICT # 5



SWORN AND SUBSCRIBED BEFORE ME THIS 7TH DAY OF JULY 2017 A.D.

[Signature]
NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: *[Signature]*
DATE: 08/11/17

M3-1

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR
 ROAD DIST # 15 TAXES COLLECTED
 JUNE 2017
PBC

COMPARATIVE RATE OF COLLECTIONS

ROAD DIST # 15 RD15	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2016/2017	COLLECTED 2015/2016
1993 & PRIOR YRS ROLLBACK	704.87	7.48	-	(0.17)	697.22	1.06%	4.73%
	-	-	-	-	-	0.00%	0.00%
TOTALS	704.87 <i>#M4-5 ✓</i>	7.48 <i>#M4-5 ✓</i>	-	(0.17) <i>#M4-5</i>	697.22 <i>#M4-6 ✓</i>		

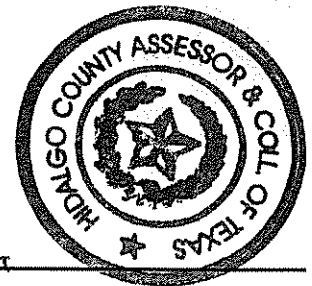
BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF JUNE 2017

		MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	-	- CURRENT
CURRENT YEAR-P&I	-	-
PRIOR YEARS-BASE TAX	<i>0.70 d</i>	- PRIOR
PRIOR YEARS-P&I	<i>2.37 d</i>	- ROLLBACK ✓
ROLLBACK BASE	-	-
ROLLBACK P&I	-	-
ATTORNEY FEES	<i>0.37 d</i>	- PURGED
TOTAL COLLECTIONS	<i>3.44 d</i>	- <i>M4-6</i>
LESS HCAD COMM REND. PEN.	-	-
LESS TRANSFERRED	<i>2.64 d M4-2, M1-59 ✓</i>	-
LESS IN TRANSIT	<i>0.43 d M4-2, M1-59 ✓</i>	-
LESS DUE TO DEL TAX ATTY FEES	<i>0.37 d M4-2, M1-54 ✓</i>	-
LESS DUE TO CO TREASURER	-	-
LESS PENDING JULY BALANCE	-	-
BALANCE	<i>0.00</i>	-

*****AFFIDAVIT*****

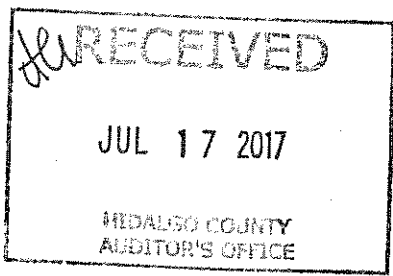
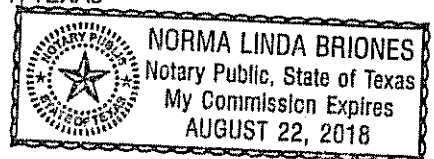
I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF JUNE 2017 IS CORRECT.

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



SWORN AND SUBSCRIBED BEFORE ME THIS 7TH DAY OF JULY 2017 A.D.

Norma Linda Briones
 NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: *[Signature]*
 DATE: *08/10/17*

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR
 STATE DIST TAXES COLLECTED
 JUNE 2017
PBC

COMPARATIVE RATE OF COLLECTIONS

STATE DIST TEX	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2016/2017	COLLECTED 2015/2016
1979 & PRIOR YRS	20.47 ✓	6.31	-	(2.67)	11.49	35.45%	0.00%
TOTALS	20.47 <i>MS-3</i> ✓	6.31 <i>MS-3</i>	-	(2.67) <i>MS-3</i>	11.49 <i>MS-4</i> <i>≠A</i>		

BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF JUNE 2017

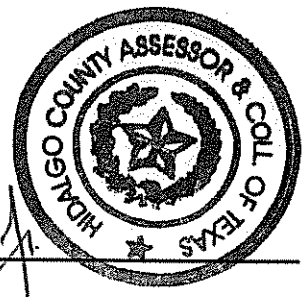
		MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	-	- CURRENT
CURRENT YEAR-P&I	-	
PRIOR YEARS-BASE TAX	-	Ø (-2.67) PRIOR ✓
PRIOR YEARS-P&I	-	
ROLLBACK BASE	-	- ROLLBACK
ROLLBACK P&I	-	
ATTORNEY FEES	-	- PURGED
TOTAL COLLECTIONS	- <i>MS-2</i>	Ø (-2.67)
LESS HCAD COMM REND. PEN.	-	
LESS TRANSFERRED	-	
LESS IN TRANSIT	-	
LESS DUE TO DEL TAX ATTY FEES	-	
LESS DUE TO CO TREASURER	-	
BALANCE	- <i>MS-2</i>	

*****AFFIDAVIT*****

I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE HIDALGO COUNTY, DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF JUNE 2017 IS CORRECT.

Pablo Paul Villarreal Jr.

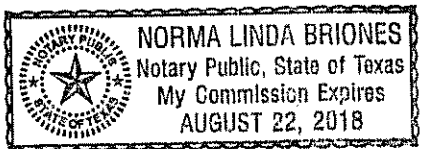
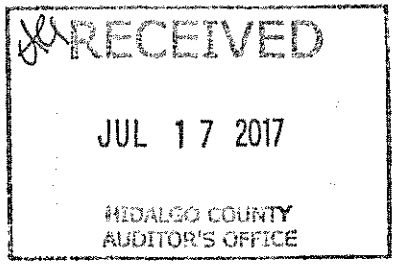
 ASSESSOR-COLLECTOR OF TAXES FOR STATE DIST TAXES



SWORN AND SUBSCRIBED BEFORE ME THIS 7TH DAY OF JULY 2017 A.D.

[Signature]

 NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: *[Signature]*
 DATE: *08/11/17* *8/17/17*

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



EDINBURG, TEXAS 78539

November 14, 2017

The Honorable Gilberto Saenz
Hidalgo County Justice of the Peace Pct. 1, Pl. 1
1902 Joe Stephens, Suite 301
Weslaco, Texas 78596

Re: Review of *Monthly Fines and Fees Report* and Supporting Documentation
For the months of August 2017 and September 2017

Dear Judge Saenz:

We have conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the months of August 2017 and September 2017 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 fines, fees, and court costs 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 months of August 2017 and September 2017. 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 fines, fees, and court cost statutes, the *Monthly Report*, and fee schedules. 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 100% of receipts with an offense date prior to December 31, 2007 and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs 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 Report* agreed to: 1.) total receipts issued per *Odyssey's* Receipt Journal Report, 2.) total collections per *Odyssey's* Fee Distribution Reports, 3.) total deposits made with the County Treasurer, and 4.) total deposits posted to *alio's* Undistributed Receipts general ledger account.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 82ND 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, 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.

- Selected all cases in which defendants satisfied outstanding fines, fees, and court costs by making cash payments and serving time at the Hidalgo County jail and randomly selected cases in which defendants satisfied outstanding fines, fees, and court costs by serving time in the Hidalgo County jail to determine if: 1.) the warrant was recalled; 2.) the cash payment and/or jail time credit was applied to the case; 3.) the case was closed; and 4.) the Sheriff's "Discharge" receipt number was referenced on the case.
- Verified the sequence of receipts per the *Monthly Report* agreed to *Odyssey's* Receipt Journal Report. In addition, verified that receipts followed sequential order.
- Compared the Hamer Enterprises Credit Card Payment Reports to *Odyssey's* Daily Balance Report and *alio's* Undistributed Receipts general ledger account to ensure all credit card transactions were timely received by the Justice of the Peace and County Treasurer's Office.
- Reviewed *Cashier's Daily Close-Out Reports* (Close-Out Reports) and County Treasurer receipts to determine if fees collected were properly accounted and deposited with the County Treasurer on a daily basis.
- Reviewed receipts issued, Close-Out Reports, *Schedule of Receipts and Deposits* form, mail logs, Office of Court Administration's "*Official Justice of the Peace Monthly Report*" (OCA Report), and the *Monthly Report*, among other reports, to verify proper completion.
- Verified if cash bonds posted by the defendants who failed to appear before the Justice of the Peace were forfeited (liquidated) by the 10th workday following the date of release from jail.

Conclusion:

Total collections for the months of August 2017 and September 2017 were \$67,187.20 and \$54,836.04, respectively. 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 requires improvement as noted in the following observations.

Observation No. 1:

We reviewed a sample of receipts issued in August 2017 and September 2017 (100% of receipts with an offense date of December 31, 2007 and prior and 10% of receipts with an offense date of January 1, 2008 and after) to determine if fines, fees, and court costs collected were properly allocated and reported.

The results of our review revealed that 8 receipts in August 2017 and 13 receipts in September 2017 contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was made aware of the required adjustments (see Exhibit A); however, adjustments have not been completed. In addition, adjustments for the months of January 2015 (1), February 2015 (4), March 2015 (114), April 2015 (51), May 2015 (1), July 2015 (47), August 2015 (14), September 2015 (18), October 2015 (4), November 2015 (4), December 2015 (1), February 2016 (2), May 2016 (2), June 2016 (2), July 2016 (1), September 2016 (4), October 2016 (3), December 2016 (3), March 2017 (1), April 2017 (9), May 2017 (2), June 2017 (9), and July 2017 (8) are still pending to be completed. According to the Court Coordinator, staff does not consistently verify that fines, fees, and court costs have been properly assessed prior to issuing receipts. In addition, due to a heavy workload, limited number of staff, and technical difficulties with *Odyssey*, the adjustments cannot be completed in a timely manner.

There are numerous statutes that require Justices of the Peace to charge various fines, fees, and court costs for certain services and offenses. Fines, fees, and court costs must be allocated pursuant to State statutes and/or Commissioners Court approval. In addition, the County Auditor's Office requires that adjustments be made within three days of receiving them.

The County may be held liable to the State for failure to properly allocate and report fines, fees, and court costs.

Recommendation:

Management should ensure that the pending adjustments are completed. In addition, management should ensure that fines, fees, and court costs are properly allocated and reported. At a minimum, the following procedures should be implemented:

- Staff should be provided with training regarding the proper allocation of fines, fees, and court costs.
- Staff should review the allocation of fines, fees, and court costs before the official County receipt is issued.
- Access for setting up offense codes with the proper fines, fees, and court costs in *Odyssey* should be limited to staff with adequate knowledge of the applicable allocation.
- Staff should ensure that the proper fines, fees, and court costs allocation, offense date, and judgment date are entered when a case is setup in *Odyssey*.
- Staff should ensure that adjustments are entered into *Odyssey* within three days of receiving them.

HIDALGO COUNTY DISTRICT JUDGES

Observation No. 2:

Properly completed copies of the May 2013 and August 2013 through September 2017 Office of Court Administration's "Official Justice of the Peace Monthly Reports" (OCA Reports) have not been filed with the County Auditor's Office. According to the Justice of the Peace staff, properly completed OCA Reports cannot be generated from *Odyssey* due to data entry errors. Assistance from the Information Technology Department has been requested.

Local Government Code §112.002 (a) authorizes the county auditor to prescribe the system of accounting for the county. Local Government Code §112.002 (b) states that "the county auditor may adopt and enforce regulations, not inconsistent with law or with a rule adopted under Section 112.003, that the auditor considers necessary for the speedy and proper collecting, checking, and accounting of the revenues and other funds and fees that belong to the county or to a person for whom a district clerk, district attorney, county officer, or precinct officer has made a collection or for whose use or benefit the officer holds or has received funds." Pursuant to Local Government Code §112.002 (a) and (b), the County Auditor requires the submittal of properly completed reports (i.e., *Monthly Report*, copy of the OCA Report, *Schedule of Receipts and Deposits* form, Cash Disbursement Journal, etc.) for checking and properly accounting of funds collected by the Justice of the Peace Offices.

Failure to ensure that properly completed OCA Reports are filed with the County Auditor's Office may result in improper reporting.

Recommendation:

Management should ensure that properly completed OCA Reports are filed with the County Auditor's Office within five days after the last day of each month. In addition, the continued assistance of the Information Technology Department should be requested until the problem has been resolved.

Observation No. 3:

Two cash bond posted by defendants who failed to appear before the Justice of the Peace were not forfeited (liquidated) by the 10th workday following the date of their release from jail. The bonds were received on May 24, 2016 (1) and June 27, 2016 (1) (see Exhibit B). The bond received on June 27, 2016 has not been forfeited, as of today. In addition, according to staff, the bond received on May 24, 2016 cannot be forfeited due to technical complications with *Odyssey*. Assistance has been requested from the Information Technology Department for this case.

Code of Criminal Procedure Article 45.044 (a)(2) states, "A justice or judge may enter a judgment of conviction and forfeit a cash bond posted by the defendant in satisfaction of the defendant's fine and cost if the defendant fails to appear according to the terms of the defendant's release." Pursuant to the terms of the cash bond, the defendant must appear before the Justice of the Peace by the 10th workday following the date of their release from jail. If the defendant fails to appear, the Justice of the Peace may declare the cash bond forfeited, enter a judgment of guilty, assess a fine, and apply the cash bond to the payment of the imposed judgment.

Failure to ensure that bonds are liquidated in a timely manner may result in the misuse of County funds.

Recommendation:

Management should ensure that cash bonds are liquidated in a timely manner. In addition, the continued assistance from the Information Technology Department should be requested until the problem has been resolved.

Observation No. 4:

The August 2017 and September 2017 *Monthly Reports* were submitted to the County Auditor's Office 13 and 12 days, respectively, after the fifth day following the end of the month. According to the Court Coordinator, a runner was not available; therefore, the Justice of the Peace delivered the report on September 18, 2017. In addition, the Justice of the Peace was out and did not sign the September 2017 *Monthly Report* until October 16, 2017.

Local Government Code §114.001 (b) states, "A monthly report must be filed within five days after the last day of each month." Timely submittal of the *Monthly Report* helps ensure the proper accounting and accurate projection of County revenues.

Failure to ensure that the *Monthly Report* is submitted to the County Auditor's Office within five days after the last day of each month may result in the improper accounting and inaccurate projection of County revenues.

Recommendation:

Management should ensure the *Monthly Report* is submitted to the County Auditor's Office within five days after the last day of each month.

HIDALGO COUNTY DISTRICT JUDGES

Observation No. 5:

We noted during our review that 16 of 137 online credit card transactions received during the month of August 2017 were not promptly receipted. In addition, 8 of 109 credit card transactions received during the month of September 2017 were not promptly receipted. The transactions were receipted 2 to 6 days after payment was received. According to the Court Coordinator, staff may have missed those payments and will have the staff check more often for the online payments.

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. In addition, the case dispositions should be recorded in *AbleTerm* upon receipt of payment.

Failure to ensure that credit card transactions are promptly receipted and case dispositions are entered in a timely manner may result in the loss or misuse of County funds and the arrest of the defendant, in error, respectively.

Recommendation:

Management should ensure that the Court Coordinator verifies that all credit card transactions are promptly receipted and case dispositions are entered in a timely manner.

Observation No. 6:

For the month of August 2017, 16 of 23 Close-Out Reports were submitted from 3 to 8 days after the bank deposit. For the month of September 2017, 11 of 20 Close-Out Reports were submitted from 2 to 6 days after the bank deposit was made. According to the Court Coordinator, issues with generating reports in Odyssey caused the delay. The Information Technology Department was made aware of the issues and is working on a solution.

The County Auditor's Office requires that cashiers reconcile cash on hand to receipts issued and the approved change fund, if any, on a daily basis by utilizing the Close-Out Report. Once the reconciliation is completed and the collections are deposited to the County's General Fund bank account, the Close-Out Report along with the bank validated deposit slip must be submitted to the County Treasurer's Office on a daily basis. The County Treasurer's Office utilizes the Close-Out Report, along with the bank validated deposit slip, to timely receipt and account for the collections deposited to the County's General Fund bank account.

Failure to submit the Close-Out Report to the County Treasurer's Office on a daily basis results in the improper accounting of County funds.

Recommendation:

Management should ensure that the Close-Out Report is submitted to the County Treasurer's Office on a daily basis after the daily deposit has been made. In addition, management should follow-up with the Information Technology Department to ensure a prompt resolution of the issues with Odyssey.

Observation No. 7:

We noted during our review that for the month of September 2017, 8 of 20 deposit slips did not contain the receipt sequence for which the deposit was being made on the face of the deposit slip. According to the Court Coordinator, the error was caused by an oversight.

Pursuant to the County Auditor's Cash Handling Guidelines and Procedures, "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 check 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 attached to the Close-Out Report."

Failure to properly prepare deposit slips may result in the misuse of County funds.

Recommendation:

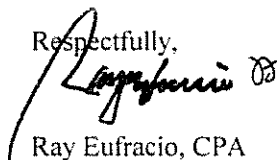
Management should ensure that deposit slips are properly prepared. Please refer to the "Cash Handling Guidelines and Procedures" prescribed by the County Auditor's Office for the minimum procedures to be implemented for preparing deposit slips.

Please provide written management responses to the observations noted above by November 30, 2017.

HIDALGO COUNTY DISTRICT JUDGES

If you have any questions or would like to schedule a meeting to discuss the above noted observations, please contact Araceli A. Guillen, Internal Auditor I, at (956) 318-2511 Ext. 4649, Yvonne Torres, Revenue Audit Supervisor, at Ext. 4642, Arcy B. Duran, CPA, Director of Audit, at Ext. 4645, or myself at Ext. 4604.

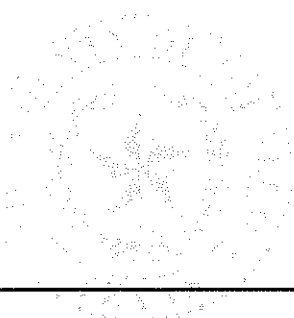
Respectfully,



Ray Eufracio, CPA
County Auditor

Enclosures: Copy of *Monthly Report* and Exhibits

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.

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.

Justice of the Peace Gilberto Saenz
Precinct 1, Place 1
Schedule of Bonds on Deposit
As of August 31, 2017

Year	Receipt Date	Docket No.	Receipt No.	Bond Amount
2016				
	5/24/2016		JP11-2016-03170	245.00
	6/27/2016	CRNT16-0245-J11		167.00
		Total		<u>412.00</u>

**Justice of the Peace Gilberto Saenz
Precinct 1, Place 1
Schedule of Bonds on Deposit
As of September 30, 2017**

Year	Receipt Date	Docket No.	Receipt No.	Bond Amount
2016				
	5/24/2016		JP11-2016-03170	245.00
	6/27/2016	CRNT16-0245-J11		167.00
		Total		<u>412.00</u>

**Justice of the Peace Gilberto Saenz
Schedule of Adjustments
For the Month Ending August 31, 2017**

Receipt Number	Case Number	Party	Offense Type	Date	CCC	CMS	CHS	ED	CRF	CSS	CVC2	BD	DPS	DPSr	FA	IDRF	KCD	ICPT	ICTE	ISF	IF	MWF	NOA	SECI	SIFC	SIFS	SO	STF	SV50	IPDK	IPDS	UIFK	WAR	TOTAL
RP11-2017-04609	T00-747165	FRENDA, JOSE LUIS	Fail to Comply w Req on Stopping Vehicles on Highway	6/9/2008	3			29.60			15		5		5		0.50	2			2			20									3	102.10
RP11-2017-04010	T00-791865	FRENDA, JOSE LUIS	Unrestrained Child <4	7/2/2009	3			35.75			15		5		5		0.25	2			2			20								3	50	158.00
RP11-2017-03919	CR01-75165	FLORES, RAMIRO, Jr	IX Health & SHY	5/25/2001	3			97.75			15		5		5		0.25	2			2			5	20							3	170.00	
RP11-2017-03920	CR01-75165	FLORES, RAMIRO, Jr	Woody Ton	5/25/2001	3			97.75			15		5		5		0.25	2			2			5	20							3	170.00	
RP11-2017-03755	T15-495765	SALINAS, YESHNA	Unrestrained Child	7/5/2015	40			12.50		0.15								4		4	2	0.1		20	0.6	5.4	5	30	12.5	1	1	3	147.25	
<p>Transportation Code, Sec. 545-012. (b) An offense under this section is a misdemeanor punishable by a fine of not less than \$25 and not more than \$250.</p>																																		
RP11-2017-03609	TR16-5688-111	CARRERA	Safety Seat Syst, Child Pass <8	12/26/2016	40			12.45					5					4		4	2	0.1		20	0.6	5.4	30			1	1	3	50	197.00
RP11-2017-03895	104-751865	GALLARDO, ILLIDA	Unrestrained Child <4	6/18/2004	40			7.50					5					4		4	2			20			30	7.5			3	122.00		
<p>Please enter disposition date:</p>																																		
RP11-2017-03979	TR17-4795-111	DEYDAN	Speeding	7/29/2017	40								54					4		4	2	0.1		0.6	5.4	30			1	1	3	156.10		

What happened to the following certificates B4591 and D65387 if voided, please provide a copy of the voided certificate to the Auditor's Office.

Justice of the Peace Gilberto Saenz
 Schedule of Adjustments
 For the Month Ending September 30, 2017

Receipt Number	Case Number	Party	Offense Type	Offense Date	CIC	CHS	CFSD	CMIT	CO	CRF	CVCJ	DPS	DPS	FA	IDRF	ICD	HCP	ICTF	ISF	ITF	MAVF	SECD	SIRC	SIFS	SIF	SV5C	TPDI	TPDS	TPWFr	TPW	UITC	WAR	WFC	TOTAL
JP11-2017-04243	59-54856-TR	RECEPNA, MARGARITA	No Dt (Unit)	12/08/09	9/13/17	17	3	-	66.00	-	15	5	5	-	0.25	2	-	-	-	2	-	20	-	-	-	-	-	-	-	-	-	-	135.25	
LTF \$2 should have been assessed.																																		
JP11-2017-04459	101-9695GS	ROJAS, FERMINDO ELI	Speeding	10/1/00	9/29/17	17	3	-	134.75	-	15	5	5	-	0.25	2	-	-	-	-	20	-	-	-	-	-	-	-	-	-	-	3	50	255.00
Transportation Code Sec. 545.413 (d) An offense under Subsection (b) is a misdemeanor punishable by a fine of not less than \$100 or more than \$200, in addition, WFLCONS11 \$50 was under assessed.																																		
JP11-2017-04339	104-6825S	MATAQUE	14	12/22/03	9/21/17	17	3	-	0.5	-	15	5	5	-	0.50	2	4	4	2	-	20	-	-	-	30	-	-	-	-	-	-	3	15	122.00
TPDC \$1 and TPDS \$1 should have been assessed. In addition, County Fine should be \$30.																																		
JP11-2017-03369AD1	CRN117-0387-111	HERRBERTO	Talcumy: Illegally buy, etc	6/13/17	9/11/17	40	3	1	32.00	-	-	-	-	-	2	-	-	4	4	2	-	0.6	5.4	-	-	-	-	170.00	5	-	-	269.00		
Please enter disposition date.																																		
JP11-2017-04230	CRN117-0481-113	CANTU, JOSHUA S	Wildlife-Unplugged	9/21/17	9/12/17	40	3	1	4.95	-	-	-	-	-	2	-	-	4	4	2	-	0.6	5.4	-	-	-	1	1	28.05	5	-	102.00		
JP11-2017-04237	CRN117-0491-111	CASTANEDA, ROBERTO	Hunt During Closed Safety Seat Syst,	9/10/17	9/13/17	40	3	1	30.00	-	-	-	-	-	2	-	-	4	4	2	-	0.6	5.4	-	-	-	1	1	170.00	5	-	269.00		
JP11-2017-04124	TR16-3601-311	RIVERA, AARON GONZALEZ, JAIME	Child Pass <8	9/4/16	9/5/17	40	3	1	12.50	12.5	-	-	-	5	-	2	-	4	4	2	0.1	20	0.6	5.4	30	-	1	1	-	3	-	147.10		
JP11-2017-04379	TR17-4342-111	FRRIQUE	Driver no Safety belt	7/1/17	9/22/17	40	3	1	-	-	-	-	-	5	-	2	-	4	4	2	-	0.6	5.4	30	-	1	1	-	3	-	102.00			
MAVF \$0.10 should not have been assessed.																																		
JP11-2017-04125	TR17-5235-111	JORGE LUIS	Safety belt Child 17	8/13/17	9/5/17	40	3	1	12.00	12.0	-	-	-	5	-	2	-	4	4	2	0.1	0.6	5.4	30	-	1	1	-	3	-	126.10			
CO and SV50 were split incorrectly, should be CO \$25 and SV50 \$25.																																		
JP11-2017-04385	09-96396-1R	GARCIA, MYRTIA YVETTE	Child (4-14) Ride no safety belt	3/3/09	9/23/17	40	3	1	-	-	-	-	-	5	-	2	-	4	4	2	-	20	0.6	5.4	30	50	-	-	-	3	50	220.00		
IDRF \$2 should have been assessed.																																		
JP11-2017-04358	107-4645GS	AMAYA, CARLOS	Child (4-14) Ride no safety belt	10/17/07	9/21/17	40	3	1	50.00	-	-	-	-	5	-	-	-	4	4	2	-	20	0.6	3.4	30	50	-	-	-	3	-	216.00		
TPDS was split incorrectly, should have been TPDC \$1 and TPDS \$1.																																		
JP11-2017-04469	TR14-1149GS	GONZALES, ANIAMATZEL	Speeding	1/5/14	9/29/17	40	3	1	127.90	-	-	-	-	5	-	2	-	4	4	2	0.1	20	0.6	5.4	30	-	-	-	2	-	3	50	300.00	
Transportation Code Sec. 545.412 (b) An offense under this section is a misdemeanor punishable by a fine of not less than \$25 and not more than \$250.																																		
JP11-2017-04419	TR17-5013-311	VESENA	Child Pass <8	8/2/17	9/22/17	40	3	1	-	-	-	-	-	5	-	2	-	4	4	2	0.1	0.6	5.4	30	-	1	1	-	3	-	102.10			

XS

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: August-17**

Judge: GILBERTO SAENZ
Precinct No. 1 Place No. 1

City: WESLACO, TX
Hidalgo County, Texas

PBC

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED	(Receipts #s) <u>JP11-2017-03614</u> THRU <u>JP11-2017-04084</u>	\$ <u>67,187.20</u> X10-t
LESS: COST ON DEPOSIT		_____
ADD: COST ON DEPOSIT LIQUIDATED		_____
AMOUNT OWED TO COUNTY (Should Match Amt in Part III)		\$ <u>67,187.20</u> X3
Less: Total amount of remittances to County Treasurer (From Part II)		<u>67,599.20</u> <u>67,187.20</u>
Total funds due to County Treasurer (Overtransfer Made to Co Treas.)		<u>\$ (412.00)</u> X4-G <u>PA</u>

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

Description	AMOUNT	Comment
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ 67,187.20 B1	
Add: Previous Month's Bond Overtransfer <u>May 2016 & June 2016</u>	412.00 ✓	
Add: HCSO Monthly "D" Collections Report		
	<u>67,599.20</u>	
Total Remittances Made to County Treasurer	\$ <u>PA 67,187.20</u>	

PREPARED BY: Laura Othman DATE: 9/8/17

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

RECEIVED

SEP 18 2017

Hidalgo County
Auditor's Office

HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: [Signature]
DATE: 9/28/17

[Signature] 9/8/17
JUSTICE OF THE PEACE DATE

THIS REPORT IS DUE IN THE OFFICE OF THE COUNTY AUDITOR BEFORE THE FIFTH (5TH) DAY OF THE FOLLOWING MONTH (LGC § 114.001).

COUNTY AUDITOR'S FORM: RE-JP-004

REVISED 03/2016

X2

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-17**

Judge: GILBERTO SAENZ
Precinct No. 1 Place No. 1

City: WESLACO, TX
Hidalgo County, Texas

PBC

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED	(Receipts #s) <u>JP11-2017-04085</u> THRU <u>JP11-2017-04472</u>	\$ <u>54,836.04</u>	<i>X10-B</i>
LESS: COST ON DEPOSIT			
ADD: COST ON DEPOSIT LIQUIDATED			
AMOUNT OWED TO COUNTY (Should Match Amt in Part III)		\$ <u>54,836.04</u>	<i>X3</i>
Less: Total amount of remittances to County Treasurer (From Part II)		<u>55,248.04</u>	
		<u>54,836.04</u>	
Total funds due to County Treasurer (Overtransfer Made to Co Treas.)		<u><u>\$ (412.00) - X4 - G</u></u>	

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

Description	AMOUNT	Comment
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ 54,836.04	B1
Add: Previous Month's Bond Overtransfer <i>May 2016 + June 2016</i>	412.00	
Add: HCSO Monthly "D" Collections Report		
Total Remittances Made to County Treasurer	<u>55,248.04</u>	
	<u>\$ 54,836.04</u>	

PREPARED BY: *[Signature]* DATE: 10/10/2017

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

HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: *[Signature]*
DATE: 10/24/17

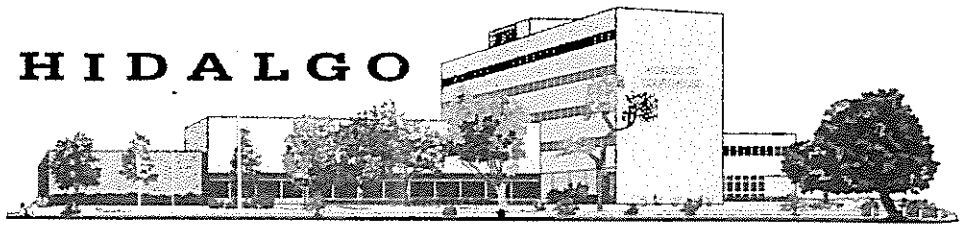
RECEIVED
OCT 17 2017
Hidalgo County
Auditor's Office

[Signature] 10/10/17
JUSTICE OF THE PEACE DATE

X2

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

November 14, 2017

The Honorable Jesus E. Morales
Hidalgo County Justice of the Peace Pct. 1, Pl. 2
1902 Joe Stephens, Suite 302
Weslaco, Texas 78596

Re: Review of *Monthly Fines and Fees Report* and Supporting Documentation
For the months of August 2017 and September 2017

Dear Judge Morales:

We have conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the months of August 2017 and September 2017 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 fines, fees, and court costs 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 months of August 2017 and September 2017. 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 fines, fees, and court cost statutes, the *Monthly Report*, and fee schedules. 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 100% of receipts with an offense date prior to December 31, 2007 and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs 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 Report* agreed to: 1.) total receipts issued per *Odyssey's* Receipt Journal Report, 2.) total collections per *Odyssey's* Fee Distribution Reports, 3.) total deposits made with the County Treasurer, and 4.) total deposits posted to *alio's* Undistributed Receipts general ledger account.

HIDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 83RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 134TH D.C.

ROSE QUERRA REYNA
JUDGE, 204TH D.C.

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

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

NOE GONZALEZ
JUDGE, 378TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 384TH D.C.

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

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

RENEE R. BETANCOURT
JUDGE, 442TH D.C.

- Selected all cases in which defendants satisfied outstanding fines, fees, and court costs by making cash payments and serving time at the Hidalgo County jail and randomly selected cases in which defendants satisfied outstanding fines, fees, and court costs by serving time in the Hidalgo County jail to determine if: 1.) the warrant was recalled; 2.) the cash payment and/or jail time credit was applied to the case; 3.) the case was closed; and 4.) the Sheriff's "Discharge" receipt number was referenced on the case.
- Verified the sequence of receipts per the *Monthly Report* agreed to *Odyssey's* Receipt Journal Report. In addition, verified that receipts followed sequential order.
- Compared the Hamer Enterprises Credit Card Payment Reports to *Odyssey's* Daily Balance Report and *alio's* Undistributed Receipts general ledger account to ensure all credit card transactions were timely received by the Justice of the Peace and County Treasurer's Office.
- Reviewed *Cashier's Daily Close-Out Reports* (Close-Out Reports) and County Treasurer receipts to determine if fees collected were properly accounted and deposited with the County Treasurer on a daily basis.
- Reviewed receipts issued, Close-Out Reports, *Schedule of Receipts and Deposits* form, mail logs, Office of Court Administration's "Official Justice of the Peace Monthly Report" (OCA Report), and the *Monthly Report*, among other reports, to verify proper completion.
- Verified if cash bonds posted by the defendants who failed to appear before the Justice of the Peace were forfeited (liquidated) by the 10th workday following the date of release from jail.

Conclusion:

Total collections for the months of August 2017 and September 2017 were \$43,296.65 and \$35,072.40, respectively. 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 requires improvement as noted in the following observations.

Observation No. 1:

We reviewed a sample of receipts issued in August 2017 and September 2017 (100% of receipts with an offense date of December 31, 2007 and prior and 10% of receipts with an offense date of January 1, 2008 and after) to determine if fines, fees, and court costs collected were properly allocated and reported.

The results of our review revealed that 3 receipts in August 2017 and 1 receipt in September 2017 contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was made aware of the required adjustments (see Exhibit A); however, the September 2017 adjustments have not been completed. In addition, the adjustments for February 2015 (167), March 2015 (1), June 2015 (1), July 2015 (20), August 2015 (19), September 2015 (39), October 2015 (37), November 2015 (21), December 2015 (19), January 2016 (25), February 2016 (45), March 2016 (30), April 2016 (1), and July 2016 (1) are still pending to be completed. According to staff, sufficient time is not available to verify that fees, fines, and court costs are applied correctly prior to taking in a payment due to a high volume of customers.

There are numerous statutes that require Justices of the Peace to charge various fines, fees, and court costs for certain services and offenses. Fines, fees, and court costs must be allocated pursuant to State statutes and/or Commissioners Court approval. In addition, the County Auditor's Office requires that adjustments be made within three days of receiving them.

The County may be held liable to the State for failure to properly allocate and report fines, fees, and court costs.

Recommendation:

Management should ensure that all pending adjustments are completed. In addition, management should ensure that fines, fees, and court costs are properly allocated and reported. At a minimum, the following procedures should be implemented:

- Staff should be provided with training regarding the proper allocation of fines, fees, and court costs.
- Staff should review the allocation of fines, fees, and court costs before the official County receipt is issued.
- Access for setting up offense codes with the proper fines, fees, and court costs in *Odyssey* should be limited to staff with adequate knowledge of the applicable allocation.
- Staff should ensure that the proper fines, fees, and court costs allocation, offense date, and judgment date are entered when a case is setup in *Odyssey*.
- Staff should ensure that adjustments are entered into *Odyssey* within three days of receiving them.

HDALGO COUNTY DISTRICT JUDGES

Observation No. 2:

Copies of the April 2014 through September 2017 Office of Court Administration "Official Justice of the Peace Monthly Reports" (OCA Reports) have not been filed with the County Auditor's Office. In addition, incorrect copies of the OCA Report for the months of February 2014 and March 2014 were filed with the County Auditor's Office. According to Justice of the Peace staff, copies of the OCA Reports cannot be generated due to programming errors in *Odyssey*. Assistance from the Information Technology Department has been requested; however, the problem has not been resolved.

Local Government Code §112.002 (a) authorizes the county auditor to prescribe the system of accounting for the county. Local Government Code §112.002 (b) states that "the county auditor may adopt and enforce regulations, not inconsistent with law or with a rule adopted under Section 112.003, that the auditor considers necessary for the speedy and proper collecting, checking, and accounting of the revenues and other funds and fees that belong to the county or to a person for whom a district clerk, district attorney, county officer, or precinct officer has made a collection or for whose use or benefit the officer holds or has received funds." Pursuant to Local Government Code §112.002 (a) and (b), the County Auditor requires the submittal of properly completed reports (i.e., *Monthly Report*, Schedule of Receipts and Deposits, copy of the OCA Report, Cash Disbursement Journal, etc.) for checking and proper accounting of funds collected by the Justice of the Peace Offices.

Failure to ensure that properly completed OCA Reports are filed with the County Auditor's Office may result in improper reporting.

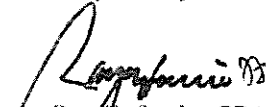
Recommendation:

Management should ensure that properly completed OCA Reports are filed with the County Auditor's Office within five days after the last day of each month. In addition, the continued assistance of the Information Technology Department should be requested until the problem has been resolved.

Please provide written management responses to the observations noted above by November 30, 2017.

If you have any questions or would like to schedule a meeting to discuss the above noted observations, please contact Edgar Alan Escobedo, Internal Auditor I, at 318-2511 ext. 4655, 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: Copies of *Monthly Report* and Exhibit

cc: Valde Guerra, County Executive Officer

IDALGO 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. RAMPEZ, 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, 445TH D.C.

Justice of the Peace Jesus Morales
 Schedule of Adjustments
 For the Month Ended August 31, 2017

Receipt Number	Case Number	Date	Offense	Off date	Disposition Date	ARREST	ECC	CWS	CNSIP	CMIT	CD	CVCA	DPS	FA	IDRF	JCD	JCPT	JCTF	ISF	UTF	MVF	OMNIC	OMNHS	OMMIV	SCDF	SIFC	SIFS	SIF	SV50	TPDS	UTFC	T1	TOTAL
----------------	-------------	------	---------	----------	------------------	--------	-----	-----	-------	------	----	------	-----	----	------	-----	------	------	-----	-----	-----	-------	-------	-------	------	------	------	-----	------	------	------	----	-------

Arrest Fee code should NOT be used. Please assess arrest fee to the proper law enforcement agency.

JP12-2017-03409	EJ08-50783	8/4/2017	sale without permit	4/30/2008	8/4/2017	5	40	3	1	-	-	-	-	2	-	-	-	4	4	2	-	-	-	20	0.6	5.4	0	-	-	-	50	137
-----------------	------------	----------	---------------------	-----------	----------	---	----	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	----	-----	-----	---	---	---	---	----	-----

Based on offense, SV50 should NOT be assessed.

JP12-2017-03434	TR	8/9/2017	no safety belt	9/7/2002	8/8/2017	-	17	3	-	0.5	25	15	5	5	-	0.5	2	4	-	2	-	-	-	20	-	-	-	25	-	3	-	127
-----------------	----	----------	----------------	----------	----------	---	----	---	---	-----	----	----	---	---	---	-----	---	---	---	---	---	---	---	----	---	---	---	----	---	---	---	-----

TPDC and TPDS should be split \$1.00 each.

JP12-2017-03495	TR	8/21/2017	speeding	1/6/2014	8/21/2017	-	40	3	1	-	-	-	5	-	2	-	-	4	4	2	0.1	4	20	6	20	0.6	5.4	30	-	2	3	-	152.1
-----------------	----	-----------	----------	----------	-----------	---	----	---	---	---	---	---	---	---	---	---	---	---	---	---	-----	---	----	---	----	-----	-----	----	---	---	---	---	-------

XS

Justice of the Peace Jesus Morales
 Schedule of Adjustments

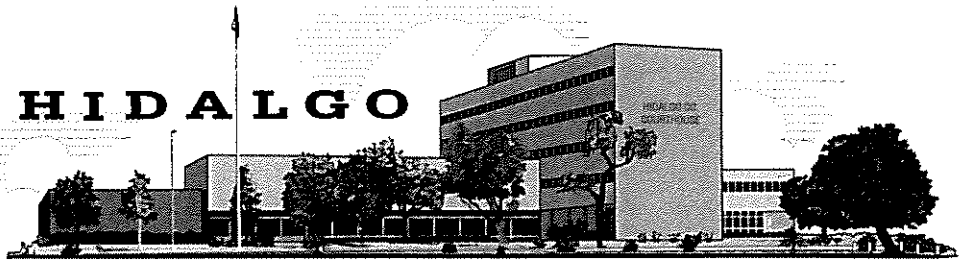
For the Month Ended September 30, 2017

Based on offense, SV50 should NOT be assessed.

Receipt Number	Case Number	Date	Offense	Off Date	Disposition Date	CCC	CHS	CMI	CO	CVCA	DPS	FA	ICD	JCFI	ITE	SCOF	SV50	UFLC	WIDPS	TOTAL	
JP12-2017-103-03929	1882112	9/19/2017	no safety belt	4/12/2003	9/19/2017	17.00	3.00	0.50	25.00	15.00	5.00	5.00	0.50	2.00	4.00	2.00	20.00	25.00	3.00	50.00	177.00

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

November 14, 2017

The Honorable Bobby Contreras
Hidalgo County Justice of the Peace Pct. 2, Pl. 1
300 W. Hall Acres, Ste F
Pharr, Texas 78577

Ref: Review of *Monthly Fines and Fees Report* and Supporting Documentation
For the months of August 2017 and September 2017

Dear Judge Contreras:

We have conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the months of August 2017 and September 2017 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 fines, fees, and court costs 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 months of August 2017 and September 2017. 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 fines, fees, and court cost statutes, the *Monthly Report*, and fee schedules. 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 100% of receipts with an offense date prior to December 31, 2007 and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs 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 Report* agreed to: 1.) total receipts issued per *Odyssey's* Receipt Journal Report, 2.) total collections per *Odyssey's* Fee Distribution Reports, 3.) total deposits made with the County Treasurer, and 4.) 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, 137TH 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, 376TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 381ST D.C.

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

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

RENÉE R. BETANCOURT
JUDGE, 441ST D.C.

- Selected all cases in which defendants satisfied outstanding fines, fees, and court costs by making cash payments and serving time at the Hidalgo County jail and randomly selected cases in which defendants satisfied outstanding fines, fees, and court costs by serving time in the Hidalgo County jail to determine if: 1.) the warrant was recalled; 2.) the cash payment and/or jail time credit was applied to the case; 3.) the case was closed; and 4.) the Sheriff's "Discharge" receipt number was referenced on the case.
- Verified the sequence of receipts per the *Monthly Report* agreed to *Odyssey's* Receipt Journal Report. In addition, verified that receipts followed sequential order.
- Compared the Hamer Enterprises Credit Card Payment Reports to *Odyssey's* Daily Balance Report and *alio's* Undistributed Receipts general ledger account to ensure all credit card transactions were timely received by the Justice of the Peace and County Treasurer's Office.
- Reviewed *Cashier's Daily Close-Out Reports* (Close-Out Reports) and County Treasurer receipts to determine if fees collected were properly accounted and deposited with the County Treasurer on a daily basis.
- Reviewed receipts issued, Close-Out Reports, *Schedule of Receipts and Deposits* form, mail logs, Office of Court Administration's "Official Justice of the Peace Monthly Report" (OCA Report), and the *Monthly Report*, among other reports, to verify proper completion.
- Verified if cash bonds posted by the defendants who failed to appear before the Justice of the Peace were forfeited (liquidated) by the 10th workday following the date of release from jail.

Conclusion:

Total collections for the months of August 2017 and September 2017 were \$106,332.04 and \$93,960.77, respectively. 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 requires improvement as noted in the following observations.

Observation No. 1:

We reviewed a sample of receipts issued in the months of August 2017 and September 2017 (100% of receipts with an offense date of December 31, 2007 and prior and 10% of receipts with an offense date of January 1, 2008 and after) to determine if fines, fees, and court costs collected were properly allocated and reported.

The results of our review revealed that 2 receipts in August 2017 and 6 receipts in September 2017 contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was made aware of the required adjustments (see Exhibit A); however, adjustments have not been completed. In addition, adjustments for the months of April 2015 (43); May 2015 (65); July 2015 (23); August 2015 (31); September 2015 (43); October 2015 (34); November 2015 (10); December 2015 (5); January 2016 (13); February 2016 (21); March 2016 (28); April 2016 (31); May 2016 (2); June 2016 (2); August 2016 (5); September 2016 (8); October 2016 (6); November 2016 (6); December 2016 (5); January 2017 (3); February 2017 (6); March 2017 (9); April 2017 (5); May 2017 (7); June 2017 (5); and July 2017 (9) are still pending to be completed. According to staff, attempts to check the fines, fees, and court costs prior to taking in a payment are being made. In addition, due to a heavy workload and a limited number of staff, the adjustments could not be completed in a timely manner.

There are numerous statutes that require Justices of the Peace to charge various fines, fees, and court costs for certain services and offenses. Fines, fees, and court costs must be allocated pursuant to State statutes and/or Commissioners Court approval. In addition, the County Auditor's Office requires that adjustments be made within three days of receiving them.

The County may be held liable to the State for failure to properly allocate and report fines, fees, and court costs.

Recommendation:

Management should ensure that all pending adjustments are completed. In addition, management should ensure that fines, fees, and court costs are properly allocated and reported. At a minimum, the following procedures should be implemented:

- Staff should be provided with training regarding the proper allocation of fines, fees, and court costs.
- Staff should review the allocation of fines, fees, and court costs before the official County receipt is issued.
- Access for setting up offense codes with the proper fines, fees, and court costs in *Odyssey* should be limited to staff with adequate knowledge of the applicable allocation.
- Staff should ensure that the proper fines, fees, and court costs allocation, offense date, and judgment date are entered when a case is setup in *Odyssey*.

HIDALGO COUNTY DISTRICT JUDGES

- Staff should ensure that adjustments are entered into Odyssey within three days of receiving them.

Observation No. 2:

Copies of incorrect Office of Court Administration "Official Justice of the Peace Monthly Reports" (OCA Reports) for the months of March 2012, November 2012, January 2013 through May 2014, October 2014, November 2014, and January 2015 through March 2015 were filed with the County Auditor's Office. In addition, copies of the June 2014 through August 2014 and April 2015 through September 2017 OCA reports have not been filed with the County Auditor's Office. According to the Justice of the Peace staff, copies of the OCA Reports cannot be generated due to programming errors in *Odyssey*; however, the assistance of the Information Technology Department has been requested for generating the reports.

Local Government Code §112.002 (a) authorizes the county auditor to prescribe the system of accounting for the county. Local Government Code §112.002 (b) states that "the county auditor may adopt and enforce regulations, not inconsistent with law or with a rule adopted under Section 112.003, that the auditor considers necessary for the speedy and proper collecting, checking, and accounting of the revenues and other funds and fees that belong to the county or to a person for whom a district clerk, district attorney, county officer, or precinct officer has made a collection or for whose use or benefit the officer holds or has received funds." Pursuant to Local Government Code §112.002 (a) and (b), the County Auditor requires the submittal of properly completed reports (i.e., *Monthly Report*, copy of the OCA Report, *Schedule of Receipts and Deposits* form, Cash Disbursement Journal, etc.) for checking and properly accounting of funds collected by the Justice of the Peace Offices.

Failure to ensure that properly completed OCA Reports are filed with the County Auditor's Office may result in improper reporting.

Recommendation:

Management should ensure that a properly completed OCA Report is filed with the County Auditor's Office within five days after the last day of each month. In addition, the continued assistance of the Information Technology Department should be requested until the problem has been resolved.

Observation No. 3:

A mail log was not utilized to record payments received through the mail. According to the Court Coordinator, a mail log is not prepared due to limited staff and time.

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 mail-in payments are recorded on a mail log increases the risk that payments could be lost or misappropriated without detection.

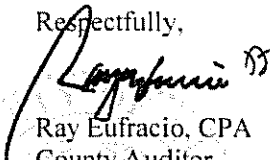
Recommendation:

Management should ensure that a daily mail log is maintained 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.

Please provide written management responses to the observations noted above by November 30, 2017.

If you have any questions or would like to schedule a meeting to discuss the above noted observations, please contact Edgar Alan Escobedo, Internal Auditor I, at 318-2511 ext. 4655, 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: Copy of *Monthly Report* and Exhibits

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: August-17**

Judge: **BOBBY CONTRERAS**
Precinct No. 2 Place No. 1

PBC

City: **PHARR, TX**
Hidalgo County, Texas

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED	(Receipts #'s) <u>6217</u> THRU <u>6993</u>	<u>106,332.04</u>
Sheriff's "D" Report	(Receipt #'s) _____ THRU _____	<u>107,178.14</u>
LESS: COST ON DEPOSIT		<u>0.00</u> x7
ADD: COST ON DEPOSIT LIQUIDATED		<u>0.00</u> x7
AMOUNT OWED TO COUNTY (Should Match Amt in Part III)		<u>106,332.04</u>
Less: Total amount of remittances to County Treasurer (From Part II)		<u>107,178.14</u>
Total funds due to County Treasurer (Overtransfer Made to Co Treas.)		<u>(106,222.04)</u> x3
		<u>-106,332.04</u>
		<u>846.10</u>
		<u>0.00</u> x4-a11

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	<u>106,332.04</u>	
Add: Previous Month's Bond Overtransfer	<u>0.00</u>	
Add: HCSO Monthly "D" Collections Report	<u>0.00</u>	
Total Remittances Made to County Treasurer	<u>\$ 106,332.04</u>	

PREPARED BY: OFELIA ORTIZ FLORES

DATE: 9/6/2017

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

**AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE**
DATE: 10/10/17

Bobby Contreras
JUSTICE OF THE PEACE
DATE: 9-6-17

JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: August-17

Judge: BOBBY CONTRERAS
Precinct No. 2 Place No. 1

City: PHARR, TEXAS
Hidalgo County, Texas

Part III: SUMMARY OF COLLECTIONS PAYABLE TO THE COUNTY TREASURER

Name of Fine, Fee, Court Cost	# Issued/ Filed	Statute Reference	Detail of Amt Collected	GL Acct No	Amt. Collected
FINES:					
County Fines (Local Fine)		LGC 111.094, PC 12.23		1100-341-10-060-000-0-000	\$ 42,151.23
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	76.50
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (g)		1100-207-20-000-028-0-000	337.50
Gross Weight 50% Fine (State Fine)		TRC Sec 621.506 (g)		1100-207-20-000-013-0-000	-
School District 50% Fines		Edue. Code § 25.093 (d) 1(A)		1100-207-20-000-008-0-000	-
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1100-341-10-060-001-0-000	1475.65
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-060-000-0-000	485.88
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	1856.53
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (c)		1100-341-10-060-001-0-000	50.00
Time Payment - @ 10% OF \$25.00 (\$2.50)		LGC 133.103 (c)		1100-341-10-060-002-0-000	12.50
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	1016.00
Motor Vehicle Adm. Fee (\$10-\$20) (Domestic Fee for Exp. DL, Exp. Lear. Cert, Exp. Mv Reg.)		TRC Sec 548.505, 521.026, 502.407		1100-341-10-060-004-0-000	20.00
Ten Court Program Adm. Fee (Up to \$10.00)		C.C.P. Art. 43.052 (a)		1100-341-10-060-005-0-000	-
Special Fees				1100-341-10-060-006-0-000	237.00
Deferred Disposition					
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 43.051	\$ 57.00		
Support of Judiciary Fund (\$ 60)		C.C.P. Art. 43.0511(D)	\$ 180.00		
Traffic Fee (\$3)		LGC 133.105		1100-341-10-060-009-0-000	291.53
Child Safety (\$20-\$25)		TRC 542.403		1100-341-10-060-010-0-000	720.00
Failure to Appear (\$4)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	-
Soeblaw Fee (\$20)		TRC 706.006/706.007(9)(2)		1100-341-10-060-012-0-000	76.00
Traffic Prevention and Diversion Fund (\$1)		TRC 502.010(a)		1100-341-10-140-049-0-000	202.45
C.C.P. Art. 102.015				1100-341-10-060-013-0-000	471.91
STATE COURT COSTS AND FEES:					
Criminal Justice Planning Fund C.C.P. (\$5)		C.C.P. Art. 102.051		1100-207-20-000-003-0-000	-
Breath Alcohol Testing Fund (\$30)		C.C.P. Art. 102.016		1100-207-20-000-006-0-000	-
State General Revenue Fund (\$2.50)		C.C.P. Art. 102.015		1100-207-20-000-010-0-000	-
Law Enforcement Education Fund (\$1, \$1.50, \$3.50)		Govt. Code Sec. 413.082		1100-207-20-000-011-0-000	-
Operators and Chauffeurs License Fund (\$75)		TRC 601.192		1100-207-20-000-031-0-000	-
Time Payment - @50% OF \$25.00 (\$12.50)		LGC 133.103 (b)		1100-207-20-000-004-0-000	62.50
Juvenile Crime and Delinquency Fund (\$25, \$50)		C.C.P. Art. 102.075(m)		1100-207-20-000-007-0-000	0.75
Comprehensive Rehabilitation Fund (\$5)		C.C.P. Art. 102.081		1100-207-20-000-008-0-000	-
Fugitive Apprehension Fund (\$5)		C.C.P. Art. 102.019 (a) 2		1100-207-20-000-009-0-000	15.00
Consolidated Court Costs Fund (\$40)		CCP 102.075 (a) 3/ LGC 133.102		1100-207-20-000-014-0-000	19606.28
Compensation Victims Of Crime Fund (\$3, \$5, \$15, \$35)		C.C.P. Art. 56.53 (2) & (3)		1100-207-20-000-017-0-000	45.00
Judicial & Court Personnel Training Fund (\$1, \$2)		Govt. Code Sec. 56.001 (b)		1100-207-20-000-027-0-000	6.00
Correctional Management Institute of Texas Fund (\$ 50)		C.C.P. Art. 102.075		1100-207-20-000-029-0-000	-
Indigent Legal Services Fee- JP (\$6)		Govt. Code Sec. 101.141(2)(B)		1100-207-20-000-004-0-000	1,494.00
State Traffic Fee-Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	7,200.00
Jury Service Fee (\$4)		C.C.P. Art. 102.0043		1100-207-20-000-053-0-000	1943.53
Support of Judiciary Fund (\$3.40)		LGC 133.105		1100-207-20-000-054-0-000	2621.76
Birth Certificate Fee (\$1.80)		HSC 191.02210		1100-207-20-000-039-0-000	-
Defensive Driving Record Fee (\$12)		C.C.P. Art. 43.0511 (c-1)		1100-207-20-000-057-0-000	-
Indigent Defense Representation Fund (\$2)		LGC 133.107(c)(1)		1100-207-20-000-059-0-000	969.77
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022(c)(1)		1100-207-20-000-061-0-000	85.20
Safety Seat Violation Fee (\$0.15) (as in before September 28, 2011)		TRC 545.412 (b-1)		1100-207-20-000-062-0-000	-
Failure to Appear (\$20)		TRC 706.006/706.007(9)(2)		1100-207-20-000-066-0-000	580.00
Electronic Filing Fee - Civil (\$10)		OC 101.141; OC 51.851		1100-207-20-000-070-0-000	2,490.00
Traffic Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	491.81
Texas Home Visiting Program Contribution (\$5)		HSC 191.02481; LGC 118.018 (e)		1100-207-20-000-074-0-000	-
C.C.P. Art. 102.011				1100-207-20-000-019-0-000	2320.00
ARREST/WARRANT FEES: STATE					
D.P.S. (\$3, \$5, \$35, \$50)				1100-207-20-000-020-0-000	-
T.A.B.C. (\$3, \$5, \$35, \$50)				1100-207-20-000-021-0-000	5.00
P.K.W.L. (\$3, \$5, \$35, \$50)				1100-207-20-000-060-0-000	-
Texas Comptrollers Criminal Investigators					
ARREST/WARRANT/SERVICE FEES: COUNTY					
Sheriff Fees:		LGC 118.131		1100-342-10-060-001-0-000	80.00
Constable Fees:					
Precinct #1				1100-342-10-291-000-0-000	75.00
Precinct #2				1100-342-10-292-000-0-000	515.00
Precinct #3				1100-342-10-293-000-0-000	75.00
Precinct #4				1100-342-10-294-000-0-000	75.00
Precinct #5				1100-342-10-295-000-0-000	-
District Attorney Fees				1100-341-10-060-007-0-000	-
Tax Assessor Fraud Investigators				1100-342-10-060-002-0-000	-
School District Arrest Fee				1100-342-10-060-003-0-000	-
Fire Marshal Fee				1100-342-10-060-001-0-000	-
Code Enforcement Precinct #2				1100-342-10-060-004-0-000	-
Due to Others: Delinquent Fee				1100-342-10-060-004-0-000	3263.80
Warrant Fees-Out of County Service Fees DTD: Law Enforcement Agencies		C.C.P. Art. 102.011 (4) 2(A)		1100-207-20-000-003-0-000	198.20
Refund - Overpayments				1100-202-00-000-009-0-000	-
Due to Others				1100-202-00-000-009-0-000	-
Restitution				1100-202-00-000-009-0-000	-
Failure to Appear- OmniBase (\$6)		TC 706.006/TC 706.007(9)(2)		1100-202-00-000-009-0-000	114.00
Justice Fees (Local Fees)				1100-202-00-000-019-0-000	-
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122		1100-341-10-060-001-0-000	6308.95
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122			
Landlord & Tenant Eviction Filing Fee (Forensic Entry & Detainer Court) (\$25)		LGC 118.121/118.122			
Transcript Fees/Appeal Fee (\$10)		LGC 118.121/118.123 (b)	30.00		
Abstract Fees (\$5)		LGC 118.121/118.123 (c)	20.00		
Writ Filing Fee (\$5)		LGC 118.121/118.123 (d)	30.00		
Issuing other Document (\$1 1st pg. 25 for each add'l pg)		LGC 118.121/118.123 (e)	3.75		
Certified Copies of Court Papers (\$2 1st pg. 25 for each add'l pg)		LGC 118.121			
Probable Cause Tow Hearing Fee (\$20)		LGC 101.141(a)4			
Birth Certificates (\$22 each)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	-
Death Certificates (\$20 each, each add'l \$3)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	-
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045 (b)		1100-341-10-060-008-0-000	-
Jury Fees (Civil \$22, Criminal \$3)		Rules of Civil Proc., Rule 504 1(b) C.C.P. 102.004		1100-341-10-060-006-0-000	22.00

AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: 10/10/17

TOTAL AMOUNT DUE TO THE COUNTY TREASURER:

\$ 106,332.04

106,332.04 X2; X1

**Justice of the Peace Bobby Contreras
 Schedule of Adjustments
 For the Month Ended August 31, 2017**

Receipt Number	Case Number	Date	Offense date	Disposition Date	CCC	CHS	CHSHIP	CO	CRE	CVCA	DPS	DPSI	FA	IDRF	ICD	ICPI	ICTF	ISF	LIF	SCOF	SJFC	SJFS	STF	TPDC	TPDS	UTTC	WFDPS	TOTAL	
JP21-2017- 06678	CR-2253- 99-JP-2/1	8/17/2017	5/5/1999	8/17/2017	17	3	-	60	-	15	5	-	5	-	0.25	2	-	-	2	20	-	-	-	-	-	-	-	35	164.25
Based on offense, MVF should be assessed.																													
JP21-2017- 06841	TR17-7582- J21	8/25/2017	8/4/2017	8/25/2017	40	3	1	25	25	-	-	5	-	2	-	-	4	4	2	-	0.6	5.4	30	1	1	3	-	152	

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-17**

Judge: **BOBBY CONTRERAS**
Precinct No. 2 Place No. 1

PBC

City: **PHARR, TX**
Hidalgo County, Texas

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED	(Receipts #'s) <u>6894</u> ^X THRU <u>7588</u> ⁴	\$ <u>93,960.77</u>	X9-a1
Sheriff's "D" Report	(Receipt #'s) _____ THRU _____		
LESS: COST ON DEPOSIT		<u>0.00</u>	X7
ADD: COST ON DEPOSIT LIQUIDATED		<u>0.00</u>	X7
AMOUNT OWED TO COUNTY (Should Match Amt in Part III)		\$ <u>93,960.77</u>	X3
Less: Total amount of remittances to County Treasurer (From Part II)		<u>(93,960.77)</u>	
Total funds due to County Treasurer (Overtransfer Made to Co Treas)		\$ <u>0.00</u>	X4-a2

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	93,960.77	
Add: Previous Month's Bond Overtransfer	0.00	
Add: HCSO Monthly "D" Collections Report	0.00	
Total Remittances Made to County Treasurer	\$ 93,960.77	

PREPARED BY: OFELIA ORTIZ FLORES

DATE: 10/4/2017

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

**AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE**
DATE: 10/23/2017

Bobby Contreras
JUSTICE OF THE PEACE
DATE: 10/10/17

JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-17

Judge: **BOBBY CONTRERAS**
Precinct No. 1 Place No. 1

City: **PHARR, TEXAS**
Hidalgo County, Texas

PBC

Part III: SUMMARY OF COLLECTIONS PAYABLE TO THE COUNTY TREASURER

Name of Fine, Fee, Court Cost	# Invoiced/Filed	Statute Reference	Detail of Amt Collected	GL Acct No.	Amt. Collected
FINES:					
County Fines (Local Fine)		LCG 113.004, PC 12.23		1100-207-20-000-000-0-000	40517.93
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	
No Safety Belt 50% Fine (State Fine)		TRC 542.412, 545.413 (5)		1100-207-20-000-028-0-000	325.00
Gross Weight 50% Fine (State Fine)		TRC Sec 621.508 (g)		1100-207-20-000-013-0-000	
School District 50% Fines		Educ. Code § 25.099 (d) (1) (A)		1100-207-20-000-066-0-000	
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	1,238.78
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-060-000-0-000	407.93
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.017		1242-341-10-060-000-0-000	1,635.71
Time Payment - @40% OF \$25.00 (\$10.00)		LCG 133.103 (d)		1100-341-10-060-001-0-000	
Time Payment - @ 10% of \$25.00 (\$2.50)		LCG 133.103 (e)		1100-341-10-060-002-0-000	
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.073		1100-341-10-060-003-0-000	834.00
Motor Vehicle Adm. Fee (\$10-\$20) (Optional Fee for Exp. Cl., Exp. Imp. Cert., Exp. Mv. Reg.)		TRC Sec 548.603, 521.026, 502.407		1100-341-10-060-004-0-000	80.00
Teen Court Program Adm. Fee (Up to \$10.00)		C.C.P. Art. 43.053 (a)		1100-341-10-060-005-0-000	
Special Fees				1100-341-10-060-000-0-000	318.40
Deferred Disposition		C.C.P. Art. 43.051	\$ 208.40		
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 43.051 (A)	\$ 110.00		
Support of Judiciary Fund (\$ 60)		LCG 133.103		1100-341-10-060-009-0-000	244.76
Traffic Fee (\$3)		TRC 542.403		1100-341-10-060-000-0-000	480.00
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (1)		1100-341-10-060-011-0-000	25.00
Failure to Appear (\$4)		TRC 706.006/TRC 706.007 (5)(2)		1100-341-10-060-012-0-000	64.00
Scottlaw Fee (\$20)		TRC 502.010 (a)		1100-341-10-140-049-0-000	2,198.55
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	395.00
STATE COURT COSTS AND FEES:					
Criminal Justice Planning Fund C.C.P. (\$5)		C.C.P. Art. 102.031		1100-207-20-000-003-0-000	
Breath Alcohol Testing Fund (\$30)		C.C.P. Art. 102.016		1100-207-20-000-006-0-000	
State General Revenue Fund (\$2.50)		C.C.P. Art. 102.015		1100-207-20-000-010-0-000	
Law Enforcement Education Fund (\$1, \$1.50, \$3.50)		Govt. Code Sec. 415.002		1100-207-20-000-011-0-000	
Operators and Chauffeurs License Fund (\$75)		CCP Art. 601.192		1100-207-20-000-031-0-000	
Time Payment - @50% OF \$25.00 (\$12.50)		LCG 133.103 (b)		1100-207-20-000-005-0-000	
Juvenile Crime and Delinquency Fund (\$25, \$50)		C.C.P. Art. 102.073 (a)		1100-207-20-000-007-0-000	1.00
Comprehensive Rehabilitation Fund (\$5)		C.C.P. Art. 102.082		1100-207-20-000-008-0-000	
Fugitive Apprehension Fund (\$5)		C.C.P. Art. 102.019 (a) 2		1100-207-20-000-009-0-000	20.00
Consolidated Court Costs Fund (\$40)		CCP 102.075 (a) 3; LCG 133.103		1100-207-20-000-015-0-000	16,412.60
Compensation Victims of Crime Fund (\$3, \$5, \$15, \$35)		C.C.P. Art. 56.55 (2) (a) 3		1100-207-20-000-017-0-000	60.00
Judicial & Court Personnel Training Fund (\$1, \$2)		Govt. Code Sec. 56.201 (b)		1100-207-20-000-027-0-000	4.00
Correctional Management Institute of Texas Fund (\$ 50)		CCP Art. 102.075		1100-207-20-000-029-0-000	
Indigent Legal Services Fee- JP (\$6)		Govt. Code Sec. 101.141 (2) (B)		1100-207-20-000-004-0-000	906.00
State Traffic Fee-Subtitle C (\$30)		TRC Sec 542.403		1100-207-20-000-034-0-000	4,740.00
Jury Service Fee (\$4)		C.C.P. Art. 102.004		1100-207-20-000-033-0-000	1,631.71
Support of Judiciary Fund (\$5.40)		LCG 133.103		1100-207-20-000-034-0-000	2,196.81
Birth Certificate Fee (\$1.80)		HSC 191.022 (c)		1100-207-20-000-039-0-000	
Defensive Driving Record Fee (\$12)		C.C.P. Art. 43.051 (a) 1		1100-207-20-000-037-0-000	
Indigent Defense Representation Fund (\$2)		LCG 133.107 (C) 102.023		1100-207-20-000-039-0-000	809.85
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022 (C)		1100-207-20-000-061-0-000	24.60
Safety Seat Violation Fee (\$0.15) (act. or before September 28, 2011)		TRC 545.412 (b-1)		1100-207-20-000-062-0-000	
Failure to Appear (\$20)		TRC 706.006/TRC 706.007 (5)(2)		1100-207-20-000-066-0-000	320.00
Electronic Filing Fee - Civil (\$10)		GC 101.141; LCG 51.51		1100-207-20-000-070-0-000	1510.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	395.00
Texas Home Visiting Program Contribution (\$5)		HSC 191.024; LCG 118.018 (c)		1100-207-20-000-074-0-000	
ARREST WARRANTS: STATE (Judicial and Court Personnel)					
D.P.S. (\$3, \$5, \$35, \$50)		CCP Art. 102.011		1100-207-20-000-019-0-000	1,870.00
T.A.B.C. (\$3, \$5, \$35, \$50)				1100-207-20-000-070-0-000	
P.K.W.L. (\$3, \$5, \$35, \$50)				1100-207-20-000-021-0-000	
Texas Comptrollers Criminal Investigators				1100-207-20-000-060-0-000	
ARREST WARRANT/SERVICE FEES: COUNTY					
Sheriff Fees:		LCG 118.131		1100-342-10-060-001-0-000	105.00
Constable Fees:					
Precinct #1				1100-342-10-291-000-0-000	75.00
Precinct #2				1100-342-10-292-000-0-000	4670.00
Precinct #3				1100-342-10-293-000-0-000	150.00
Precinct #4				1100-342-10-294-000-0-000	225.00
Precinct #5				1100-342-10-295-000-0-000	
District Attorney Fees				1100-341-10-060-007-0-000	50.00
Tax Assessor Fraud Investigators				1100-342-10-060-002-0-000	
School District Arrest Fee				1100-342-10-060-003-0-000	
Fire Marshal Fee				1100-342-10-060-001-0-000	
Code Enforcement Precinct #2				1100-342-10-060-004-0-000	
Due to Others: Delinquent Fees					
Warrant Fees Out of County Service Fees (TO: Law Enforcement Agencies)		C.C.P. Art. 102.011 (a) 2 (A)		1100-207-20-000-003-0-000	
Refund - Overpayments				1100-207-20-000-009-0-000	
Due to Others				1100-207-20-000-009-0-000	
Restitution				1100-207-20-000-009-0-000	
Failure to Appear - Omnibus (\$6)		TRC 706.006/TRC 706.007 (5)(2)		1100-207-20-000-019-0-000	96.00
Justice Fees (Local Fees)					
Small Claims Court Filing Fee (\$25)		LCG 118.121/118.122	\$ 3715.00		
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LCG 118.121/118.122	2,000.00		
Landlord & Tenant Eviction Filing Fee (Forfeiture Entry & Detainer Court) (\$25)		LCG 118.121/118.122	15.00		
Transcript Fees/Appraisal Fee (\$10)		LCG 118.121/118.123 (b)	15.00		
Abstract Fees (\$3)		LCG 118.121/118.123 (c)	90.00		
Writ Filing Fee (\$5)		LCG 118.121/118.123 (d)			
Issuing other Document (\$1.1st pg., .25 for each add'l pg.)		LCG 118.121/118.123 (e)			
Certified Copies of Court Papers (\$2.1st pg., .25 for each add'l pg.)		LCG 118.121/118.123 (e)			
Probable Cause Tow Hearing Fee (\$20)		LCG 118.121	20.00		
Birth Certificates (\$22 each)		HSC 191.024 (3)(2)		1100-341-10-060-001-0-000	
Death Certificates (\$20 each, each add'l \$3)		HSC 191.024 (3)(4)		1100-341-10-060-001-0-000	
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.024 (b)		1100-341-10-060-004-0-000	
Jury Fees (Civil \$22, Criminal \$3)		Rules of Civil Proc., Rule 504.10(b) CCP 102.004		1100-341-10-060-006-0-000	

AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: 10-23-2017

TOTAL AMOUNT DUE TO THE COUNTY TREASURER: \$ 93,960.77

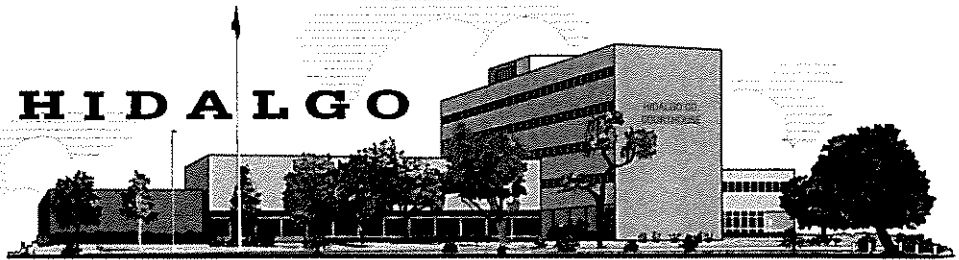
*# X2: X1

**Justice of the Peace Bobby Contreras
Schedule of Adjustments
For the Month Ended September 30, 2017**

Receipt Number	Case Number	Date	Offense	Off Date	Date	Disposition	CCC	CHS	CHSIP	CO	CRF	CVCA	DD	DEL	DPS	DPSr	FA	IDRF	ICD	ICPT	ICTF	JSF	LTF	MVF	SCOF	SFC	SIFS	SO	STF	TPDC	TPDS	UTFC	WFCONSTZ	TOTAL		
JP21-2017-TR17-07481	6656-421	9/25/2017	safety seat	7/1/2017	27/5	3	1	-	12.5	-	-	-	-	-	5	-	-	2	-	-	4	4	2	0.1	-	0.6	5.4	-	30	1	1	3	-	-	102.1	
<u>Delinquent was over assessed \$0.69. If approved by the Justice of Peace to be refunded, please contact the Auditor's Office for instructions.</u>																																				
JP21-2017-07323	CR-0191-12-21	9/18/2017	passenger seat, no safety belt,	12/29/2011	9/18/2017	40	3	1	47	-	-	-	-	-	5	-	-	2	-	-	4	4	2	0.1	20	0.6	5.4	-	30	-	-	3	50	-	-	283.13
<u>Del was over assessed \$0.01. If approved by the Justice of Peace to be refunded, please contact the Auditor's Office for instructions.</u>																																				
JP21-2017-07164	CR-1593-13-21	9/11/2017	stop sign disregard	4/3/2013	9/11/2017	40	3	1	52.97	-	-	-	-	-	-	-	-	2	-	-	4	4	2	0.1	20	0.6	5.4	-	30	-	-	3	-	-	-	225
JP21-2017-07230	CR-3128-99-IP-2/1	9/14/2017	insurance no liability	6/11/1999	4/26/2000	17	3	-	17%	-	15	-	-	-	5	-	-	5	-	0.25	1	-	-	2	-	-	-	-	-	-	-	-	-	-	-	316.23
<u>Delinquent was under assessed \$14.42. If approved by the Justice of Peace to be refunded, please contact the Auditor's Office for instructions.</u>																																				
JP21-2017-07189	TR16-3863-421	9/12/2017	row fail to yield	7/1/2016	40	3	1	-	-	-	-	-	-	-	5	-	-	2	-	-	4	4	2	0.1	20	0.6	5.4	-	30	1	1	3	-	-	-	290
<u>Delinquent was under assessed \$0.06. If approved by the Justice of Peace to be refunded, please contact the Auditor's Office for instructions.</u>																																				
JP21-2017-07080	TR16-4874-421	9/6/2017	speeding	8/30/2016	9/6/2017	40	3	1	60.27	-	-	-	-	-	5	-	-	2	-	-	4	4	2	0.1	20	0.6	5.4	-	30	1	1	3	-	-	-	237

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

November 14, 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

Re: Review of *Monthly Fines and Fees Report* and Supporting Documentation
For the months of August 2017 and September 2017

Dear Judge Muñoz:

We have conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the months of August 2017 and September 2017 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 fines, fees, and court costs 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 months of August 2017 and September 2017. 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 fines, fees, and court cost statutes, the *Monthly Report*, and fee schedules. 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 100% of receipts with an offense date prior to December 31, 2007 and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs 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 Report* agreed to: 1.) total receipts issued per *Odyssey's* Receipt Journal Report, 2.) total collections per *Odyssey's* Fee Distribution Reports, 3.) total deposits

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SMOLETERRY
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, 40TH D.C.

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

made with the County Treasurer, and 4.) total deposits posted to *alio's* Undistributed Receipts general ledger account.

- Selected all cases in which defendants satisfied outstanding fines, fees, and court costs by making cash payments and serving time at the Hidalgo County jail and randomly selected cases in which defendants satisfied outstanding fines, fees, and court costs by serving time in the Hidalgo County jail to determine if: 1.) the warrant was recalled; 2.) the cash payment and/or jail time credit was applied to the case; 3.) the case was closed; and 4.) the Sheriff's "Discharge" receipt number was referenced on the case.
- Verified the sequence of receipts per the *Monthly Report* agreed to *Odyssey's* Receipt Journal Report. In addition, verified that receipts followed sequential order.
- Compared the Hamer Enterprises Credit Card Payment Reports to *Odyssey's* Daily Balance Report and *alio's* Undistributed Receipts general ledger account to ensure all credit card transactions were timely received by the Justice of the Peace and County Treasurer's Office.
- Reviewed *Cashier's Daily Close-Out Reports* (Close-Out Reports) and County Treasurer receipts to determine if fees collected were properly accounted and deposited with the County Treasurer on a daily basis.
- Reviewed receipts issued, Close-Out Reports, *Schedule of Receipts and Deposits* form, mail logs, Office of Court Administration's "*Official Justice of the Peace Monthly Report*" (OCA Report), and the *Monthly Report*, among other reports, to verify proper completion.
- Verified if cash bonds posted by the defendants who failed to appear before the Justice of the Peace were forfeited (liquidated) by the 10th workday following the date of release from jail.

Conclusion:

Total collections for the months of August 2017 and September 2017 were \$113,320.18 and \$93,546.54, respectively. 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 requires improvement as noted in the following observations.

Observation No. 1:

We reviewed a sample of receipts issued in the months of August 2017 and September 2017 (100% of receipts with an offense date prior to December 31, 2007 and 10% of randomly selected receipts with an offense date of January 1, 2008 and after) to determine if fines, fees, and court costs collected were properly allocated and reported.

The results of our review revealed that 3 receipts in August 2017 and 10 receipts in September 2017 contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was made aware of the required adjustments (see Exhibit A); however, the adjustments are pending to be completed. In addition, the adjustments for the months of August 2015 (11), September 2015 (6), October 2015 (10), November 2015 (15), December 2015 (9), January 2016 (9), February 2016 (15), March 2016 (15), April 2016 (16), May 2016 (17), June 2016 (2), July 2016 (16), August 2016 (3), September 2016 (13), October 2016 (10), November 2016 (1), December 2016 (1), and July 2017 (13) are also pending to be completed. According to the Court Coordinator, staff does not consistently verify that fines, fees, and court costs have been properly assessed prior to issuing receipts. In addition, due to a heavy workload, limited number of staff, and technical difficulties with *Odyssey*, the adjustments cannot be completed in a timely manner.

There are numerous statutes that require Justices of the Peace to charge various fines, fees, and court costs for certain services and offenses. Fines, fees, and court costs must be allocated pursuant to State statutes and/or Commissioners Court approval. In addition, the County Auditor's Office requires that adjustments be made within three days of receipt.

The County may be held liable to the State for failure to properly allocate and report fines, fees, and court costs.

Recommendation:

Management should ensure that the pending adjustments are completed. In addition, management should develop and implement formal procedures to ensure that fines, fees, and court costs are properly allocated and reported. At a minimum, the following procedures should be implemented:

- Staff should be provided with training regarding the proper allocation of fines, fees, and court costs.
- Staff should review the allocation of fines, fees, and court costs before the official County receipt is issued.

HIDALGO COUNTY DISTRICT JUDGES

- Access for setting up offense codes with the proper fines, fees, and court costs in *Odyssey* should be limited to staff with adequate knowledge of the applicable allocation.
- Staff should ensure that the proper fines, fees, and court costs allocation, offense date, and judgment date are entered when a case is setup in *Odyssey*.
- Staff should ensure that adjustments are entered into *Odyssey* within three days of receiving them.

Observation No. 2:

Copies of the January 2015 through September 2017 Office of Court Administration "Official Justice of the Peace Monthly Reports" (OCA Reports) have not been filed with the County Auditor's Office. According to the Justice of the Peace staff, copies of the OCA Reports cannot be generated due to programming errors in *Odyssey*. The assistance of the Information Technology Department has been requested for generating the reports.

Local Government Code §112.002 (a) authorizes the county auditor to prescribe the system of accounting for the county. Local Government Code §112.002 (b) states that "the county auditor may adopt and enforce regulations, not inconsistent with law or with a rule adopted under Section 112.003, that the auditor considers necessary for the speedy and proper collecting, checking, and accounting of the revenues and other funds and fees that belong to the county or to a person for whom a district clerk, district attorney, county officer, or precinct officer has made a collection or for whose use or benefit the officer holds or has received funds." Pursuant to Local Government Code §112.002 (a) and (b), the County Auditor requires the submittal of properly completed reports (i.e., *Monthly Report*, copy of the OCA Report, *Schedule of Receipts and Deposits* form, Cash Disbursement Journal, etc.) for checking and properly accounting of funds collected by the Justice of the Peace Offices.

Failure to ensure that properly completed OCA Reports are filed with the County Auditor's may result in improper reporting.

Recommendation:

Management should ensure that properly completed OCA Reports are filed with the County Auditor's Office within five days after the last day of each month. In addition, the continued assistance of the Information Technology Department should be requested until the problem has been resolved.

Observation No. 3:

We noted that collections were not deposited at the bank on a daily basis. The deposits were made 2 to 4 days after collections were received. According to the Court Coordinator, the deposits were not made daily due to limited staff and heavy workload.

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 develop and implement formal monitoring procedures to ensure that collections are deposited at the bank on a daily basis may result in the loss or misuse of County funds.

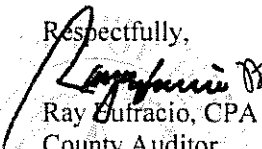
Recommendation:

Management should develop and implement formal monitoring procedures to ensure that collections are deposited at the bank on a daily basis.

Please provide written management responses to the observations noted above by November 30, 2017.

If you have any questions or would like to schedule a meeting to discuss the above noted observations, please contact Edgar Alan Escobedo, Internal Auditor I, at 318-2511 ext. 4655, 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 Gufracio, CPA
County Auditor

Enclosure: Enclosure: Copies of *Monthly Report* and Exhibits

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. BETANCOURT
JUDGE, 449TH D.C.

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: August-17**

Judge: **JAIME J. MUNOZ**
Precinct No. **2** Place No. **2**

City: **PHARR, TEXAS**
Hidalgo County, Texas

PBC

Part III. SUMMARY OF COLLECTIONS PAYABLE TO THE COUNTY TREASURER

PAGE 2 OF 2

Name of Fine, Fee, Court Cost	# (Times) Filed	Statute Reference	Detail of Amt Collected	GL Acct No.	Amt. Collected
FINES:					
County Fines (Local Fine)		LGC 113.004, PC 12.23		1200-331-10-064-000-0-000	41,498.05
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	113.05
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (j)		1100-207-20-000-028-0-000	207.95
Gross Weight 50% Fine (State Fine)		TRC Sec 621.506 (g)		1100-207-20-000-013-0-000	-
School District 50% Fines		Educ. Code § 25.093 (d) 1 (A)		1100-207-30-000-007-0-000	(7.50)
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee(\$3)		C.C.P. Art. 102.017 (b)	1,437.20	1241-341-10-060-001-0-000	1,359.12
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017	60.00	1245-341-10-064-000-0-000	449.00
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.017(g)		1242-341-10-060-000-0-000	1812.18
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	(28.80)
Time Payment - @ 10% OF \$25.00 (\$2.50)		LGC 133.103 (e)		1100-341-10-060-002-0-000	(5.80)
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	914.00
Motor Vehicle Adm. Fee (\$10-\$20)		TRC Sec 548.605, 521.026, 502.407		1100-341-10-060-004-0-000	-
Special Fees				1100-341-10-064-000-0-000	1,497.20
Deferred Disposition		C.C.P. Art. 45.051			
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(f)			
Support of Judiciary Fund (\$ 60)		LGC 133.105		1100-341-10-060-009-0-000	269.43
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-064-000-0-000	570.00
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	45.80
Failure to Appear (\$4)		TRC 706.006/TRC 706.007(d)(2)		1100-341-10-060-012-0-000	32.00
Scotlaw Fee (\$20)		TRC 502.010(a)		1100-341-10-140-049-0-000	1,580.00
Trauney Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	493.03
Trauney Court Cost (\$50)		Fam. Code 65.107 (a), (b)		1100-341-10-060-014-0-000	-
STATE COURT COSTS AND FEES:					
Criminal Justice Planning Fund C.C.P. (\$5)		C.C.P. Art. 102.051		1100-207-20-000-003-0-000	-
State General Revenue Fund (\$2.50)		C.C.P. Art. 102.015		1100-207-20-000-010-0-000	-
Law Enforcement Education Fund (____\$1, ____\$1.50, ____\$3.50)		Govt. Code Sec. 415.082		1100-207-20-000-011-0-000	-
Operators and Chauffeurs License Fund (\$75)		T.R.C. 601.192		1100-207-20-000-031-0-000	-
Time Payment - @50% OF \$25.00 (\$12.50)		LGC 133.103 (b)		1100-207-20-000-005-0-000	(25.80)
Juvenile Crime and Delinquency Fund (____\$ 25, ____\$ 50)		C.C.P. Art. 102.075(m)		1100-207-20-000-007-0-000	1.00
Comprehensive Rehabilitation Fund (\$5)		C.C.P. Art. 102.082		1100-207-20-000-008-0-000	-
Fugitive Apprehension Fund (\$5)		C.C.P. Art. 102.019 (a) 2		1100-207-20-000-009-0-000	26.00
Consolidated Court Costs Fund (\$17)		CCP 102.073 (a) 3/ LGC 133.102		1100-207-20-000-015-0-000	18,075.71
Compensation Victims Of Crime Fund (____\$3, ____\$5, ____\$15, ____\$35)		C.C.P. Art. 56.55 (2) & (3)		1100-207-20-000-017-0-000	38.00
Judicial & Court Personnel Training Fund (____\$1, ____\$3)		Govt. Code Sec. 56.001 (b)		1100-207-20-000-027-0-000	4.00
Correctional Management Institute of Texas Fund (\$ 5.00)		CCP Art. 102.075		1100-207-20-000-029-0-000	1.00
Indigent legal Services Fee-JP (\$6)	23	Govt. Code Sec. 101.141(2)(B)		1100-207-20-000-004-0-000	1,286.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.401		1100-207-20-000-035-0-000	5670.00
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	1796.18
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	2420.81
Birth Certificate Fee (\$1.80)		HSC 191.0220		1100-207-20-000-039-0-000	-
Defensive Driving Record Fee (\$12)		C.C.P. Art. 45.0511 (e-1)		1100-207-20-000-057-0-000	-
Indigent Defense Representation Fund (\$2)		LGC 133.107/KC 102.023		1100-207-20-000-059-0-000	894.09
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/KC		1100-207-20-000-061-0-000	70.40
Safety Seat Violation Fee (\$0.15)		TRC 545.412 (b-1)		1100-207-20-000-062-0-000	-
Failure to Appear (\$20)		TRC 706.006/TRC 706.007(d)(2)		1100-207-20-000-066-0-000	180.00
Electronic Filing Fee - Civil (\$10)		GC 101.141/KC 51.851		1100-207-20-000-070-0-000	2,310.00
Trauney Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	433.03
Texas Home Visiting Program Contribution (\$5)		HSC 191.004/LGC 118.018 (e)		1100-207-20-000-074-0-000	-
ARREST WARRANT FEES: STATE					
D.P.S. (____\$3, ____\$5, ____\$35, ____\$50)		C.C.P. Art. 102.011		1100-207-20-000-019-0-000	2025.00
T.A.B.C. (____\$3, ____\$5, ____\$35, ____\$50)				1100-207-20-000-020-0-000	-
P.K.W.L. (____\$3, ____\$5, ____\$35, ____\$50)				1100-207-20-000-021-0-000	5.00
U.T.P.A. (____\$3, ____\$5, ____\$35, ____\$50)				1100-207-20-000-022-0-000	-
ARREST WARRANT/SERVICE FEES: COUNTY					
Sheriff Fees:		LGC 118.131		1100-342-10-060-001-0-000	45.00
Constable Fees:					
Precinct #1				1100-342-10-291-000-0-000	525.00
Precinct #2				1100-342-10-292-000-0-000	14265.00
Precinct #3				1100-342-10-293-000-0-000	1,875.00
Precinct #4				1100-342-10-294-000-0-000	1,500.00
Precinct #5				1100-342-10-295-000-0-000	-
District Attorney Fees				1100-341-10-060-007-0-000	250.00
Tax Assessor Fraud Investigators				1100-342-10-060-002-0-000	5.00
School District Arrest Fee				1100-342-10-060-003-0-000	20.21
Fire Marshal Fee				1100-342-20-060-001-0-000	-
Due to Others					
Warrant Fees Due to Other Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2 (A)		1100-207-20-000-063-0-000	-
Refund - Overpayments				1100-202-00-000-010-0-000	(320.00)
Due to Others				1100-202-00-000-010-0-000	-
Restitution				1100-202-00-000-010-0-000	-
Failure to Appear- OmniBase (\$6)		TRC 706.006/TRC 706.007(d)(2)		1100-202-00-000-019-0-000	4350
Delinquent Fee				1100-202-00-000-004-0-000	2,940.00
Justice Fees (Local Fees)				1100-341-10-060-001-0-000	6150.00
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122	5,775.00		
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122	-		
Landlord & Tenant Eviction Filing Fee (Forable Entry & Detainer Court) (\$25)		LGC 118.121/118.122	-		
Transcript Fees (\$10)		LGC 118.121/118.123 (b)	-		
Abstract Fees (\$5)		LGC 118.121/118.123 (c)	310.00		
Writ Filing Fee (\$5)		LGC 118.121/118.123 (d)	65.00		
Issuing other Document (\$1 1st pg., 25 for each add'l pg)		LGC 118.121/118.123 (e)	-		
Certified Copies of Court Papers (\$2 1st pg., 25 for each add'l pg)		LGC 118.121	-		
Probable Cause Tow Hearing Fee (\$20)		LGC 101.141 (a)4	-		
Birth Certificates (\$22 each \$9.20 local)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	-
Death Certificates (\$20 each, each add'l \$3)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	-
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045(b)		1100-341-10-060-008-0-000	-
Jury Fees (Civil \$22, Criminal \$3)		Rules of Civil Proc., Rule 504.1(b) / CCP 102.004		1100-341-10-060-006-0-000	22.12

**AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE**
DATE: 10/10/17

TOTAL AMOUNT DUE TO THE COUNTY TREASURER: \$ 113,320.18

113,320.18 X2; X1

X2

Justice of the Peace Jaime Muñoz
 Schedule of Adjustments
 For the Month Ended August 31, 2017

Receipt Number	Case Number	Party	Date	Offense	Off date	Disposition Date	CCC	CHS	CHSIP	CO	CRF	CSF	BD	DEL	DPSt	IDRF	JCTF	JSF	LIF	MVF	SCOF	SIFC	SIFS	STF	TPDC	TPDS	UTFC	WFPREC2	Total		
JP22-2017-04931	J22	RAMIREZ, I	8/2/2017	safety seat	7/6/2017		40	3	1		12.5		12.5		5	2	4	4	2	0.1		0.6	5.4	30	1	1	3		127.1		
<u>Based on offense, CRF should NOT be assessed. The total fine should be split between county fine and School district fine.</u>																															
JP22-2017-05170	TRU16-0034-122	PUENTES, I	8/11/2017	attendance	4/8/2016		40	3	1	8	8	20		36		2	4	4	2		20	0.6	5.4		1	1			156		
<u>Based on offense, MVF should NOT be assessed.</u>																															
JP22-2017-05478	CR2011-12-2	HERRANDI	8/24/2017	no safety belt	5/1/2012	8/24/2017	40	3	1	50				66.03		2	4	4	2	0.1	20	0.6	5.4	30		3		50	286.13		

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-17**

Judge: JAIME J. MUNOZ
Precinct No. 2 Place No. 2

City: PHARR, TEXAS
Hidalgo County, Texas

PBC

Part III: SUMMARY OF COLLECTIONS PAYABLE TO THE COUNTY TREASURER

PAGE 2 OF 2

Name of Fine, Fee, Court Cost	# Issued/ Filed	Statute Reference	Detail of Amt Collected	GL Acct No.	Amt. Collected
FINES:					
County Fines (Local Fine)		LOC 111.004, PC 12.23		1200-351-10-064-000-0-000	24,537.15
Texas Parks & Wildlife 5% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	-
No Safety Belt 50% Fine (State Fine)		TRC 543.412, 543.413 (f)		1100-207-20-000-028-0-000	275.00
Gross Weight 50% Fine (State Fine)		TRC Sec 621.506 (a)		1100-207-20-000-013-0-000	-
School District 50% Fines		Educ. Code § 25.093 (d) 1 (A)		1100-207-30-000-007-0-000	-
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	1158.00
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-060-000-0-000	375.00
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	1523.00
Time Payment - @40% OF \$25.00 (\$10.00)		LOC 133.103 (d)		1100-341-10-060-001-0-000	-
Time Payment - @ 10% OF \$25.00 (\$2.50)		LOC 133.103 (e)		1100-341-10-060-002-0-000	-
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	766.00
Motor Vehicle Adm. Fee (\$10-\$20) (Commercial Fee for Exp. DL, Exp. Comp. Cert, Exp. Mtr. Reg.)		TRC Sec 548.005, 521.026, 502.407		1100-341-10-060-004-0-000	691.70
Special Fees				1100-341-10-064-000-0-000	-
Deferred Disposition		C.C.P. Art. 45.051	662.70		-
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(f)	30.00		-
Support of Judiciary Fund (\$50)		LOC 133.105		1100-341-10-060-009-0-000	225.00
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-064-000-0-000	537.00
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	-
Failure to Appear (\$4)		TRC 706.006/TRC 706.007(d)(2)		1100-341-10-060-012-0-000	20.00
Scofflaw Fee (\$20)		TRC 502.010(e)		1100-341-10-140-049-0-000	1560.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	263.00
Truancy Court Cost (\$50)		Fam. Code 63.107 (4), (5)		1100-341-10-060-014-0-000	-
STATE COURT COSTS AND FEES:					
Criminal Justice Planning Fund C.C.P. (\$5)		C.C.P. Art. 102.051		1100-207-20-000-001-0-000	(5.00)
State General Revenue Fund (\$2.50)		C.C.P. Art. 102.015		1100-207-20-000-010-0-000	10.00
Law Enforcement Education Fund (___\$1___, ___\$1.50___, ___\$3.50___)		Govt. Code Sec. 415.082		1100-207-20-000-011-0-000	(3.50)
Operators and Chauffeurs License Fund (\$75)		T.R.C. 601.192		1100-207-20-000-031-0-000	-
Time Payment - @50% OF \$25.00 (\$12.50)		LOC 133.103 (b)		1100-207-20-000-005-0-000	-
Juvenile Crime and Delinquency Fund (___\$25___, ___\$50___)		C.C.P. Art. 102.075(m)		1100-207-20-000-007-0-000	2.75
Comprehensive Rehabilitation Fund (\$5)		C.C.P. Art. 102.082		1100-207-20-000-008-0-000	-
Fugitive Apprehension Fund (\$5)		C.C.P. Art. 102.019 (a) 2		1100-207-20-000-009-0-000	35.00
Consolidated Court Costs Fund (\$17)		CCP 102.075 (a) 3/LOC 133.102		1100-207-20-000-015-0-000	5216.00
Compensation Victims Of Crime Fund (___\$3___, ___\$5___, ___\$15___, ___\$35___)		C.C.P. Art. 56.55 (2) & (3)		1100-207-20-000-017-0-000	105.00
Judicial & Court Personnel Training Fund (___\$1___, ___\$2___)		Govt. Code Sec. 56.001 (b)		1100-207-20-000-027-0-000	12.00
Correctional Management Institute of Texas Fund (\$ 50)		CCP Art. 102.075		1100-207-20-000-029-0-000	2.00
Indigent legal Services Fee-JP (\$6)		Govt. Code Sec. 101.141(2)(B)		1100-207-20-000-004-0-000	1,018.00
State Traffic Fee-Subdite C (\$30)	173	TRC Sec 542.4031		1100-207-20-000-035-0-000	5250.00
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	1504.00
Support of Judiciary Fund (\$5.40)		LOC 133.105		1100-207-20-000-054-0-000	293,000
Birth Certificate Fee (\$1.80)		HSC 191.022(f)		1100-207-20-000-039-0-000	-
Defensive Driving Record Fee (\$12)		C.C.P. Art. 45.051 (c-1)		1100-207-20-000-057-0-000	-
Indigent Defense Representation Fund (\$2)		LOC 133.107/CC 102.023		1100-207-20-000-059-0-000	335.00
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/CC		1100-207-20-000-061-0-000	22.70
Safety Seat Violation Fee (\$0.15)		TRC 543.412 (b-1)		1100-207-20-000-062-0-000	-
Failure to Appear (\$20)		TRC 706.006/TRC 706.007(d)(2)		1100-207-20-000-066-0-000	100.00
Electronic Filing Fee - Civil (\$10)		GC 101.141/CC 51.351		1100-207-20-000-070-0-000	1,730.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	363.00
Texas Home Visiting Program Contribution (\$5)		HSC 191.0045/LOC 118.018 (e)		1100-207-20-000-074-0-000	-
ARREST WARRANT FEES: STATE, Judicial and Court Personnel Fee					
D.P.S. (___\$3___, ___\$5___, ___\$15___, ___\$50___)		Civil		1100-207-20-000-019-0-000	865.00
T.A.B.C. (___\$3___, ___\$5___, ___\$15___, ___\$50___)		173		1100-207-20-000-020-0-000	1745.00
P.K.W.L. (___\$3___, ___\$5___, ___\$15___, ___\$50___)				1100-207-20-000-021-0-000	-
U.T.P.A. (___\$3___, ___\$5___, ___\$15___, ___\$50___)				1100-207-20-000-022-0-000	-
ARREST WARRANT/SERVICE FEES: COUNTY					
Sheriff Fees:		LOC 118.131		1100-342-10-060-001-0-000	65.00
Constable Fees:				1100-342-10-291-000-0-000	-
Precinct #1				1100-342-10-292-000-0-000	9990.00
Precinct #2				1100-342-10-293-000-0-000	1,700.00
Precinct #3				1100-342-10-294-000-0-000	1,425.00
Precinct #4				1100-342-10-295-000-0-000	-
Precinct #5				1100-341-10-060-007-0-000	200.00
District Attorney Fees				1100-342-10-060-002-0-000	-
Tax Assessor Fraud Investigators				1100-342-10-060-003-0-000	25.00
School District Arrest Fee				1100-342-20-060-001-0-000	-
Fire Marshal Fee				1100-207-30-000-003-0-000	-
Due to Others					
Warrant Fees Due to Other Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2 (A)		1100-202-00-000-010-0-000	-
Refund - Overpayments				1100-202-00-000-010-0-000	-
Due to Others				1100-202-00-000-010-0-000	-
Restitution				1100-202-00-000-010-0-000	-
Failure to Appear- OmniBase (\$6)		TRC 706.006/TRC 706.007(d)(2)		1100-202-00-000-019-0-000	30.00
Delinquent Fee				1100-202-00-000-004-0-000	2,824.74
Justice Fees (Local Fees)				1100-341-10-060-001-0-000	4495.00
Small Claims Court Filing Fee (\$25)		LOC 118.121/118.122	4,325.00		-
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LOC 118.121/118.122	-		-
Landlord & Tenant Eviction Filing Fee (Forcible Entry & Detainer Court) (\$25)		LOC 118.121/118.122	-		-
Transcript Fees (\$10)		LOC 118.121/118.123 (b)	-		-
Abstract Fees (\$5)		LOC 118.121/118.123 (c)	40.00		-
Writ Filing Fee (\$5)		LOC 118.121/118.123 (d)	30.00		-
Issuing other Document (\$1 1st pg. .25 for each add'l pg)		LOC 118.121/118.123 (e)	-		-
Certified Copies of Court Papers (\$2 1st pg. .25 for each add'l pg)		LOC 118.121	-		-
Probable Cause Tow Hearing Fee (\$30)		LOC 101.141 (a)	-		-
Birth Certificates (\$22 each \$9.20 local)		HSC 191.0045 (3)(d)	-	1100-341-10-060-001-0-000	-
Death Certificates (\$20 each, each add'l \$3)		HSC 191.0045 (3)(d)	-	1100-341-10-060-001-0-000	-
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045(b)	-	1100-341-10-060-001-0-000	-
Jury Fees (Civil \$22, Criminal \$3)		Rules of Civil Proc., Rule 504.1(b)/CCP 102.004	-	1100-341-10-060-006-0-000	22.00

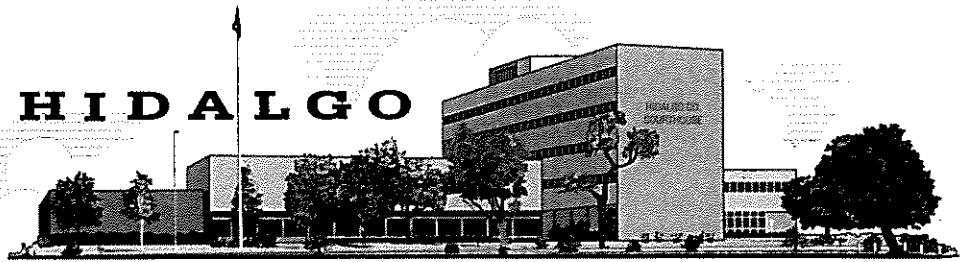
AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: Jan 10/25/2017

TOTAL AMOUNT DUE TO THE COUNTY TREASURER: **3**

93,546.54 X2; X1 X7

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

November 14, 2017

The Honorable Luis Garza
Hidalgo County Justice of the Peace Pct. 3, Pl. 1
730 N. Breyfogle, Suite C
Mission, Texas 78572

Ref: Review of *Monthly Fines and Fees Report* and Supporting Documentation
For the months of August 2017 and September 2017

Dear Judge Garza:

We have conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the months of August 2017 and September 2017 pursuant to Local Government Code §115.002 (a) and (b) and Code of Criminal Procedure Article 103.011. The objectives of the review were to determine if fines, fees, and court costs 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 months of August 2017 and September 2017. 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 fines, fees, and court cost statutes, the *Monthly Report*, and fee schedules. 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 100% of receipts with an offense date prior to December 31, 2007 and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs 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 Report* agreed to: 1.) total receipts issued per *Odyssey's* Receipt Journal Report, 2.) total collections per *Odyssey's* Fee Distribution Reports, 3.) total deposits made with the County Treasurer, and 4.) total deposits posted to *alio's* Undistributed Receipts general ledger account.
- Selected all cases in which defendants satisfied outstanding fines, fees, and court costs by making cash payments and serving time at the Hidalgo County jail and randomly selected cases in which defendants

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SIMOLETERRY
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, 21ST D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 22ND D.C.

NCE GONZALEZ
JUDGE, 37TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38TH D.C.

L. KENO VARGAS
JUDGE, 38TH D.C.

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

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

satisfied outstanding fines, fees, and court costs by serving time in the Hidalgo County jail to determine if: 1.) the warrant was recalled; 2.) the cash payment and/or jail time credit was applied to the case; 3.) the case was closed; and 4.) the Sheriff's "Discharge" receipt number was referenced on the case.

- Verified the sequence of receipts per the *Monthly Report* agreed to *Odyssey's* Receipt Journal Report. In addition, verified that receipts followed sequential order.
- Compared the Hamer Enterprises Credit Card Payment Reports to *Odyssey's* Daily Balance Report and *alio's* Undistributed Receipts general ledger account to ensure all credit card transactions were timely receipted by the Justice of the Peace and County Treasurer's Office.
- Reviewed *Cashier's Daily Close-Out Reports* (Close-Out Reports) and County Treasurer receipts to determine if fees collected were properly accounted and deposited with the County Treasurer on a daily basis.
- Reviewed receipts issued, Close-Out Reports, *Schedule of Receipts and Deposits* form, mail logs, Office of Court Administration's "Official Justice of the Peace Monthly Report" (OCA Report), and the *Monthly Report*, among other reports, to verify proper completion.
- Verified if cash bonds posted by the defendants who failed to appear before the Justice of the Peace were forfeited (liquidated) by the 10th workday following the date of release from jail.

Conclusion:

Total collections for the months of August 2017 and September 2017 were \$189,145.99 and \$174,962.41, respectively. 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 requires improvement as noted in the following observations.

Observation No. 1:

We reviewed a sample of receipts issued in August 2017 and September 2017 (100% of receipts with an offense date prior to December 31, 2007 and 10% of randomly selected receipts with an offense date of January 1, 2008 and after) to determine if fines, fees, and court costs collected were properly allocated and reported.

The results of our review revealed that 5 receipts in August 2017 and 4 receipts in September 2017 contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was made aware of the required adjustments and all the adjustments have been completed (see Exhibit A). According to the Court Coordinator, staff does not consistently verify that fines, fees, and court costs have been properly assessed prior to issuing receipts.

There are numerous statutes that require Justices of the Peace to charge various fines, fees, and court costs for certain services and offenses. Fines, fees, and court costs must be allocated pursuant to State statutes and/or Commissioners Court approval. In addition, the County Auditor's Office requires that adjustments be made within three days of receiving them.

The County may be held liable to the State for failure to properly allocate and report fines, fees, and court costs.

Recommendation:

Management should ensure that fines, fees, and court costs are properly allocated and reported. At a minimum, the following procedures should be implemented:

- Staff should be provided with training regarding the proper allocation of fines, fees, and court costs.
- Staff should review the allocation of fines, fees, and court costs before the official County receipt is issued.
- Access for setting up offense codes with the proper fines, fees, and court costs in *Odyssey* should be limited to staff with adequate knowledge of the applicable allocation.
- Staff should ensure that the proper fines, fees, and court costs allocation, offense date, and judgment date are entered when a case is setup in *Odyssey*.
- Staff should ensure that adjustments are entered into *Odyssey* within three days of receiving them.

Observation No. 2:

Copies of the January 2015 through September 2017 Office of Court Administration's "Official Justice of the Peace Monthly Reports" (OCA Reports) have not been submitted to the County Auditor's Office. In addition, improperly completed OCA Reports for the months of September 2012, December 2012, September 2013, October 2013, and January 2014 through December 2014 were filed with the County Auditor's Office. According to the Justice of the

HIDALGO COUNTY DISTRICT JUDGES

Peace staff, properly completed OCA Reports cannot be generated from *Odyssey* due to data entry errors. Assistance from the Information Technology Department has been requested.

Local Government Code §112.002 (a) authorizes the county auditor to prescribe the system of accounting for the county. Local Government Code §112.002 (b) states that "the county auditor may adopt and enforce regulations, not inconsistent with law or with a rule adopted under Section 112.003, that the auditor considers necessary for the speedy and proper collecting, checking, and accounting of the revenues and other funds and fees that belong to the county or to a person for whom a district clerk, district attorney, county officer, or precinct officer has made a collection or for whose use or benefit the officer holds or has received funds." Pursuant to Local Government Code §112.002 (a) and (b), the County Auditor requires the submittal of properly completed reports (i.e., *Monthly Report*, copy of the OCA Report, *Schedule of Receipts and Deposits* form, Cash Disbursement Journal, etc.) for checking and properly accounting of funds collected by the Justice of the Peace Offices.

Failure to ensure that properly completed OCA Reports are filed with the County Auditor's Office may result in improper reporting.

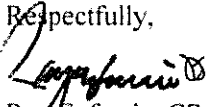
Recommendation:

Management should ensure that properly completed OCA Reports are filed with the County Auditor's Office within five days after the last day of each month. In addition, the continued assistance of the Information Technology Department should be requested until the problem has been resolved.

Please provide written management responses to the observations noted above by November 30, 2017.

If you have any questions or would like to schedule a meeting to discuss the above noted observations, please contact Edgar Alan Escobedo, Internal Auditor I, at 318-2511 ext. 4655, 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

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, 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.

RECEIVED

JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: August-17

SEP 05 2017

Judge: LUIS GARZA
Precinct No. 3 Place No. 1

PBC

City: MISSION, TX
Hidalgo County, Texas

Part III. SUMMARY OF COLLECTIONS PAYABLE TO THE COUNTY TREASURER

PAGE 009 County Auditor's Office

Name of Fine, Fee, Court Cost	# (second) Filed	Statute Reference	Detail of Amt Collected	GL Acct No	Amt. Collected
FINES:					
County Fines (Local Fine)		LGC 133.004, PC 12.23		1200-231-10-065-000-0-000	65819.67
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	644.30
No Safety Belt 50% Fine (State Fine)		TRC 543.412, 545.413 (j)		1100-207-20-000-028-0-000	562.60
Gross Weight 50% Fine (State Fine)		TRC Sec 621.506 (g)		1100-207-20-000-013-0-000	-
School District 50% Fines		Educ. Code § 25.093 (d) 1 (A)		1100-207-20-000-008-0-000	-
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	3033.66
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1243-341-10-060-000-0-000	1006.20
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	4044.87
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	590.32
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 133.103 (e)		1100-341-10-060-002-0-000	147.58
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	2044.06
Motor Vehicle Adm. Fee (\$10-\$20)		TRC Sec 548.005, 521.026, 503, 407		1100-341-10-060-004-0-000	1,044.75
Special Fees					
Deferred Disposition		C.C.P. Art. 45.051	802.90		
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051 (f)	241.85		
Support of Judiciary Fund (\$ 60)		LGC 133.105		1100-341-10-060-009-0-000	603.13
Traffic Fee (\$3)		TRC 542.403		1100-341-10-065-000-0-000	1,791.57
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (e)		1100-341-10-060-011-0-000	204.63
Failure to Appear (\$4)		TRC 706.006/TRC 706.007(d)(2)		1100-341-10-060-012-0-000	-
Scofflaw Fee (\$20)		TRC 502.010(a)		1100-341-10-140-049-0-000	8298.67
Traucy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	980.23
STATE COURT COSTS AND FEES:					
Criminal Justice Planning Fund C.C.P. (\$5)		C.C.P. Art. 102.051		1100-207-20-000-003-0-000	-
State General Revenue Fund (\$2.50)		C.C.P. Art. 102.015		1100-207-20-000-010-0-000	-
Law Enforcement Education Fund (____\$1____\$1.50____\$3.50)		Govt. Code Sec. 415.082		1100-207-20-000-011-0-000	-
Operators and Chauffeurs License Fund (\$75)		TRC 601.192		1100-207-20-000-031-0-000	-
Time Payment - @50% OF \$25.00 (\$12.50)		LGC 133.103 (b)		1100-207-20-000-005-0-000	737.90
Juvenile Crime and Delinquency Fund (____\$25____\$50)		C.C.P. Art. 102.075(m)		1100-207-20-000-007-0-000	-
Comprehensive Rehabilitation Fund (\$5)		C.C.P. Art. 102.082		1100-207-20-000-008-0-000	-
Fugitive Apprehension Fund (\$5)		C.C.P. Art. 102.019 (a) 2		1100-207-20-000-009-0-000	-
Consolidated Court Costs Fund (\$17)		CCP 102.075 (a) 3; LGC 133.102		1100-207-20-000-015-0-000	10408.89
Compassion Victims Of Crime Fund (____\$3____\$5____\$15____\$35)		C.C.P. Art. 56.55 (2) & (3)		1100-207-20-000-017-0-000	-
Judicial & Court Personnel Training Fund (____\$1____\$2)		Govt. Code Sec. 56.001 (b)		1100-207-20-000-027-0-000	-
Correctional Management Institute of Texas Fund (\$ 50)		C.C.P. Art. 102.075		1100-207-20-000-029-0-000	-
Indigent legal Services Fee-JP (\$6)		Govt. Code Sec. 101.141 (2) (3)		1100-207-20-000-004-0-000	696.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 543.4031		1100-207-20-000-035-0-000	17,915.67
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	4028.89
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	5418.20
Birth Certificate Fee (\$1.80)		HSC 191.022 (f)		1100-207-20-000-039-0-000	-
Defensive Driving Record Fee (\$12)		C.C.P. Art. 45.051 (e-1)		1100-207-20-000-037-0-000	-
Indigent Defense Representation Fund (\$2)		LGC 133.107 (d) 102.023		1100-207-20-000-039-0-000	2000.42
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022 (G)		1100-207-20-000-061-0-000	79.05
Safety Seat Violation Fee (\$0.15)		TRC 545.412 (b-1)		1100-207-20-000-062-0-000	-
Failure to Appear (\$20)		TRC 706.006/TRC 706.007(d)(2)		1100-207-20-000-066-0-000	-
Electronic Filing Fee - Civil (\$10)		GC 101.141 (G) §1.851		1100-207-20-000-070-0-000	1,160.00
Traucy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	980.23
Texas Home Visiting Program Contribution (\$5)		HSC 191.048 (d) 118.018 (e)		1100-207-20-000-074-0-000	-
ARREST WARRANT FEES: STATE					
D.P.S. (____\$3____\$5____\$35____\$50)		C.C.P. Art. 102.011		1100-207-20-000-019-0-000	4,816.10
T.A.B.C. (____\$3____\$5____\$35____\$50)				1100-207-20-000-020-0-000	-
P.K.W.L. (____\$3____\$5____\$35____\$50)				1100-207-20-000-021-0-000	35.00
Texas Comptrollers Criminal Investigators				1100-207-20-000-060-0-000	-
ARREST WARRANT/SERVICE FEES: COUNTY					
Sheriff Fees:		LGC 138.131		1100-342-10-060-001-0-000	190.00
Constable Fees:				1100-342-10-291-000-0-000	-
Precinct #1				1100-342-10-292-000-0-000	75.00
Precinct #2				1100-342-10-293-000-0-000	4,910.00
Precinct #3				1100-342-10-294-000-0-000	-
Precinct #4				1100-342-10-295-000-0-000	-
Precinct #5				1100-341-10-060-007-0-000	50.00
District Attorney Fees				1100-342-10-060-002-0-000	-
Tax Assessor Fraud Investigators				1100-342-10-060-003-0-000	-
School District Arrest Fee				1100-342-10-060-005-0-000	-
Fire Marshal Fee				1100-342-20-060-001-0-000	-
Due to Others					
Warrant Fees Due to Other Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2 (A)		1100-207-20-000-003-0-000	-
Refund - Overpayments				1100-202-00-000-011-0-000	-
Due to Others				1100-202-00-000-011-0-000	-
Restitution				1100-202-00-000-011-0-000	-
Failure to Appear- OmniBase (\$6)		TRC 706.006/TRC 706.007(d)(2)		1100-202-00-000-019-0-000	-
Delinquent Attorney Fee				1100-202-00-000-004-0-000	1742.44
Justice Fees (Local Fees)					
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122		1100-341-10-060-001-0-000	2,985.00
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122	2,960.00		
Landlord & Tenant Eviction Filing Fee (Forensic Entry & Detainer Court) (\$25)		LGC 118.121/118.122			
Transcript Fees (\$10)		LGC 118.121/118.123 (b)			
Abstract Fees (\$5)		LGC 118.121/118.123 (c)	5.00		
Writ Filing Fee (\$5)		LGC 118.121/118.123 (d)	80.00		
Issuing other Document (\$1 1st pg. 25 for each add'l pg)		LGC 118.121/118.123 (e)			
Certified Copies of Court Papers (\$2 1st pg. 25 for each add'l pg)		LGC 118.121			
Probable Cause Tow Hearing Fee (\$20)		LGC 101.141 (a) 4			
Birth Certificates (\$22 each \$9.20 local)		HSC 191.0245 (3)(d)		1100-341-10-060-001-0-000	-
Death Certificates (\$20 each, each add'l \$3)		HSC 191.0245 (3)(d)		1100-341-10-060-001-0-000	46.00
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045 (b)		1100-341-10-060-008-0-000	4.00
Jury Fees (Civil \$22, Criminal \$3)		Rules of Civil Proc., Rule 504.1(b)		1100-341-10-060-006-0-000	-

AUDITED BY: THE HIDALGO COUNTY AUDITOR'S OFFICE
DATE: 9/21/2017

TOTAL AMOUNT DUE TO THE COUNTY TREASURER:

189,145.99 X1; X2

X2

Justice of the Peace Luis Garza Schedule of Adjustments For the Month Ended August 31, 2017

Receipt Number	Case Number	Date	Offense	Off date	Disposition Date	CCC	CHS	CHSIP	CO	DEL	DPS	DPSR	IDRE	ICTF	JSE	LIF	MVF	SCOF	SIFC	SIFS	SIF	IP	IPCO	TPDC	TPDS	TPST	UTFC	WARR	WFPREC31	TOTAL	
JP31-2017-09454	CR12-2213-331	8/2/2017	speeding	5/4/2012	8/2/2017	40	3	1	38.47	62.73	5	-	2	4	4	2	0.1	20	0.6	5.4	30	-	-	-	-	-	3	-	50	271.3	
<u>Delinquent was under assessed \$9.00</u>																															
JP31-2017-09737	CR14-4784-331	8/8/2017	passenger	10/18/2014	8/7/2017	40	3	1	39	26.7	5	-	2	4	4	2	0	20	0.6	5.4	-	-	-	-	1	-	-	-	-	154.7	
<u>Delinquent was under assessed \$0.12</u>																															
JP31-2017-09971	TR16-10161-331	8/14/2017	license	8/27/2016	8/14/2017	40	3	1	66.4	46.5	-	5	2	4	4	2	0.1	20	0.6	5.4	-	-	-	-	1	-	-	-	-	202	
<u>Delinquent was over assessed \$0.11.</u>																															
JP31-2017-10068	TR16-8334-331	8/15/2017	speeding	7/20/2016	8/15/2017	40	3	1	29.5	45.63	-	5	2	4	4	2	0.1	20	0.6	5.4	30	-	-	-	1	-	3	-	-	197.23	
<u>Delinquent was under assessed \$0.23.</u>																															
JP31-2017-10288	TR16-8869-331	8/22/2017	license	7/28/2016	8/31/2016	40	3	1	66.9	69	-	5	2	4	4	2	0.1	20	0.6	5.4	-	2.5	10	1	1	12.5	-	50	-	300	

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-17**

Judge: **LUIS GARZA**
Precinct No. **3** Place No. **1**

City: **MISSION, TX**
Hidalgo County, Texas

PBC

Part III SUMMARY OF COLLECTIONS PAYABLE TO THE COUNTY TREASURER

PAGE 2 OF 2

Name of Fine, Fee, Court Cost	# (each) Filed	Statute Reference	Amount Collected	Acct No	Amount
FINES:					
County Fines (Local Fine)		LOC 113.024, PC 12.23		1100-207-20-000-000-0-000	63150.44
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 2.107		1100-207-20-000-000-0-000	
No Safety Belt 50% Fine (State Fine)		TRC 547.413		1100-207-20-000-000-0-000	725.00
Gross Weight 50% Fine (State Fine)		TRC Sec 621.506(g)		1100-207-20-000-000-0-000	
School District 50% Fines		Edus. Code § 25.093(a)(1)(A)		1100-207-20-000-000-0-000	
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee(\$3)		C.C.P. Art. 102.017(b)	3,016.44	1241-341-10-060-001-0-000	
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017	1,004.49	1242-341-10-060-000-0-000	
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.017	4,021.93	1242-341-10-060-000-0-000	
Time Payment - @40% OF \$25.00 (\$10.00)		LOC 133.103(d)	751.00	1100-341-10-060-001-0-000	
Time Payment - @10% OF \$25.00 (\$2.50)		LOC 133.103(e)	197.75	1100-341-10-060-002-0-000	
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072	2,026.88	1100-341-10-060-003-0-000	
Motor Vehicle Adm. Fee (\$10-\$20)		TRC Sec 548.045, 521.026, 502.007	10.00	1100-341-10-060-004-0-000	
Special Fees					
Deferred Disposition		C.C.P. Art. 45.051	944.90		
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(f)	230.00		
Support of Judiciary Fund (\$ 50)		LOC 133.103	602.70	1100-341-10-060-009-0-000	
Traffic Fee (\$3)		TRC 542.403	1,689.00	1100-341-10-060-011-0-000	
Child Safety (\$20-\$25)		C.C.P. Art. 102.014(e)	150.00	1100-341-10-060-011-0-000	
Failure to Appear (\$4)		TRC 706.006/706.007(4)(2)		1100-341-10-060-012-0-000	
Scofflaw Fee (\$20)		TRC 802.01(a)	4,912.19	1100-341-10-140-049-0-000	
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015	992.32	1100-341-10-060-013-0-000	
STATE COURT COSTS AND FEES:					
Criminal Justice Planning Fund C.C.P. (\$5)		C.C.P. Art. 102.051		1100-207-20-000-003-0-000	
State General Revenue Fund (\$2.50)		C.C.P. Art. 102.015		1100-207-20-000-010-0-000	
Law Enforcement Education Fund (____\$1, ____\$1.50, ____\$3.00)		Govt. Code Sec. 415.002		1100-207-20-000-011-0-000	
Operators and Chauffeurs License Fund (\$75)		TRC 601.192		1100-207-20-000-031-0-000	
Time Payment - @50% OF \$25.00 (\$12.50)		LOC 133.103(b)		1100-207-20-000-005-0-000	938.35
Juvenile Crime and Delinquency Fund (____\$ 25, ____\$ 50)		C.C.P. Art. 102.075(e)		1100-207-20-000-007-0-000	
Comprehensive Rehabilitation Fund (\$5)		C.C.P. Art. 102.082		1100-207-20-000-008-0-000	
Fugitive Apprehension Fund (\$5)		C.C.P. Art. 102.019(a)(2)		1100-207-20-000-009-0-000	
Consolidated Court Costs Fund (\$17)		C.C.P. Art. 102.075(a)(3), LOC 133.102	40,219.33	1100-207-20-000-015-0-000	
Compensation Victims Of Crime Fund (____\$3, ____\$5, ____\$15, ____\$35)		C.C.P. Art. 56.55(2)(a)(3)		1100-207-20-000-017-0-000	
Judicial & Court Personnel Training Fund (____\$1, ____\$2)		Govt. Code Sec. 56.001(b)	0.00	1100-207-20-000-017-0-000	
Correctional Management Institute of Texas Fund (\$ 50)		C.C.P. Art. 102.075		1100-207-20-000-029-0-000	
Indigent Legal Services Fee-JP (\$6)		Govt. Code Sec. 101.147(2)(B)	426.00	1100-207-20-000-004-0-000	
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.403	16,890.00	1100-207-20-000-035-0-000	
Jury Service Fee (\$4)		C.C.P. Art. 102.0045	4,017.94	1100-207-20-000-053-0-000	
Support of Judiciary Fund (\$5.40)		LOC 133.103	5,414.22	1100-207-20-000-054-0-000	
Birth Certificate Fee (\$1.80)		HSC 191.022(f)		1100-207-20-000-039-0-000	
Defensive Driving Record Fee (\$12)		C.C.P. Art. 45.051(f)(6-7)		1100-207-20-000-017-0-000	
Indigent Defense Representation Fund (\$2)		LOC 133.107.00, 102.023	1,998.98	1100-207-20-000-059-0-000	
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022.00	80.23	1100-207-20-000-061-0-000	
Safety Seat Violation Fee (\$0.15)		TRC 545.412(b-1)		1100-207-20-000-062-0-000	
Failure to Appear (\$20)		TRC 706.006/706.007(4)(2)		1100-207-20-000-066-0-000	
Electronic Filing Fee - Civil (\$10)		OC 101.341(4)(C) § 1.85	710.00	1100-207-20-000-070-0-000	
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015	992.32	1100-207-20-000-073-0-000	
Texas Home Visiting Program Contribution (\$5)		HSC 191.00482.00, 198.018(b)		1100-207-20-000-074-0-000	
ARREST WARRANT FEES: STATE					
D.P.S. (____\$3, ____\$5, ____\$15, ____\$30)		C.C.P. Art. 102.011		1100-207-20-000-019-0-000	325.00
T.A.B.C. (____\$3, ____\$5, ____\$15, ____\$30)				1100-207-20-000-020-0-000	
P.K.W.L. (____\$3, ____\$5, ____\$15, ____\$30)				1100-207-20-000-021-0-000	5.00
Texas Comptroller's Criminal Investigators					
ARREST WARRANT SERVICE FEES: COUNTY					
Sheriff Fees:		LOC 118.111	185.00	1100-342-10-060-001-0-000	
Constable Fees:					
Precinct #1				1100-342-10-291-000-0-000	
Precinct #2			75.00	1100-342-10-292-000-0-000	
Precinct #3				1100-342-10-293-000-0-000	
Precinct #4				1100-342-10-294-000-0-000	
Precinct #5				1100-342-10-295-000-0-000	
District Attorney Fees			521.69	1100-341-10-060-007-0-000	
Tax Assessor Fraud Investigators				1100-342-10-060-002-0-000	
School District Arrest Fee				1100-342-10-060-003-0-000	
Fire Marshal Fee				1100-342-20-060-001-0-000	
Due to Others					
Warrant Fees Due to Other Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2(A)		1100-207-20-000-003-0-000	
Refund - Overpayments			15.00	1100-203-00-000-011-0-000	
Due to Others				1100-203-00-000-011-0-000	
Restitution				1100-203-00-000-011-0-000	
Failure to Appear- OmniBase (\$6)		TRC 706.006/706.007(4)(2)		1100-203-00-000-019-0-000	
Delinquent Attorney Fee			7766.56	1100-203-00-000-004-0-000	
Justice Fees (Local Fee)					
Small Claims Court Filing Fee (\$25)		LOC 118.121(b)(1)(2)		1100-341-10-060-001-0-000	1,821.00
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LOC 118.121(b)(1)(2)	1,775.00		
Landlord & Tenant Eviction Filing Fee (Forseful Entry & Detainer Court) (\$25)		LOC 118.121(b)(1)(2)			
Transcript Fees (\$10)		LOC 118.121(b)(1)(2)(b)			
Abstract Fees (\$3)		LOC 118.121(b)(1)(2)(c)			
Writ Filing Fee (\$3)		LOC 118.121(b)(1)(2)(d)	40.00		
Issuing other Document (\$1 1st pg., .25 for each add'l pg)		LOC 118.121(b)(1)(2)(e)	6.00		
Certified Copies of Court Papers (\$2 1st pg., .25 for each add'l pg)		LOC 118.121			
Probable Cause Tow Hearing Fee (\$20)		LOC 101.141(a)			
Birth Certificates (\$22 each \$9.20 local)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	
Death Certificates (\$20 each, each add'l \$3)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045 (b)		1100-341-10-060-008-0-000	
Jury Fees (Civil \$22, Criminal \$3)		C.C.P. 102.004		1100-341-10-060-006-0-000	

**RECEIVED BY
COUNTY CLERK**

**AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: 09/10/2017**

TOTAL AMOUNT DUE TO THE COUNTY TREASURER:

174,962.41

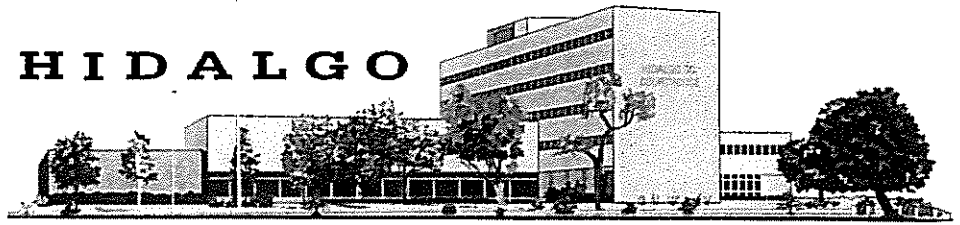
X2; X1
X

Justice of the Peace Luis Garza Schedule of Adjustments For the Month Ended September 30, 2017

Receipt Number	Case Number	Date	Offense	Off date	Disposition Date	CCC	CHS	CHSJP	CO	CRF	DEL	DPS	DPSI	IDRF	JCTF	JSF	LTF	MVF	SCOF	SJFC	SJFS	SOF	STF	TPDC	TPDS	UTFC	WARr	TOTAL
Based on offense, MVF should be assessed.																												
JP31-2017-11540	TR17-17616-J31	9/29/2017	<8 unrestrain ed child	8/26/2017		40	3	1	25	25	-	-	-	2	4	4	2	-	-	0.6	5.4	5	30	1	1	3	-	152
Delinquent was under assessed \$0.17. If approved by the Justice of Peace to be refunded, please contact the Auditor's Office for instructions.																												
JP31-2017-11266	CR14-3155-J31	9/22/2017	no drivers license	5/3/2014	9/22/2017	40	3	1	66.74	-	61.53	5	-	2	4	4	2	0.1	20	0.6	5.4	-	-	1	1	-	50	267.37
Delinquent was over assessed \$110.93. If approved by the Justice of Peace to be refunded, please contact the Auditor's Office for instructions.																												
JP31-2017-10657	CRNT16-0028-J31	9/11/2017	illegal burning	12/28/2015	9/11/2017	40	3	1	19.3	-	191.7	-	-	2	4	4	2	-	20	0.6	5.4	5	-	1	1	-	50	350
Delinquent was over assessed \$11.54. If approved by the Justice of Peace to be refunded, please contact the Auditor's Office for instructions.																												
JP31-2017-114567	TR16-11106-J31	9/29/2017	no safety belt	9/20/2016	9/20/2016	40	3	1	-	-	51.6	-	5	2	4	4	2	-	20	0.6	5.4	-	30	1	1	3	-	173.6

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

November 14, 2017

The Honorable Marcos Ochoa
Hidalgo County Justice of the Peace Pct. 3, Pl. 2
730 Breyfogle, Suite A
Mission, Texas 78572

Re: Review of *Monthly Fines and Fees Report* and Supporting Documentation
For the months of August 2017 and September 2017

Dear Judge Ochoa:

We have conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the months of August 2017 and September 2017 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 fines, fees, and court costs 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 months of August 2017 and September 2017. 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 fines, fees, and court cost statutes, the *Monthly Report*, and fee schedules. 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 100% of receipts with an offense date prior to December 31, 2007 and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs were allocated and reported in the proper amounts and verified whether any adjustments were made.
- Verified that procedures for voided receipts were properly followed.

HIDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 13TH D.C.

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

ROSE OLIVERA PEYMA
JUDGE, 20TH D.C.

JUAN R. PARTIDA
JUDGE, 21ST D.C.

MARIO E. RAMIREZ, 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, 43RD D.C.

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

- Verified that collections per the *Monthly Report* agreed to: 1.) total receipts issued per *Odyssey's* Receipt Journal Report, 2.) total collections per *Odyssey's* Fee Distribution Reports, 3.) total deposits made with the County Treasurer, and 4.) total deposits posted to *alio's* Undistributed Receipts general ledger account.
- Selected all cases in which defendants satisfied outstanding fines, fees, and court costs by making cash payments and serving time at the Hidalgo County jail and randomly selected cases in which defendants satisfied outstanding fines, fees, and court costs by serving time in the Hidalgo County jail to determine if: 1.) the warrant was recalled; 2.) the cash payment and/or jail time credit was applied to the case; 3.) the case was closed; and 4.) the Sheriff's "Discharge" receipt number was referenced on the case.
- Verified the sequence of receipts per the *Monthly Report* agreed to *Odyssey's* Receipt Journal Report. In addition, verified that receipts followed sequential order.
- Compared the Hamer Enterprises Credit Card Payment Reports to *Odyssey's* Daily Balance Report and *alio's* Undistributed Receipts general ledger account to ensure all credit card transactions were timely received by the Justice of the Peace and County Treasurer's Office.
- Reviewed *Cashier's* Daily Close-Out Reports (Close-Out Reports) and County Treasurer receipts to determine if fees collected were properly accounted and deposited with the County Treasurer on a daily basis.
- Reviewed receipts issued, Close-Out Reports, *Schedule of Receipts and Deposit* form, mail logs, Office of Court Administration's "Official Justice of the Peace Monthly Report" (OCA Report), and the *Monthly Report*, among other reports, to verify proper completion.
- Verified if cash bonds posted by the defendants who failed to appear before the Justice of the Peace were forfeited (liquidated) by the 10th workday following the date of release from jail.

Conclusion:

Total collections for the months of August 2017 and September 2017 were \$157,842.78 and \$129,643.03, respectively. 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 requires improvement as noted in the following observations.

Observation No. 1:

We reviewed a sample of receipts issued in August 2017 and September 2017 (100% of receipts with an offense date of December 31, 2007 and prior and 10% of receipts with an offense date of January 1, 2008 and after) to determine if fines, fees, and court costs collected were properly allocated and reported.

The results of our review revealed that 26 receipts in August 2017 and 15 receipts in September 2017 contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was made aware of the required adjustments (see Exhibit A); however, adjustments have not been completed. In addition, adjustments for the months of March 2015 (11); April 2015 (59); May 2015 (13); June 2015 (70); August 2015 (81); September 2015 (69); October 2015 (126); November 2015 (40); December 2015 (26); January 2016 (32); February 2016 (68); March 2016 (65); April 2016 (31); May 2016 (23); June 2016 (16); July 2016 (23); August 2016 (33); September 2016 (17); October 2016 (21); November 2016 (12); December 2016 (6); January 2017 (6); February 2017 (24); March 2017 (30); April 2017 (31); May 2017 (38); June 2017 (38); and July 2017 (37) are still pending to be completed. According to the Court Coordinator, staff has been advised to ensure the proper fines, fees, and court costs are being assessed at the time a receipt is issued; however, staff occasionally forgets to conduct this review.

There are numerous statutes that require Justices of the Peace to charge various fines, fees, and court costs for certain services and offenses. Fines, fees, and court costs must be allocated pursuant to State statutes and/or Commissioners Court approval. In addition, the County Auditor's Office requires that adjustments be made within three days of receiving them.

The County may be held liable to the State for failure to properly allocate and report fines, fees, and court costs.

Recommendation:

Management should ensure that all pending adjustments are completed. In addition, management should ensure that fines, fees, and court costs are properly allocated and reported. At a minimum, the following procedures should be implemented:

HDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 92ND 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.

NCE 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.

RENÉE R. BETANCOURT
JUDGE, 449TH D.C.

- Staff should be provided with training regarding the proper allocation of fines, fees, and court costs.
- Staff should review the allocation of fines, fees, and court costs before the official County receipt is issued.
- Access for setting up offense codes with the proper fines, fees, and court costs in *Odyssey* should be limited to staff with adequate knowledge of the applicable allocation.
- Staff should ensure that the proper fines, fees, and court costs allocation, offense date, and judgment date are entered when a case is setup in *Odyssey*.
- Staff should ensure that adjustments are entered into *Odyssey* within three days of receiving them.

Observation No. 2:

Copies of the Office of Court Administration “Official Justice of the Peace Monthly Report” (OCA Report) for the months of January 2014 through June 2014 and September 2014 through September 2017 have not been filed with the County Auditor’s Office. In addition, incorrect copies of the OCA reports for the months of April 2012, July 2012, October 2012, May 2013 through December 2013, July 2014, and August 2014 were filed with the County Auditor’s Office. According to the Justice of the Peace staff, copies of the OCA Reports cannot be generated due to programming errors in *Odyssey*; however, the assistance of the Information Technology Department has been requested for generating the reports.

Local Government Code §112.002 (a) authorizes the county auditor to prescribe the system of accounting for the county. Local Government Code §112.002 (b) states that “the county auditor may adopt and enforce regulations, not inconsistent with law or with a rule adopted under Section 112.003, that the auditor considers necessary for the speedy and proper collecting, checking, and accounting of the revenues and other funds and fees that belong to the county or to a person for whom a district clerk, district attorney, county officer, or precinct officer has made a collection or for whose use or benefit the officer holds or has received funds.” Pursuant to Local Government Code §112.002 (a) and (b), the County Auditor requires the submittal of properly completed reports (i.e., *Monthly Report*, Schedule of Receipts and Deposits, copy of the OCA Report, Cash Disbursement Journal, etc.) for checking and proper accounting of funds collected by the Justice of the Peace Offices.

Failure to ensure that properly completed OCA Reports are filed with the County Auditor's Office may result in improper reporting.

Recommendation:

Management should ensure that a properly completed OCA Report is filed with the County Auditor’s Office within five days after the last day of each month. In addition, the continued assistance of the Information Technology Department should be requested until the problem has been resolved.

Observation No. 3:

We noted during our review that 25 cash bonds posted by defendants who failed to appear before the Justice of the Peace were not forfeited (liquidated) by the 10th workday following the date of their release from jail. The bonds were received on September 10, 2015 (17), December 11, 2015 (6), October 20, 2016 (1), and November 8, 2016 (1). According to the Justice of the Peace Court Coordinator, the bonds have not been forfeited as they were taken incorrectly. In addition, the Information Technology Department has been contacted for assistance on correcting and forfeiting the bonds.

Code of Criminal Procedure Article 45.044 (a)(2) states, “A justice or judge may enter a judgment of conviction and forfeit a cash bond posted by the defendant in satisfaction of the defendant’s fine and cost if the defendant fails to appear according to the terms of the defendant’s release.” Pursuant to the terms of the cash bond, the defendant must appear before the Justice of the Peace by the 10th workday following the date of their release from jail. If the defendant fails to appear, the Justice of the Peace may declare the cash bond forfeited, enter a judgment of guilty, assess a fine, and apply the cash bond to the payment of the imposed judgment.

Failure to ensure that bonds are liquidated in a timely manner may result in the misuse of County funds.

Recommendation:

Management should ensure that cash bonds are liquidated in a timely manner. In addition, the continued assistance of the Information Technology Department should be requested until the bonds have been corrected and forfeited.

IDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 32ND 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.

Observation No. 4:

We reviewed all dates in which collections were received during the months of August 2017 and September 2017 to determine if the collections were deposited at the bank on a daily basis. The results of our review revealed that collections for 17 of 23 August 2017 days and 12 of 20 September 2017 days were not deposited at the bank on a daily basis. Deposits were made 2 to 7 days after collections were received. According to the Court Coordinator, the runner has been running late but will remind to do on a daily basis.

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 ensure that collections are deposited at the bank on a daily basis.

Observation No. 5:

We noted during our review that the August 2017 and September 2017 Monthly Reports were each submitted to the County Auditor's Office 8 days after the fifth day following the end of the month. As per the Court Coordinator, the monthly report was prepared on time but the Judge dropped off the report late. The Court Coordinator will remind the Judge that the *Monthly Report* needs to be submitted on a timely basis.

Local Government Code §114.001 (b) states, "A monthly report must be filed within five days after the last day of each month." Timely submittal of the *Monthly Report* helps ensure the proper accounting and accurate projection of County revenues.

Failure to ensure that the *Monthly Report* is submitted to the County Auditor's Office within five days after the last day of each month may result in the improper accounting and inaccurate projection of County revenues.

Recommendation:

Management should ensure the *Monthly Report* is submitted to the County Auditor's Office within five days after the last day of each month.

Observation No. 6:

We noted that 10 August 2017 credit card payments and 33 September 2017 credit card payments were not receipted on a daily basis. Consequently, the applicable case dispositions have not been recorded in *Odyssey*. According to the Court Coordinator, clerks attempt to review and receipt credit card transactions on a daily basis; however, procedures are not consistently followed.

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. In addition, the case dispositions should be recorded in *Odyssey* upon receipt of payment.

Failure to ensure that credit card transactions are promptly receipted may result in the loss or misuse of County funds. In addition, failure to ensure that case dispositions are entered in a timely manner may result in the arrest of the defendant, in error.

Recommendation:

Management should ensure that credit card transactions are promptly and properly receipted and case dispositions are entered in a timely manner. All pending credit card transactions should be immediately receipted.

Observation No. 7:

We noted during our review that 14 of 20 Close-Out Reports randomly selected for testing during the month of September 2017 were submitted 2 to 10 days after the bank deposit was made to the County Treasurer's Office. According to Court Coordinator, she failed to submit the Close-out Report to the County Treasurer's Office on a daily basis after the bank deposit was made due to an oversight.

DALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 95TH 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.

The County Auditor's Office requires that cashiers reconcile cash on hand to receipts issued and the approved change fund, if any, on a daily basis by utilizing the Close-Out Report. Once the reconciliation is completed and the collections are deposited to the County's General Fund bank account, the Close-Out Report along with the bank validated deposit slip must be submitted to the County Treasurer's Office on a daily basis. The County Treasurer's Office utilizes the Close-Out Report, along with the bank validated deposit slip to timely receipt and account for the collections deposited to the County's General Fund bank account.

Failure to submit the Close-Out Report to the County Treasurer's Office on a daily basis results in the improper accounting of County funds.

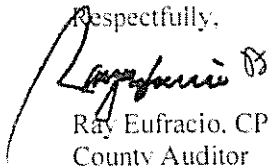
Recommendation:

Management should ensure that the Close-Out Report is submitted to the County Treasurer's Office on a daily basis after the daily deposit has been made.

Please provide written management responses to the observations noted above by November 30, 2017.

If you have any questions or would like to schedule a meeting to discuss the above noted observations, please contact Araceli A. Guillen, Internal Auditor I, at 318-2511 Ext. 4649, Yvonne Torres, Revenue Audit Supervisor, at Ext. 4642, Arcy B. Duran, CPA, Director of Audit, at Ext. 4645, or myself at Ext. 4604.

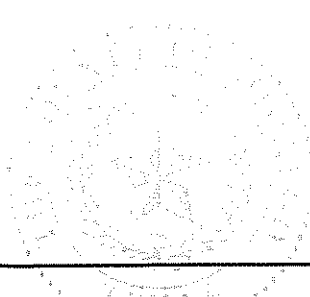
Respectfully,



Ray Eufrazio, CPA
County Auditor

Enclosures: Copy of *Monthly Report* and Exhibits

cc: Valde Guerra, County Executive Officer



IDALGO 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.

NDE GONZALEZ
JUDGE, 372ND 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.

Justice of the Peace Marcos Ochoa
Precinct 3, Place 2
Schedule of Bonds on Deposit
As of August 31, 2017

Year	Receipt Date	Receipt No.	Docket No.	Bond Amount
2015				
	9/10/2015	JP32-2015-00790	T10-5062MO	49.00
	9/10/2015	JP32-2015-00791	CR12-0118MO	417.00
	9/10/2015	JP32-2015-00792	T12-0778MO	49.00
	9/10/2015	JP32-2015-00794	T12-0719MO	49.00
	9/10/2015	JP32-2015-00795	T12-3863MO	15.90
	9/10/2015	JP32-2015-00796	T12-3889MO	20.00
	9/10/2015	JP32-2015-00797	T12-3864MO	49.00
	9/10/2015	JP32-2015-00798	T05-4273MO	58.00
	9/10/2015	JP32-2015-00799	—	135.10
	9/10/2015	JP32-2015-00800	—	244.00
	9/10/2015	JP32-2015-00801	—	202.15
	9/10/2015	JP32-2015-00802	—	155.10
	9/10/2015	JP32-2015-00803	T08-4691MO	167.00
	9/10/2015	JP32-2015-00804	MAG15-0087-J31	200.00
	9/10/2015	JP32-2015-00805	MAG15-0004-J32	167.00
	9/10/2015	JP32-2015-00806	MAG15-0020-J32	100.00
	9/10/2015	JP32-2015-00807	—	167.00
	12/11/2015	JP32-2015-02357	CRNT15-0077-J32	169.00
	12/11/2015	JP32-2015-02359	CRNT15-0078-J32	169.00
	12/11/2015	JP32-2015-02360	CRNT15-0079-J32	169.00
	12/11/2015	JP32-2015-02362	CRNT15-0080-J32	269.00
	12/11/2015	JP32-2015-02356	TR15-2485-J32	5.10
	12/11/2015	JP32-2015-02364	TR15-2488-J32	44.00
2016				
	10/20/2016	JP32-2016-07529	TR16-9466-J32	0.90
	11/8/2016	JP32-2016-07914	CRNT16-0204-J32	129.00
			Sub-total	<u>3,199.25</u>
			August 2015 jail payments that have been posted as bonds that have not been corrected as fines and fees (\$603.10)	603.10
			Total	<u><u>3,802.35</u></u>

Justice of the Peace Marcos Ochoa
Precinct 3, Place 2
Schedule of Bonds on Deposit
As of September 30, 2017

Year	Receipt Date	Receipt No.	Docket No.	Bond Amount
2015				
	9/10/2015	JP32-2015-00790	T10-5062MO	49.00
	9/10/2015	JP32-2015-00791	CR12-0118MO	417.00
	9/10/2015	JP32-2015-00792	T12-0778MO	49.00
	9/10/2015	JP32-2015-00794	T12-0719MO	49.00
	9/10/2015	JP32-2015-00795	T12-3863MO	15.90
	9/10/2015	JP32-2015-00796	T12-3889MO	20.00
	9/10/2015	JP32-2015-00797	T12-3864MO	49.00
	9/10/2015	JP32-2015-00798	T05-4273MO	58.00
	9/10/2015	JP32-2015-00799	—	135.10
	9/10/2015	JP32-2015-00800	—	244.00
	9/10/2015	JP32-2015-00801	—	202.15
	9/10/2015	JP32-2015-00802	—	155.10
	9/10/2015	JP32-2015-00803	T08-4691MO	167.00
	9/10/2015	JP32-2015-00804	MAG15-0087-J31	200.00
	9/10/2015	JP32-2015-00805	MAG15-0004-J32	167.00
	9/10/2015	JP32-2015-00806	MAG15-0020-J32	100.00
	9/10/2015	JP32-2015-00807	—	167.00
	12/11/2015	JP32-2015-02357	CRNT15-0077-J32	169.00
	12/11/2015	JP32-2015-02359	CRNT15-0078-J32	169.00
	12/11/2015	JP32-2015-02360	CRNT15-0079-J32	169.00
	12/11/2015	JP32-2015-02362	CRNT15-0080-J32	269.00
	12/11/2015	JP32-2015-02356	TR15-2485-J32	5.10
	12/11/2015	JP32-2015-02364	TR15-2488-J32	44.00
2016				
	10/20/2016	JP32-2016-07529	TR16-9466-J32	0.90
	11/8/2016	JP32-2016-07914	CRNT16-0204-J32	129.00
			Sub-total	<u>3,199.25</u>
				603.10
			Total	<u><u>3,802.35</u></u>

August 2015 jail payments that have been posted as bonds that have not been corrected as fines and fees (\$603.10)

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: August-17**

Judge: Marcos Ochoa
Precinct No. 3 Place No. 2

City: MISSION, TX
Hidalgo County, Texas

PBC

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED (Receipts #s) JP32-2017-06845 THRU JP32-2017-07877 \$ 157,842.78

X10-B

Sheriff's "D" Report (Receipt #s) _____ THRU _____

LESS: COST ON DEPOSIT _____ *37*

ADD: COST ON DEPOSIT LIQUIDATED _____ *37*

AMOUNT OWED TO COUNTY (Should Match Amt in Part III) \$ 157,842.78 *X3*

Less: Total amount of remittances to County Treasurer (From Part II)

Total funds due to County Treasurer (Overtransfer Made to Co Treas)

\$161,645.13
(3,802.35) *X4-0*
157,842.78
78

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	<u>\$157,842.78</u> - <i>B1</i>	
Add: Previous Month's Bond Overtransfer <i>Unliquidated Bonds</i>	<u>3,802.35</u>	
Add: HCSO Monthly "D" Collections Report	<u>\$0.00</u>	
Total Remittances Made to County Treasurer	<u>\$161,645.13</u> - <i>78</i>	

PREPARED BY: _____ DATE PREPARED: 9-8-17

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

Marcos Ochoa 9-8-17
JUSTICE OF THE PEACE DATE

THIS REPORT IS DUE IN THE OFFICE OF THE COUNTY AUDITOR BEFORE THE FIFTH (5TH) DAY OF THE FOLLOWING MONTH (LGC § 114.001).
COUNTY AUDITOR'S FORM: RE-JP-004 REVISED: 9-15

RECEIVED

SEP 13 2017

Hidalgo County
Auditor's Office

HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: *COA*
DATE: 10/11/17

X2

JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-17

Judge: Marcos Ochoa
Precinct No. 3 Place No. 2

City: MISSION, TX
Hidalgo County, Texas

PBC

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED (Receipts #s) JP32-2017-07878 THRU JP32-2017-08628 \$ 129,643.03 *X10-B*

Sheriff's "D" Report (Receipt #s) _____ THRU _____

LESS: COST ON DEPOSIT _____

ADD: COST ON DEPOSIT LIQUIDATED _____

AMOUNT OWED TO COUNTY (Should Match Amt in Part III) \$ 129,643.03 *X3*

Less: Total amount of remittances to County Treasurer (From Part II) \$133,445.38

Total funds due to County Treasurer (Overtransfer Made to Co Treas) (3,802.35) *X4-R*
129,643.03
PA

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	<u>129,643.03 -</u>	<i>B1</i>
Add: Previous Month's Bond Overtransfer <i>Unliquidated Bonds</i>	<u>3,802.35</u>	
Add: HCSO Monthly "D" Collections Report	<u>00.00</u>	
Total Remittances Made to County Treasurer	<u>133,445.38 -</u>	

PREPARED BY: [Signature] DATE PREPARED: 10/10/17

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

HIDALGO COUNTY AUDITOR'S OFFICE

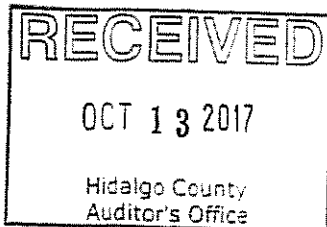
APPROVED BY: [Signature]
DATE: 10/25/17

[Signature] 10/10/17
JUSTICE OF THE PEACE DATE

THIS REPORT IS DUE IN THE OFFICE OF THE COUNTY AUDITOR BEFORE THE FIFTH (5TH) DAY OF THE FOLLOWING MONTH (LGC § 114.001)

COUNTY AUDITOR'S FORM: RE -JP-004

REVISED: 9.15



X2

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-17**

Judge: Marcos Ochoa
Precinct No. 3 Place No. 2

City: MISSION, TX
Hidalgo County, Texas

PBC

Part III: SUMMARY OF COLLECTIONS PAYABLE TO THE COUNTY TREASURER

Name of Fine, Fee, Court Cost	# Issued/ Filed	Statute Reference	Detail of Amt Collected	GL Acct No.	Amt. Collected
FINES:					
County Fines (Local Fine)		LGC 115.004, PC 12.23		1200-351-10-066-000-0-000	5 41,081.52
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	255.00
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (g)		1100-207-20-000-028-0-000	550.00
Gross Weight 50% Fine (State Fine)		TRC Sec 621.506 (g)		1100-207-20-000-013-0-000	-
School District 50% Fines		Educ. Code § 25.093 (2) (A)		1100-207-30-000-009-0-000	0.00 40.00
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	2,037.00
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-066-000-0-000	674.01
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.017a		1242-341-10-060-000-0-000	2,700.00
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (a)		1100-341-10-060-001-0-000	18.00
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 133.103 (a)		1100-341-10-060-002-0-000	2.50
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	1,366.00
Motor Vehicle Adm. Fee (\$10-\$20) (Special Fee for Dep. Cl., Dep. Sup. Conv., Dep. Mv. Reg.)		TRC Sec 544.095, 521.026, 502.407		1100-341-10-060-004-0-000	40.00
Special Fees				1100-341-10-066-000-0-000	1,123.60 1,123.60
Deferred Disposition		C.C.P. Art. 45.051	1,123.60	M	
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(b)	1,123.60	M	
Support of Judiciary Fund (\$ 60)		LGC 133.105		1100-341-10-060-009-0-000	403.91
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-066-000-0-000	1,242.00
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (a)		1100-341-10-060-011-0-000	139.00
Failure to Appear (\$4)		TRC 706.006/TRC 706.007(d)(2)		1100-341-10-060-012-0-000	112.00
Scofflaw Fee (\$20)		TRC 502.010(a)		1100-341-10-140-049-0-000	4,740.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.013		1100-341-10-060-013-0-000	652.00
STATE COURT COSTS AND FEES:					
Criminal Justice Planning Fund C.C.P. (\$5)		C.C.P. Art. 102.051		1100-207-20-000-003-0-000	10.00
State General Revenue Fund (\$2.50)		C.C.P. Art. 102.015		1100-207-20-000-010-0-000	5.00
Law Enforcement Education Fund (____ \$1, ____ \$1.50, ____ \$3.00)		Govt. Code Sec. 416.002		1100-207-20-000-011-0-000	7.00
Operators and Chauffeurs License Fund (\$75)		T.A.C. 601.192		1100-207-20-000-031-0-000	75.00
Time Payment - @50% OF \$25.00 (\$12.50)		LGC 133.103 (b)		1100-207-20-000-005-0-000	12.50
Juvenile Crime and Delinquency Fund (____ \$25, ____ \$50)		C.C.P. Art. 102.075(m)		1100-207-20-000-007-0-000	1.50
Comprehensive Rehabilitation Fund (\$5)		C.C.P. Art. 102.082		1100-207-20-000-008-0-000	5.00
Fugitive Apprehension Fund (\$5)		C.C.P. Art. 102.019 (a) 2		1100-207-20-000-009-0-000	25.00
Consolidated Court Costs Fund (\$17)		CCP 102.073 (a) 3; LGC 133.102		1100-207-20-000-015-0-000	27,005.03
Compensation Victims Of Crime Fund (____ \$3, ____ \$5, ____ \$15, ____ \$35)		C.C.P. Art. 56.59 (d) & (e)		1100-207-20-000-017-0-000	165.00
Judicial & Court Personnel Training Fund (____ \$1, ____ \$2)		Govt. Code Sec. 56.001 (b)		1100-207-20-000-027-0-000	9.00
Correctional Management Institute of Texas Fund (5 \$0)		CCP Art. 102.075		1100-207-20-000-029-0-000	0.50
Indigent legal Services Fee-JP (\$6)	39	Govt. Code Sec. 191.141(2)(B)		1100-207-20-000-004-0-000	234.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	12,270.00
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	2,692.00
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-034-0-000	3,632.21
Birth Certificate Fee (\$1.80)	0	HSC 191.002(f)		1100-207-20-000-039-0-000	-
Defensive Driving Record Fee (\$12)		C.C.P. Art. 45.0511 (a-1)		1100-207-20-000-037-0-000	-
Indigent Defense Representation Fund (\$2)		LGC 133.107 CC 132.025		1100-207-20-000-050-0-000	1,346.01
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022.CC		1100-207-20-000-061-0-000	52.51
Safety Seat Violation Fee (\$0.15)		TRC 545.412 (a-1)		1100-207-20-000-062-0-000	-
Failure to Appear (\$20)		TRC 706.006/TRC 706.007(d)(2)		1100-207-20-000-066-0-000	510.00
Electronic Filing Fee - Civil (\$10)		CC 101.1411.CC 51.851		1100-207-20-000-070-0-000	390.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.013		1100-207-20-000-073-0-000	652.00
Texas Home Visiting Program Contribution (\$5)		HSC 191.0048; LGC 118.018 (a)		1100-207-20-000-074-0-000	-
ARREST WARRANT FEES: STATE COURT-Civil	34	C.C.P. Art. 102.011		1100-207-20-000-075-0-000	195.00
D.P.S. (____ \$1, ____ \$5, ____ \$35, ____ \$50)				1100-207-20-000-019-0-000	3,564.00 3,210.00
T.A.B.C. (____ \$1, ____ \$5, ____ \$35, ____ \$50)				1100-207-20-000-020-0-000	-
P.K.W.I. (____ \$1, ____ \$5, ____ \$35, ____ \$50)				1100-207-20-000-021-0-000	10.00
ARREST WARRANT SERVICE FEES: COUNTY CLERK'S OFFICE		LGC 118.121			
Sheriff Fees:				1100-342-10-060-001-0-000	75.00
Constable Fees:					
Precinct #1				1100-342-10-291-000-0-000	-
Precinct #2				1100-342-10-292-000-0-000	75.00
Precinct #3				1100-342-10-293-000-0-000	5,995.00 5,995.00
Precinct #4				1100-342-10-294-000-0-000	150.00
Precinct #5				1100-342-10-295-000-0-000	-
District Attorney Fees				1100-341-10-060-007-0-000	-
Tax Assessor Fraud Investigators				1100-342-10-060-002-0-000	-
School District Arrest Fee				1100-342-10-060-003-0-000	-
Fire Marshal Fee				1100-342-20-060-001-0-000	-
Due to Others: <i>Quinnway Fees</i>				1100-207-20-000-076-0-000	10,097.80
Warrant Fees Out of County Service Fees (70% Law Enforcement Agencies)		C.C.P. Art. 102.011 (a) 2 (A)		1100-207-30-000-003-0-000	-
Due to Others- Refund-Overpayments				1100-202-00-000-012-0-000	71.51 250.00
Due to Others				1100-202-00-000-012-0-000	6,000.00 60.00
Restitution				1100-202-00-000-012-0-000	-
Failure to Appear- OmniBase (\$6)		TRC 706.006/TRC 706.007(d)(2)		1100-202-00-000-019-0-000	105.00 105.00
Justice Fees (Local Fees)				1100-341-10-060-001-0-000	1,017.00 7,120.00
Small Claims Court Filing Fee (\$25)		LGC 118.121, 118.122			
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121, 118.122	975.00	M	
Landlord & Tenant Eviction Filing Fee (Forfeible Entry & Detainer Court) (\$25)		LGC 118.121, 118.122	-	M	
Transcript Fees (\$10)		LGC 118.121, 118.123 (b)	-	M	
Abstract Fees (\$5)		LGC 118.121, 118.123 (c)	-	M	
Writ Filing Fee (\$5)		LGC 118.121, 118.123 (d)	40.00	M	
Issuing other Document (\$1 1st pg, .25 for each add'l pg)		LGC 118.121, 118.123 (e)	2.00	M	
Certified Copies of Court Papers (\$2 1st pg, .25 for each add'l pg)		LGC 118.121	-	M	
Probable Cause Tow Hearing Fee (\$20)		LGC 101.141 (a)	0.00	M	
Birth Certificates (\$22 each \$9.20 local)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	-
Death Certificates (\$20 each, each add'l \$3)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	-
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045 (h) Rules of Civil Proc., Rule 504.1(b) CCP 102.004		1100-341-10-060-008-0-000	0.00 260.00
Jury Fees (Civil \$22, Criminal \$3)				1100-341-10-060-006-0-000	-

TOTAL AMOUNT DUE TO THE COUNTY TREASURER:

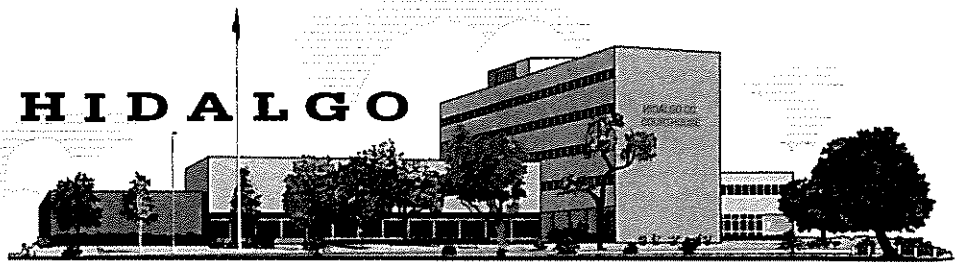
3,149,643.00
7,120.00

RECEIVED
OCT 13 2017
Hidalgo County Auditor's Office

X1 X2; X10-B
X3

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

November 14, 2017

The Honorable Charlie Espinoza
Hidalgo County Justice of the Peace Pct. 4, Pl. 1
212 N. 12th Avenue
Edinburg, Texas 78541

Ref: Review of *Monthly Fines and Fees Report* and Supporting Documentation
For the months of August 2017 and September 2017

Dear Judge Espinoza:

We have conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the months of August 2017 and September 2017 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 fines, fees, and court costs 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 months of August 2017 and September 2017. 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 fines, fees, and court cost statutes, the *Monthly Report*, and fee schedules. 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 100% of receipts with an offense date prior to December 31, 2007 and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs were allocated and reported in the proper amounts and verified whether any adjustments were made.
- Verified that procedures for voided receipts were properly followed.

HIDALGO COUNTY DISTRICT JUDGES

LUIE 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, 39TH D.C.

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

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

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

- Verified that collections per the *Monthly Report* agreed to: 1.) total receipts issued per *Odyssey's* Receipt Journal Report, 2.) total collections per *Odyssey's* Fee Distribution Reports, 3.) total deposits made with the County Treasurer, and 4.) total deposits posted to *alio's* Undistributed Receipts general ledger account.
- Selected all cases in which defendants satisfied outstanding fines, fees, and court costs by making cash payments and serving time at the Hidalgo County jail and randomly selected cases in which defendants satisfied outstanding fines, fees, and court costs by serving time in the Hidalgo County jail to determine if: 1.) the warrant was recalled; 2.) the cash payment and/or jail time credit was applied to the case; 3.) the case was closed; and 4.) the Sheriff's "Discharge" receipt number was referenced on the case.
- Verified the sequence of receipts per the *Monthly Report* agreed to *Odyssey's* Receipt Journal Report. In addition, verified that receipts followed sequential order.
- Compared the Hamer Enterprises Credit Card Payment Reports to *Odyssey's* Daily Balance Report and *alio's* Undistributed Receipts general ledger account to ensure all credit card transactions were timely receipted by the Justice of the Peace and County Treasurer's Office.
- Reviewed *Cashier's Daily Close-Out Reports* (Close-Out Reports) and County Treasurer receipts to determine if fees collected were properly accounted and deposited with the County Treasurer on a daily basis.
- Reviewed receipts issued, Close-Out Reports, *Schedule of Receipts and Deposits* form, mail logs, Office of Court Administration's "Official Justice of the Peace Monthly Report" (OCA Report), and the *Monthly Report*, among other reports, to verify proper completion.
- Verified if cash bonds posted by the defendants who failed to appear before the Justice of the Peace were forfeited (liquidated) by the 10th workday following the date of release from jail.

Conclusion:

Total collections for the months of August 2017 and September 2017 were \$157,685.66 and \$128,041.08, respectively. 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 requires improvement as noted in the following observations.

Observation No. 1:

We reviewed a sample of receipts issued in August 2017 and September 2017 (100% of receipts with an offense date of December 31, 2007 and prior and 10% of receipts with an offense date of January 1, 2008 and after) to determine if fines, fees, and court costs collected were properly allocated and reported.

The results of our review revealed that 3 receipts in August 2017 and 5 receipts in September 2017 contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was made aware of the required adjustments (see Exhibit A); however, the adjustments have not been completed. In addition, adjustments for the months of October 2015 (1); August 2016 (1); September 2016 (2); October 2016 (5); November 2016 (5); December 2016 (2); April 2017 (4), May 2017 (4), June 2017 (3), and July 2017 (8) are still pending to be completed. According to staff, attempts to check the fines, fees, and court costs prior to taking in a payment are being made and will continue to be made.

There are numerous statutes that require Justices of the Peace to charge various fines, fees, and court costs for certain services and offenses. Fines, fees, and court costs must be allocated pursuant to State statutes and/or Commissioners Court approval. In addition, the County Auditor's Office requires that adjustments be made within three days of receiving them.

The County may be held liable to the State for failure to properly allocate and report fines, fees, and court costs.

Recommendation:

Management should ensure that all pending adjustments are completed. In addition, management should ensure that fines, fees, and court costs are properly allocated and reported. At a minimum, the following procedures should be implemented:

- Staff should be provided with training regarding the proper allocation of fines, fees, and court costs.
- Staff should review the allocation of fines, fees, and court costs before the official County receipt is issued.
- Access for setting up offense codes with the proper fines, fees, and court costs in *Odyssey* should be limited to staff with adequate knowledge of the applicable allocation.

HIDALGO COUNTY DISTRICT JUDGES

- Staff should ensure that the proper fines, fees, and court costs allocation, offense date, and judgment date are entered when a case is setup in *Odyssey*.
- Staff should ensure that adjustments are entered into *Odyssey* within three days of receiving them.

Observation No. 2:

A mail log was not utilized to record payments received through the mail. According to staff, since the mail is received and opened by the Justice of the Peace, staff does not have the ability to create a mail log. The Justice of the Peace subsequently distributes payments received through the mail to staff for receipting purposes.

The County Auditor's Office requires that mail be opened and 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 mail-in payments are recorded on a mail log increases the risk that payments could be lost or misappropriated without detection.

Recommendation:

Management should ensure that a daily mail log is maintained 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 payments received through the mail.

Observation No. 3:

Copies of the Office of Court Administration "Official Justice of the Peace Monthly Reports" (OCA Reports) for the months of February 2013, September 2013, May 2014, and September 2014 through September 2017 have not been filed with the County Auditor's Office. In addition, an incorrect copy of the OCA Report for the month of January 2014 was filed with the County Auditor's Office. According to the Justice of the Peace staff, copies of the OCA Reports cannot be generated due to programming errors in *Odyssey*. The assistance of the Information Technology Department has been requested for generating the reports.

Local Government Code §112.002 (a) authorizes the county auditor to prescribe the system of accounting for the county. Local Government Code §112.002 (b) states that "the county auditor may adopt and enforce regulations, not inconsistent with law or with a rule adopted under Section 112.003, that the auditor considers necessary for the speedy and proper collecting, checking, and accounting of the revenues and other funds and fees that belong to the county or to a person for whom a district clerk, district attorney, county officer, or precinct officer has made a collection or for whose use or benefit the officer holds or has received funds." Pursuant to Local Government Code §112.002 (a) and (b), the County Auditor requires the submittal of properly completed reports (i.e., *Monthly Report*, copy of the OCA Report, *Schedule of Receipts and Deposits* form, Cash Disbursement Journal, etc.) for checking and properly accounting of funds collected by the Justice of the Peace Offices.

Failure to ensure that properly completed OCA Reports are filed with the County Auditor's Office may result in improper reporting to the State.

Recommendation:

Management should ensure that properly completed OCA Reports are filed with the County Auditor's Office within five days after the last day of each month. In addition, the continued assistance of the Information Technology Department should be requested until the problem has been resolved.

Observation No. 4:

We noted during our review that a \$400.00 appeal bond received for docket number E12-09-880 on May 3, 2013 has not been forwarded to the County Clerk or refunded to the defendant. According to the notes in the County Clerk's docket, County Court-At-Law No. 4 issued a judgment nisi on June 9, 2014 on the case related to the appeal bond received on May 3, 2013. A judgment nisi is a judgment that is not final or absolute. A judgment nisi is an intermediate judgment which will become final unless a party appeals or formally requests the court to set it aside.

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, 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.

Code of Criminal Procedure Article 44.16 states, "If the defendant is not in custody, a notice of appeal shall have no effect until the required appeal bond has been given and approved. The appeal bond shall be given within ten days after the sentence of the court has been rendered." Code of Criminal Procedure Article 44.18 states, "In appeals from justice and corporation courts, all the original papers in the case, together with the appeal bond, if any, and together, with a certified transcript of all the proceedings had in the case before such court shall be delivered without delay to the clerk of the court to which the appeal was taken, who shall file the same and docket the case."

Failure to ensure that court action is taken in a timely manner for cases in which an appeal bond was posted may result in the improper accounting of appeal bonds.

Recommendation:

Management should contact the County Clerk's Office to determine if the appeal bond needs to be forwarded to the County Clerk's Office or refunded to the defendant.

Observation No. 5:

We noted during our review that 5 cash bonds posted by defendants who failed to appear before the Justice of the Peace were not forfeited (liquidated) by the 10th workday following the date of their release from jail (see Exhibit B). According to the Justice of the Peace staff, the bonds were not forfeited due to complications encountered with *Odyssey*. Assistance has been requested from the Information Technology Department to resolve the issues.

Code of Criminal Procedure Article 45.044 (a)(2) states, "A justice or judge may enter a judgment of conviction and forfeit a cash bond posted by the defendant in satisfaction of the defendant's fine and cost if the defendant fails to appear according to the terms of the defendant's release." Pursuant to the terms of the cash bond, the defendant must appear before the Justice of the Peace by the 10th workday following the date of their release from jail. If the defendant fails to appear, the Justice of the Peace may declare the cash bond forfeited, enter a judgment of guilty, assess a fine, and apply the cash bond to the payment of the imposed judgment.

Failure to ensure that bonds are liquidated in a timely manner may result in the misuse of County funds.

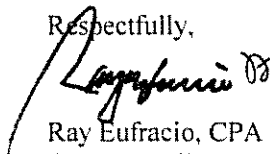
Recommendation:

Management should ensure that cash bonds are liquidated in a timely manner. In addition, the continued assistance from the Information Technology Department should be requested until the problem has been resolved.

Please provide written management responses to the observations noted above by November 30, 2017.

If you have any questions or would like to schedule a meeting to discuss the above noted observations, please contact Edgar Alan Escobedo, Internal Auditor I, at 318-2511 ext. 4655, 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: Copies of *Monthly Report* and Exhibits

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, 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, 373TH 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.

Justice of the Peace Charlie Espinoza
Precinct 4, Place 1
Schedule of Bonds on Deposit
As of August 31, 2017

Year	Receipt Date	Receipt No.	Docket No.	Bond Amount
2013				
	5/3/2013		E12-09-880	400.00
2015				
	9/1/2015	JP41-2015-00734	-	3.00
	9/9/2015	JP41-2015-00859	TR15-0671-J41	155.00
	11/23/2015	JP41-2015-02494	TR15-1687-J41	155.00
2016				
	1/26/2016	JP41-2016-00733	-	200.00
	3/28/2016	JP41-2016-03636	TR16-1985-J41	155.00
			Total	1,068.00

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: August-17**

Judge: **CHARLIE ESPINOZA**
Precinct No. **4** Place No. **1**

PBC

City: **EDINBURG, TX**
Hidalgo County, Texas

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED (Receipts #s) JP41-2017-07229 THRU JP41-2017-08377 \$ 157,685.66

x9-a.

LESS: COST ON DEPOSIT

0.00 x7

ADD: COST ON DEPOSIT LIQUIDATED

0.00 +67.00 x7

AMOUNT OWED TO COUNTY (Should Match Amt in Part III)

157,685.66
\$ 157,852.00 x3

Less: Total amount of remittances to County Treasurer (From Part II)

160,027.66
\$ 157,685.66

Total funds due to County Treasurer (Overtransfer Made to Co Treas.)

167.00
(2,342.00) x4-a15

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	RECEIPT NO.
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ 157,685.66	
Add: Previous Month's Bond Overtransfer (2013, 2015, 2016)	1,068.00	
Add: HCSO Monthly "D" Collections Report (July 2015)	1,274.00	
Total Remittances Made to County Treasurer	\$ <u>157,685.66</u>	

PREPARED BY: *Alvin Ray*

DATE: 9/7/17

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

AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: ell 9/27/2017

Charlie Espinoza 9-7-17
JUSTICE OF THE PEACE DATE

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: August-17**

Judge: CHARLIE ESPINOZA
Precinct No. 4 Place No. 1

PBC

City: EDINBURG, TX
Hidalgo County, Texas

Part III: SUMMARY OF COLLECTIONS PAYABLE TO THE COUNTY TREASURER

PAGE 2 OF 2

Name of Fine, Fee, Court Cost	# Issued/ Filed	Statute Reference	Detail of Amt Collected	GL Acct No.	Amt. Collected
FINES:					
County Fines (Local Fine)		LGC 113.004, PC 12.23		1100-351-10-067-000-0-000	46821.82
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	332.35
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (j)		1100-207-20-000-025-0-000	350.00
Gross Weight 50% Fine (State Fine)		TRC Sec 621.506 (g)		1100-207-20-000-013-0-000	-
School District 50% Fines		Educ. Code § 25.093 (d) 1 (A)		1100-207-30-000-018-0-000	-
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee(\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	2,105.80
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1243-341-10-067-000-0-000	694.97
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	2,303.70
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	95.04
Time Payment - @10% OF \$25.00 (\$2.50)		LGC 133.103 (e)		1100-341-10-060-002-0-000	24.76
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	1,580.00
Motor Vehicle Adm. Fee(\$10-\$20) (Domestic Fee Not Exp. Cl. Exp. Imp. Conv. Exp. Mv Reg.)		TRC Sec 548.605, 571.025, 502.407		1100-341-10-060-004-0-000	220.00
Special Fees				1100-341-10-067-000-0-000	2,754.76
Deferred Disposition			2,494.76		
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051			
Support of Judiciary Fund (\$ 60)		C.C.P. Art. 45.051(D)	260.00		
Traffic Fee (\$3)		LGC 133.105		1100-341-10-060-009-0-000	417.58
Child Safety (\$20-\$25)		T.R.C. 542.403		1100-341-10-067-000-0-000	1,016.49
Failure to Appear (\$4)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	25.00
Scofflaw Fee (\$20)		TRC 706.006/TRC 706.007(d)(2)		1100-341-10-060-012-0-000	(H.00)
Traffic Prevention and Diversion Fund (\$1)		TRC 502.010(a)		1100-341-10-140-049-0-000	3,999.68
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	647.94
STATE COURT COSTS AND FEES:					
Criminal Justice Planning Fund C.C.P. (\$5)		C.C.P. Art. 102.051		1100-207-20-000-003-0-000	0.00
State General Revenue Fund (\$2.50)		C.C.P. Art. 102.015		1100-207-20-000-010-0-000	-
Law Enforcement Education Fund (___\$1, ___\$1.50, ___\$3.50)		Govt. Code Sec. 415.082		1100-207-20-000-011-0-000	0.00
Operators and Chauffeurs License Fund (\$75)		T.R.C. 601.192		1100-207-20-000-031-0-000	-
Time Payment - @50% OF \$25.00 (\$12.50)		LGC 133.103 (b)		1100-207-20-000-005-0-000	123.80
Juvenile Crime and Delinquency Fund (___\$25, ___\$50)		C.C.P. Art. 102.075(m)		1100-207-20-000-007-0-000	0.00
Comprehensive Rehabilitation Fund (\$5)		C.C.P. Art. 102.082		1100-207-20-000-008-0-000	-
Fugitive Apprehension Fund (\$5)		C.C.P. Art. 102.019 (a) 2		1100-207-20-000-009-0-000	0.00
Consolidated Court Costs Fund (\$17)		CCP 102.075 (a) 3/ LGC 133.102		1100-207-20-000-015-0-000	2,003.73
Compensation Victims Of Crime Fund (___\$3, ___\$5, ___\$15, ___\$3)		C.C.P. Art. 56.55 (2) & (3)		1100-207-20-000-017-0-000	0.00
Judicial & Court Personnel Training Fund (___\$1, ___\$2)		Govt. Code Sec. 36.001 (b)		1100-207-20-000-027-0-000	0.00
Correctional Management Institute of Texas Fund (\$50)		CCP Art. 102.075		1100-207-20-000-029-0-000	-
Indigent Legal Services Fee-JP (\$6)		Govt. Code Sec. 101.141(2) (B)		1100-207-20-000-004-0-000	1,723.00
State Traffic Fee- Subtitle C (\$30)	288	TRC Sec 542.4031		1100-207-20-000-035-0-000	10,134.84
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	2,783.70
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	3,745.94
Birth Certificate Fee (\$1.80)		HSC 191.023(i)		1100-207-20-000-039-0-000	-
Defensive Driving Record Fee (\$12)		C.C.P. Art. 45.0511 (c-1)		1100-207-20-000-057-0-000	-
Indigent Defense Representation Fund		LGC 133.107(GC 101.02)		1100-207-20-000-059-0-000	1,378.90
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022(GC		1100-207-20-000-061-0-000	\$3.30
Safety Seat Violation Fee (\$0.15)		TRC 545.412 (h-1)		1100-207-20-000-062-0-000	0.45
Failure to Appear (\$20)		TRC 706.006/TRC 706.007(d)(2)		1100-207-20-000-066-0-000	(20.00)
Electronic Filing Fee - Civil (\$10)		GC 101.141(GC §1.551		1100-207-20-000-070-0-000	2,880.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	648.94
Texas Home Visiting Program Contribution (\$5)		HSC 191.0048(LGC 118.018 (c)		1100-207-20-000-074-0-000	-
ARREST/WARRANT FEES: STATE					
D.P.S. (___\$3, ___\$5, ___\$35, ___\$50)		C.C.P. Art. 102.011		1100-207-20-000-019-0-000	3100.80
T.A.B.C. (___\$3, ___\$5, ___\$35, ___\$50)				1100-207-20-000-020-0-000	-
P.K.W.I. (___\$3, ___\$5, ___\$35, ___\$50)				1100-207-20-000-021-0-000	25.75
Texas Comptroller's Criminal Investigators				1100-207-20-000-060-0-000	-
ARREST/WARRANT/SERVICE FEES: COUNTY					
Sheriff Fees:		LGC 118.131			214.76
Constable Fees:				1100-342-10-060-001-0-000	209.76
Precinct #1				1100-342-10-291-000-0-000	450.00
Precinct #2				1100-342-10-292-000-0-000	300.00
Precinct #3				1100-342-10-293-000-0-000	75.00
Precinct #4				1100-342-10-294-000-0-000	17,967.84
Precinct #5				1100-342-10-295-000-0-000	-
District Attorney Fees				1100-341-10-060-007-0-000	-
Tax Assessor Fraud Investigators				1100-342-10-060-002-0-000	-
School District Arrest Fee				1100-342-10-060-003-0-000	-
Fire Marshal Fee				1100-342-20-060-001-0-000	-
Due to Others					
Warrant Fees-Out of County Service Fee(DTO: Law Enforcement Agencies		C.C.P. Art. 102.011 (4) 2 (A)		1100-207-30-000-003-0-000	-
Refund - Overpayments				1100-202-00-000-013-0-000	42.90
Due to Others				1100-202-00-000-013-0-000	-
Restitution				1100-202-00-000-013-0-000	-
Failure to Appear- OmniBase (\$6)		TRC 706.006/TRC 706.007(d)(2)		1100-202-00-000-019-0-000	(6.00)
Delinquent Attorney Fee				1100-202-00-000-004-0-000	12,689.12
Justice Fees (Local Fees)				1100-341-10-060-001-0-000	7,419.00
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122			
Debt Claim Fee/Justice Court Filing Fee(\$25)		LGC 118.121/118.122	7,200.00		
Landlord & Tenant Eviction Filing Fee/Forensic Entry & Detainer Court(\$25)		LGC 118.121/118.122			
Transcript Fees (\$10)		LGC 118.121/118.123 (b)			
Abstract Fees (\$5)		LGC 118.121/118.123 (c)	115.00		
Writ Filing Fee (\$5)		LGC 118.121/118.123 (d)	95.00		
Issuing other Document (\$1 1st pg., .25 for each add'l pg)		LGC 118.121/118.123 (e)	9.00		
Certified Copy of Court Papers (\$2 1st pg., .25 for each add'l pg)		LGC 118.121			
Probable Cause Tow Hearing Fee (\$20)		LGC 101.141(a)4			
Birth Certificates (\$22 each \$9.20 local)		HSC 191.0045 (D)(4)		1100-341-10-060-001-0-000	-
Death Certificates (\$20 each, each add'l \$3)		HSC 191.0045 (D)(4)		1100-341-10-060-001-0-000	-
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045 (b)		1100-341-10-060-008-0-000	-
Jury Fees (Civil \$22, Criminal \$3)		Rules of Civil Proc., Rule 504.1(b) CCP 102.004		1100-341-10-060-006-0-000	22.00

**AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: 8/27/2017**

TOTAL AMOUNT DUE TO THE COUNTY TREASURER: \$ 157,685.66

THIS REPORT IS DUE IN THE OFFICE OF THE COUNTY AUDITOR BEFORE THE FIFTH (5TH) DAY OF THE FOLLOWING MONTH (LGC § 114.001).
COUNTY AUDITOR'S FORM: RE -JP-004 REVISED 2/2014

X1; X2

Justice of the Peace Charlie Espinoza
 Schedule of Adjustments
 For the Month Ended August 31, 2017

Receipt Number	Case Number	Date	Offense	Off date	Disposition Date	ARREST	CCC	CHS	CHSIP	CIP	CO	CVCA	DEL	DPSr	FA	IDBF	JCD	JCPT	JSE	LEMI	LTF	MAVF	SCOF	SIFC	SIFS	SIF	TP	TCCO	TPDC	TPDS	TPST	UTFC	WAR	TOTAL
<p>This case has a negative balance. Ensure that Stopflow, Time Payment and Warrant fee are assessed correctly. Furthermore, Delinquent fee was under assessed \$36.70. If approved by the Justice of Peace to be refunded, please contact the Auditor's Office for instructions.</p>																																		
JP41-2017-07503	TR16-3777	8/8/2017	stop sign	5/31/2016	6/21/2016								28.63								4		19.68				2.46	9.84			12.3		49.39	126.1
<p>Delinquent was under assessed \$0.23. If approved by the Justice of Peace to be refunded, please contact the Auditor's Office for instructions.</p>																																		
JP41-2017-07695	TR16-5347	8/14/2017	speeding	9/4/2016	8/14/2017		40	3	1		153.9		99	5		2		4	4		2	0.1	20	0.6	5.4	30		1	1		3	50	430	
<p>Based on offense, CCC, CIP, CVCA, FA, JCD, JCPT, and LEMI should NOT be assessed. Furthermore, Arrest Fee code should NOT be used. Please assess arrest fee to the proper law enforcement agency.</p>																																		
JP41-2017-07595	E98-11-446	8/10/2017	illegally parked	11/9/1998	8/10/2017	5	17	3		5	21.5	15			5		0.25	1		0.5			20							3		96.25		

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-17**

Judge: **CHARLIE ESPINOZA**
Precinct No. **4** Place No. **1**

PBC

City: **EDINBURG, TX**
Hidalgo County, Texas

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED (Receipts #s) JP41-2017-08378 THRU JP41-2017-09362 \$ 128,041.08 *x 9-a*

LESS: COST ON DEPOSIT 0.00 *x 7*

ADD: COST ON DEPOSIT LIQUIDATED 0.00 *x 7*

AMOUNT OWED TO COUNTY (Should Match Amt in Part III)

\$ 128,041.08

Less: Total amount of remittances to County Treasurer (From Part II)

(130,383.08)
~~\$ 128,041.08~~

Total funds due to County Treasurer (Overtransfer Made to Co Treas.)

(2,342.00) *x 7-a, 13*

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	RECEIPT NO.
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ 128,041.08 <i>B1</i>	
Add: Previous Month's Bond Overtransfer <i>(2013, 2015, 2016)</i>	<u>1068.00</u>	
Add: HCSO Monthly "D" Collections Report <i>(July 2015)</i>	<u>1274.00</u>	
	<u>130,383.08</u>	
Total Remittances Made to County Treasurer	\$ 128,041.08	

PREPARED BY: *Anna Poy*

DATE: *10/17/17*

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

AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: *eu 10/25/2017*

[Signature] *10-18-17*
JUSTICE OF THE PEACE DATE

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-17**

Judge: **CHARLIE ESPINOZA**
Precinct No. **4** Place No. **1**

City: **EDINBURG, TX**
Hidalgo County, Texas

PBC

Part III - SUMMARY OF COLLECTIONS PAYABLE TO THE COUNTY TREASURER

PAGE 2 OF 2

Name of Fine, Fee, Court Cost	# Issued/ Filed	Statute Reference	Detail of Am Collected	GL Acct No.	Am't Collected
FINES:					
County Fines (Local Fine)		LGC 113.004, PC 12.23		1200-351-10-067-000-0-000	36936.94
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	654.50
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (f)		1100-207-20-000-028-0-000	437.55
Gross Weight 50% Fine (State Fine)		TRC Sec 621.506 (g)		1100-207-20-000-013-0-000	-
School District 50% Fines		Educ. Code § 28.093 (d) 1 (A)		1100-207-30-000-010-0-000	-
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee(\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	1,711.06
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-067-000-0-000	564.33
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	2281.40
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	186.30
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 133.103 (c)		1100-341-10-060-002-0-000	46.70
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	1,334.00
Motor Vehicle Adm. Fee(\$10-\$20) (Minimum Fee for Exp. DL, Exp. Insp. Cert, Exp. Mv. Reg.)		TRC Sec 548.605, 521.026, 502.407		1100-341-10-060-004-0-000	110.00
Special Fees				1100-341-10-067-000-0-000	2,231.01
Deferred Disposition		C.C.P. Art. 45.051	2,071.01		
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.0511(f)	160.00		
Support of Judiciary Fund (\$.60)		LGC 133.105		1100-341-10-060-009-0-000	339.22
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-067-000-0-000	796.37
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	109.59
Failure to Appear (\$4)		TRC 706.006/TRC 706.007(d)(2)		1100-341-10-060-012-0-000	-
Scofflaw Fee (\$20)		TRC 502.010(a)		1100-341-10-140-049-0-000	3,100.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	509.36
STATE COURT COSTS AND FEES:					
Criminal Justice Planning Fund C.C.P. (\$5)		C.C.P. Art. 102.051		1100-207-20-000-003-0-000	0.00
State General Revenue Fund (\$2.50)		C.C.P. Art. 102.015		1100-207-20-000-010-0-000	-
Law Enforcement Education Fund (\$1, \$1.50, \$3.50)		Govt. Code Sec. 415.082		1100-207-20-000-011-0-000	0.00
Operators and Chauffeurs License Fund (\$75)		T.R.C. 601.192		1100-207-20-000-031-0-000	-
Time Payment - @50% OF \$25.00 (\$12.50)		LGC 133.103 (b)		1100-207-20-000-005-0-000	233.50
Juvenile Crime and Delinquency Fund (\$2.25, \$5.00)		C.C.P. Art. 102.075(m)		1100-207-20-000-007-0-000	1.00
Comprehensive Rehabilitation Fund (\$5)		C.C.P. Art. 102.082		1100-207-20-000-008-0-000	-
Fugitive Apprehension Fund (\$5)		C.C.P. Art. 102.019 (a) 2		1100-207-20-000-009-0-000	10.00
Consolidated Court Costs Fund (\$17)		CCP 102.075 (a) 1/ LGC 133.102		1100-207-20-000-015-0-000	2765.16
Compensation Victims Of Crime Fund (\$3, \$5, \$15, \$3)		C.C.P. Art. 56.55 (2) & (3)		1100-207-20-000-017-0-000	20.00
Judicial & Court Personnel Training Fund (\$1, \$2)		Govt. Code Sec. 56.001 (b)		1100-207-20-000-027-0-000	20.00
Correctional Management Institute of Texas Fund (\$.50)		CCP Art. 102.075		1100-207-20-000-029-0-000	1.00
Indigent legal Services Fee- JP (\$6)	240	Govt. Code Sec. 101.141(2) (B)		1100-207-20-000-004-0-000	1,440.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	7,935.75
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	2,265.44
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	3,032.96
Birth Certificate Fee (\$1.80)		HSC 191.022(f)		1100-207-20-000-039-0-000	-
Defensive Driving Record Fee (\$12)		C.C.P. Art. 45.0511 (c-1)		1100-207-20-000-057-0-000	-
Indigent Defense Representation Fund		LGC 133.107/GC 102.023		1100-207-20-000-059-0-000	1,110.66
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	38.77
Safety Seat Violation Fee (\$0.15)		TRC 545.412 (b-1)		1100-207-20-000-062-0-000	-
Failure to Appear (\$20)		TRC 706.006/TRC 706.007(d)(2)		1100-207-20-000-066-0-000	0.00
Electronic Filing Fee - Civil (\$10)		GC 101.141/GC 51.851		1100-207-20-000-070-0-000	2,400.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	509.36
Texas Home Visiting Program Contribution (\$5)		HSC 191.0048/LGC 118.018 (c)		1100-207-20-000-074-0-000	-
ARREST/WARRANT FEES: STATE AND LOCAL COURT PERSONNEL					
D.P.S. (\$3, \$5, \$35, \$50)		C.C.P. Art. 102.011	1100-207-20-000-019-0-000	2,442.09	
T.A.B.C. (\$3, \$5, \$35, \$50)			1100-207-20-000-020-0-000	-	
P.K.W.L. (\$3, \$5, \$35, \$50)			1100-207-20-000-021-0-000	50.67	
Texas Comptrollers Criminal Investigators			1100-207-20-000-060-0-000	-	
ARREST/WARRANT/SERVICE FEES: COUNTY					
Sheriff Fees:		LGC 118.131		1100-342-10-060-001-0-000	167.84
Constable Fees:					
Precinct #1				1100-342-10-291-000-0-000	700.00
Precinct #2				1100-342-10-292-000-0-000	375.00
Precinct #3				1100-342-10-293-000-0-000	425.00
Precinct #4				1100-342-10-294-000-0-000	14,261.15
Precinct #5				1100-342-10-295-000-0-000	-
District Attorney Fees				1100-341-10-060-007-0-000	-
Tax Assessor Fraud Investigators				1100-342-10-060-002-0-000	5.00
School District Arrest Fee				1100-342-10-060-003-0-000	-
Fire Marshal Fee				1100-342-20-060-001-0-000	-
Due to Others					
Warrant Fees/Out of County Service Fees (TO: Law Enforcement Agencies)		C.C.P. Art. 102.011 (a) 2 (A)		1100-207-30-000-003-0-000	-
Refund - Overpayments				1100-202-00-000-013-0-000	5.00
Due to Others				1100-202-00-000-013-0-000	-
Restitution				1100-202-00-000-013-0-000	-
Failure to Appear- OmniBase (\$6)		TRC 706.006/TRC 706.007(d)(2)		1100-202-00-000-019-0-000	-
Delinquent Attorney Fee				1100-202-00-000-004-0-000	9,286.43
Justice Fees (Local Fees)					
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122		1100-341-10-060-001-0-000	6,153.25
Debt Claim Fee/Justice Court Filing Fee(\$25)		LGC 118.121/118.122	6,000.00		
Landlord & Tenant Eviction Filing Fee/Forfeible Entry & Detainer Court(\$25)		LGC 118.121/118.122	-		
Transcript Fees (\$10)		LGC 118.121/118.123 (b)	-		
Abstract Fees (\$5)		LGC 118.121/118.123 (c)	50.00		
Writ Filing Fee (\$5)		LGC 118.121/118.123 (d)	65.00		
Issuing other Document (\$1 1st pg., 25 for each addtl' pg)		LGC 118.121/118.123 (e)	10.25		
Certified Copies of Court Papers (\$2 1st pg., 25 for each addtl' pg)		LGC 118.121	28.00		
Probable Cause Tow Hearing Fee (\$20)		LGC 101.141(a)4	-		
Birth Certificates (\$22 each \$9.20 local)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	-
Death Certificates (\$20 each, each addtl' \$3)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	29.00
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045 (h) Rules of Civil Proc., Rule		1100-341-10-060-008-0-000	4.00
Jury Fees (Civl \$22, Criminal \$3)		504.1(b)/ CCP 102.004		1100-341-10-060-006-0-000	-

**AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: ELL 7/25/2017**

TOTAL AMOUNT DUE TO THE COUNTY TREASURER: \$ 128,041.08

X2; X1
#

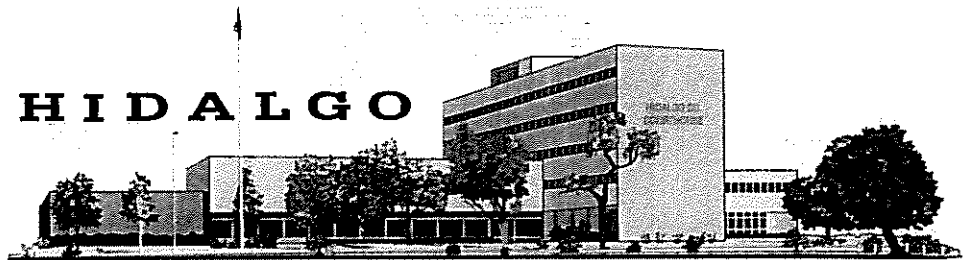
X2

Justice of the Peace Charlie Espinoza Schedule of Adjustments For the Month Ended September 30, 2017

Receipt Number	Case Number	Date	Offense	Off date	Disposition Date	CCC	CHS	CHSJP	CO	CHF	DD	DEL	DPS	DPS	IDRF	JCTF	JSF	LTF	MVF	SCOF	SJFC	SJFS	STF	TPDC	TPDS	UTFC	WARP	C41	WFPRE	TOTAL	
JP41-2017-08383	TR17-7265-141	9/1/2017	safety seat	8/29/2017	10/2/2017	40	3	1	-	12.5	12.5	-	-	5	2	4	4	2	0.1	-	0.6	5.4	30	1	1	3	-	-	-	127.1	
<u>Delinquent was under assessed \$0.05. If approved by the Justice of Peace to be refunded, please contact the Auditor's Office for instructions.</u>																															
JP41-2017-08488	E07-05-1190	9/5/2017	insurance	5/11/2007	9/5/2017	40	3	1	-	25.2	47.4	5	-	-	4	4	2	2	-	20	0.6	3.4	-	-	-	-	-	-	50	205.6	
<u>Delinquent was under assessed \$11.54. If approved by the Justice of Peace to be refunded, please contact the Auditor's Office for instructions.</u>																															
JP41-2017-09274	E12-08-353	9/28/2017	responsibility	7/2/2012	9/28/2017	40	3	1	175	-	-	78.6	5	-	2	4	4	2	-	20	0.6	5.4	-	-	-	-	50	-	390.6		
<u>Delinquent was under assessed \$34.62. If approved by the Justice of Peace to be refunded, please contact the Auditor's Office for instructions.</u>																															
JP41-2017-09277	E12-08-354	9/28/2017	speed	8/2/2012	9/28/2017	40	3	1	224.9	-	-	73.5	5	-	2	4	4	2	0.1	20	0.6	5.4	30	-	-	3	50	-	468.5		
<u>Delinquent was under assessed \$0.12. If approved by the Justice of Peace to be refunded, please contact the Auditor's Office for instructions.</u>																															
JP41-2017-08478	TR15-1775-141	9/5/2017	no driver license	11/26/2015	9/5/2017	40	3	1	66.4	-	-	46.5	-	5	2	4	4	2	0.1	20	0.6	5.4	-	1	1	-	-	-	-	202	

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

November 14, 2017

The Honorable Homero A. Jasso
Hidalgo County Justice of the Peace Pct. 4, Pl. 2
224 N. 12th Ave.
Edinburg, Texas 78539

Re: Review of *Monthly Fines and Fees Report* and Supporting Documentation
For the months of August 2017 and September 2017

Dear Judge Jasso:

We have conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the months of August 2017 and September 2017 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 fines, fees, and court costs 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 months of August 2017 and September 2017. 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 fines, fees, and court cost statutes, the *Monthly Report*, and fee schedules. 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 100% of receipts with an offense date prior to December 31, 2007 and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs were allocated and reported in the proper amounts and verified whether any adjustments were made.
- Verified that procedures for voided receipts were properly followed.

HIDALGO COUNTY DISTRICT JUDGES

LISA M. BINGLETERRY
JUDGE, 12th D.C.

ROSCALFO DELBADO
JUDGE, 13th D.C.

J.R. "BOBBY" FLORES
JUDGE, 14th D.C.

ROSE GUERRA RETNA
JUDGE, 20th D.C.

JUAN R. PARTIDA
JUDGE, 17th D.C.

MARIO C. RAMIREZ, JR.
JUDGE, 22nd D.C.

NOE GONZALEZ
JUDGE, 17th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 34th D.C.

L. KENO VASQUEZ
JUDGE, 36th D.C.

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

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

- Verified that collections per the *Monthly Report* agreed to: 1.) total receipts issued per *Odyssey's* Receipt Journal Report, 2.) total collections per *Odyssey's* Fee Distribution Reports, 3.) total deposits made with the County Treasurer, and 4.) total deposits posted to *alio's* Undistributed Receipts general ledger account.
- Selected all cases in which defendants satisfied outstanding fines, fees, and court costs by making cash payments and serving time at the Hidalgo County jail and randomly selected cases in which defendants satisfied outstanding fines, fees, and court costs by serving time in the Hidalgo County jail to determine if: 1.) the warrant was recalled; 2.) the cash payment and/or jail time credit was applied to the case; 3.) the case was closed; and 4.) the Sheriff's "Discharge" receipt number was referenced on the case.
- Verified the sequence of receipts per the *Monthly Report* agreed to *Odyssey's* Receipt Journal Report. In addition, verified that receipts followed sequential order.
- Compared the Hamer Enterprises Credit Card Payment Reports to *Odyssey's* Daily Balance Report and *alio's* Undistributed Receipts general ledger account to ensure all credit card transactions were timely received by the Justice of the Peace and County Treasurer's Office.
- Reviewed *Cashier's Daily Close-Out Reports* (Close-Out Reports) and County Treasurer receipts to determine if fees collected were properly accounted and deposited with the County Treasurer on a daily basis.
- Reviewed receipts issued, Close-Out Reports, *Schedule of Receipts and Deposits* form, mail logs, Office of Court Administration's "Official Justice of the Peace Monthly Report" (OCA Report), and the *Monthly Report*, among other reports, to verify proper completion.
- Verified if cash bonds posted by the defendants who failed to appear before the Justice of the Peace were forfeited (liquidated) by the 10th workday following the date of release from jail.

Conclusion:

Total collections for the months of August 2017 and September 2017 were \$77,526.15 and \$63,856.73, respectively. 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 requires improvement as noted in the following observations.

Observation No. 1:

We reviewed a sample of receipts issued in August 2017 and September 2017 (100% of receipts with an offense date of December 31, 2007 and prior and 10% of receipts with an offense date of January 1, 2008 and after) to determine if fines, fees, and court costs collected were properly allocated and reported.

The results of our review revealed that 42 receipts in August 2017 and 45 receipts in September 2017 contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was made aware of the required adjustments (see Exhibit A); however, adjustments have not been completed. In addition, adjustments for the months of April 2015 (37), June 2015 (1), September 2015 (34), October 2015 (5), November 2015 (6), December 2015 (2), January 2016 (6), February 2016 (26), March 2016 (25), April 2016 (16), May 2016 (54), June 2016 (37), July 2016 (34), August 2016 (37), September 2016 (16), October 2016 (23), November 2016 (26), December 2016 (6), January 2017 (29), February 2017 (33), March 2017 (51), April 2017 (29), May 2017 (22), June 2017 (33), and July 2017 (50) are still pending to be completed. According to staff, the adjustments could not be completed as the Information Technology Department had not provided proper training on completing adjustments.

There are numerous statutes that require Justices of the Peace to charge various fines, fees, and court costs for certain services and offenses. Fines, fees, and court costs must be allocated pursuant to State statutes and/or Commissioners Court approval.

The County may be held liable to the State for failure to properly allocate and report fines, fees, and court costs.

Recommendation:

Management should ensure that all pending adjustments are completed. In addition, management should ensure that fines, fees, and court costs are properly allocated and reported. At a minimum, the following procedures should be implemented:

HIDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 92ND 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, 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. BETANCOURT
JUDGE, 449TH D.C.

- Staff should be provided with training regarding the proper allocation of fines, fees, and court costs.
- Staff should review the allocation of fines, fees, and court costs before the official County receipt is issued.
- Access for setting up offense codes with the proper fines, fees, and court costs in *Odyssey* should be limited to staff with adequate knowledge of the applicable allocation.
- Staff should ensure that the proper fines, fees, and court costs allocation, offense date, and judgment date are entered when a case is setup in *Odyssey*.
- Staff should ensure that adjustments are entered into *Odyssey* within three days of receiving them.

Observation No. 2:

Copies of the Office of Court Administration “Official Justice of the Peace Monthly Reports” (OCA Reports) for the months of November 2013 through February 2014, June 2014 through July 2015, and September 2015 through September 2017 have not been filed with the County Auditor’s Office. In addition, incorrect copies of the OCA Reports for the months of April 2012 through June 2012, September 2012 through October 2013, March 2014 through May 2014, and August 2015 were filed with the County Auditor’s Office. According to the Justice of the Peace staff, properly completed OCA Reports cannot be generated from *Odyssey* due to data entry errors. Assistance from the Information Technology Department has been requested. In addition, the County Auditor’s Office has determined that the OCA Reports are incorrect due to failure by Justice of the Peace staff to enter the jail time activity and several pending adjustments into *Odyssey*.

Local Government Code §112.002 (a) authorizes the county auditor to prescribe the system of accounting for the county. Local Government Code §112.002 (b) states that “the county auditor may adopt and enforce regulations, not inconsistent with law or with a rule adopted under Section 112.003, that the auditor considers necessary for the speedy and proper collecting, checking, and accounting of the revenues and other funds and fees that belong to the county or to a person for whom a district clerk, district attorney, county officer, or precinct officer has made a collection or for whose use or benefit the officer holds or has received funds.” Pursuant to Local Government Code §112.002 (a) and (b), the County Auditor requires the submittal of properly completed reports (i.e., *Monthly Report*, copy of the OCA Report, *Schedule of Receipts and Deposits* form, Cash Disbursement Journal, etc.) for checking and properly accounting of funds collected by the Justice of the Peace Offices.

Failure to ensure that properly completed OCA Reports are filed with the County Auditor’s Office may result in improper reporting.

Recommendation:

Management should ensure that properly completed OCA Reports are filed with the County Auditor’s Office within five days after the last day of each month. In addition, the continued assistance of the Information Technology Department should be requested until the problem has been resolved.

Observation No. 3:

We noted during our review that 47 cash bonds posted by defendants who failed to appear before the Justice of the Peace have not been forfeited (liquidated) (see Exhibit B), as of today. The bonds do not contain an event entered in *Odyssey* regarding the reason the bond was not liquidated. According to the Justice of the Peace staff, the bonds were not forfeited due to complications encountered with *Odyssey*. Assistance has been requested from the Information Technology Department to resolve the issues and for additional training.

Code of Criminal Procedure Article 45.044 (a)(2) states: “A justice or judge may enter a judgment of conviction and forfeit a cash bond posted by the defendant in satisfaction of the defendant’s fine and cost if the defendant fails to appear according to the terms of the defendant’s release.” Pursuant to the terms of the cash bond, the defendant must appear before the Justice of the Peace by the 10th workday following the date of their release from jail. If the defendant fails to appear, the Justice of the Peace may declare the cash bond forfeited, enter a judgment of guilty, assess a fine, and apply the cash bond to the payment of the imposed judgment.

Failure to ensure that bonds are liquidated in a timely manner may result in the misuse of County funds.

HIDALGO COUNTY DISTRICT JUDGES

Recommendation:

Management should ensure that cash bonds are liquidated in a timely manner. In addition, the continued assistance from the Information Technology Department should be requested until the problem has been resolved.

Observation No. 4:

We noted during our review that online credit card transactions were receipted from 2 to 12 days after date of transaction. Consequently, the applicable case dispositions were not recorded in *Odyssey* in a timely manner. According to the Assistant Court Coordinator, the office was short staffed but will make sure to receipt online payments on a daily basis.

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. In addition, the case dispositions should be recorded in *Odyssey* upon receipt of payment.

Failure to ensure that credit card transactions are promptly receipted may result in the loss or misuse of County funds. In addition, failure to ensure that case dispositions are entered in a timely manner may result in the arrest of the defendant, in error.

Recommendation:

Management should ensure that credit card transactions are promptly receipted and case dispositions are entered in a timely manner.

Observation No. 5:

A mail log was not consistently utilized to record payments received through the mail. According to the Court Coordinator, will make sure a daily log is completed on a daily basis.

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 mail-in payments are recorded on a daily mail log increases the risk that payments could be lost or misappropriated without detection.

Recommendation:

Management should ensure that a daily mail log is maintained 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. 6:

We noted that collections were not deposited at the bank on a daily basis. The deposits were made 2 to 5 days after collections were receipted. According to the Court Coordinator, runner was out and staff was not able to deposit on a daily basis.

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 develop and implement formal monitoring procedures 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 develop and implement formal monitoring procedures to ensure that collections are deposited at the bank on a daily basis.

Observation No. 7:

We noted during our review that Close-Out Reports were not submitted to the County Treasurer's Office on a daily basis after the bank deposit was made. The Close-Out Reports were submitted from 2 to 9 days after the

HIDALGO COUNTY DISTRICT JUDGES

bank deposit was made. According to the Court Coordinator, there were technical issues and were short staffed but there should be an improvement in October 2017.

The County Auditor's Office requires that cashiers reconcile cash on hand to receipts issued and the approved change fund, if any, on a daily basis by utilizing the Close-Out Report. Once the reconciliation is completed and the collections are deposited to the County's General Fund bank account, the Close-Out Report along with the bank validated deposit slip must be submitted to the County Treasurer's Office on a daily basis. The County Treasurer's Office utilizes the Close-Out Report, along with the bank validated deposit slip to timely receipt and account for the collections deposited to the County's General Fund bank account.

Failure to submit the Close-Out Report to the County Treasurer's Office on a daily basis results in the improper accounting of County funds.

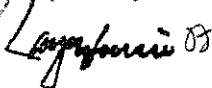
Recommendation:

Management should ensure that the Close-Out Report is submitted to the County Treasurer's Office on a daily basis after the daily deposit has been made.

Please provide written management responses to the observations noted above by November 30, 2017.

If you have any questions or would like to schedule a meeting to discuss the above noted observations, please contact Araceli A. Guillen, Internal Auditor I at (956) 318-2511 Ext. 4649, Yvonne Torres, Revenue Audit Supervisor, at Ext. 4642, Arcy B. Duran, CPA, Director of Audit, at Ext. 4645, or myself at Ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

Enclosures: *Monthly Report* and Exhibits

cc: Valde Guerra, County Executive Officer
Renán Ramirez, Chief Information Officer

HIDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 33RD 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.

NGE 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. BETANCOURT
JUDGE, 418TH D.C.

Justice of the Peace Homero A. Jasso
Precinct 4, Place 2
Schedule of Bonds on Deposit
As of August 31, 2017

Year	No.	Receipt Date	Receipt No.	Docket No.	Bond Amount
2013					
	1	12/4/2013	24161J42	JP13-04-171	350.00
2015					
	2	5/12/2015	28871J42	JP15-05-201	129.00
	3	5/12/2015	28870J42	JP15-05-202	135.10
	4	6/16/2015	29255J42	JP15-01-491	297.35
	5	6/16/2015	29256J42	JP15-01-490	305.10
	6	6/19/2015	29300J42	JP15-06-315	167.00
	7	6/25/2015	29349J42	JP08-06-383	283.00
	8	7/13/2015	29518J42	JP15-07-278	129.00
	9	7/13/2015	29519J42	JP15-07-279	127.00
	10	7/13/2015	29520J42	JP15-07-280	167.00
	11	7/24/2015	29623J42	JP15-07-435	167.00
	12	7/24/2015	29624J42	JP15-07-434	167.00
	13	7/24/2015	29625J42	JP15-07-433	168.00
	14	9/21/2015	JP42-2015-00509	-	100.00
	15	10/9/2015	JP42-2015-00673		167.00
	16	11/13/2015	JP42-2015-00987	CRNT15-0017-J42	0.10
	17	11/13/2015	JP42-2015-00989		155.00
	18	11/13/2015	JP42-2015-00990	CRNT15-0019-J42	33.10
	19	12/17/2015	JP42-2015-01310	-	283.00
	20	12/17/2015	JP42-2015-01295	-	127.00
	21	1/25/2016	JP42-2016-00255	CRNT16-0006-J42	153.00
2016					
	22	1/25/2016	JP42-2016-00260	CRNT16-0010-J42	153.00
	23	1/25/2016	JP42-2016-00279	TR16-0192-J42	153.00
	24	2/1/2016	JP42-2016-00362	JP05-02-976	327.00
	25	2/9/2016	JP42-2016-00480	-	79.00
	26	2/26/2016	JP42-2016-00810	CRNT16-0035-J42	153.00
	27	3/1/2016	JP42-2016-00846	-	179.00
	28	3/7/2016	JP42-2016-00965	JP15-07-111	172.00
	29	3/14/2016	JP42-2016-01071	-	179.00
	30	4/18/2016	JP42-2016-01618	TR16-1348-J42	32.10
	31	5/4/2016	JP42-2016-01860	TR16-1492-J42	450.00
	32	5/5/2016	JP42-2016-01883	CRNT16-0030-J42	78.00
	33	6/24/2016	JP42-2016-02498	JP15-04-226	5.10
	34	6/30/2016	JP42-2016-02567		50.00
	35	6/30/2016	JP42-2016-02568	TR16-2308-J42	50.00
	36	6/30/2016	JP42-2016-02570	TR16-2278-J42	50.00
	37	7/6/2016	JP42-2016-02643	JP15-07-399	138.10
	38	7/6/2016	JP42-2016-02644	JP15-07-398	105.10

	39	7/6/2016 JP42-2016-02647	JP15-03-440	5.00
	40	7/11/2016 JP42-2016-02697	JP14-08-283	100.00
	41	7/19/2016 JP42-2016-02779	JP09-10-723	93.90
	42	7/19/2016 JP42-2016-02781	JP09-10-724	119.90
	43	7/29/2016 JP42-2016-02900		299.00
	44	8/26/2016 JP42-2016-03191	CRNT16-0166-J42	129.00
	45	10/20/2016 JP42-2016-03603	JP08-12-833	283.00
	46	10/21/2016 JP42-2016-03609	CRNT16-0181-J42	129.00
2017	47	6/20/2017 JP42-2017-02537	CRNT17-0109-J42	167.00
		Sub-Total		<u>\$ 7,288.95</u>
		April 2015 jail payments		219.00
		June 2015 jail payments		267.00
		Total		<u><u>\$ 7,774.95</u></u>

Justice of the Peace Homero A. Jasso
Precinct 4, Place 2
Schedule of Bonds on Deposit
As of September 30, 2017

Year	No.	Receipt Date	Receipt No.	Docket No.	Bond Amount
2013					
	1	12/4/2013	24161J42	JP13-04-171	350.00
2015					
	2	5/12/2015	28871J42	JP15-05-201	129.00
	3	5/12/2015	28870J42	JP15-05-202	135.10
	4	6/16/2015	29255J42	JP15-01-491	297.35
	5	6/16/2015	29256J42	JP15-01-490	305.10
	6	6/19/2015	29300J42	JP15-06-315	167.00
	7	6/25/2015	29349J42	JP08-06-383	283.00
	8	7/13/2015	29518J42	JP15-07-278	129.00
	9	7/13/2015	29519J42	JP15-07-279	127.00
	10	7/13/2015	29520J42	JP15-07-280	167.00
	11	7/24/2015	29623J42	JP15-07-435	167.00
	12	7/24/2015	29624J42	JP15-07-434	167.00
	13	7/24/2015	29625J42	JP15-07-433	168.00
	14	9/21/2015	JP42-2015-00509	-	100.00
	15	10/9/2015	JP42-2015-00673		167.00
	16	11/13/2015	JP42-2015-00987	CRNT15-0017-J42	0.10
	17	11/13/2015	JP42-2015-00989		155.00
	18	11/13/2015	JP42-2015-00990	CRNT15-0019-J42	33.10
	19	12/17/2015	JP42-2015-01310	-	283.00
	20	12/17/2015	JP42-2015-01295	-	127.00
	21	1/25/2016	JP42-2016-00255	CRNT16-0006-J42	153.00
2016					
	22	1/25/2016	JP42-2016-00260	CRNT16-0010-J42	153.00
	23	1/25/2016	JP42-2016-00279	TR16-0192-J42	153.00
	24	2/1/2016	JP42-2016-00362	JP05-02-976	327.00
	25	2/9/2016	JP42-2016-00480	-	79.00
	26	2/26/2016	JP42-2016-00810	CRNT16-0035-J42	153.00
	27	3/1/2016	JP42-2016-00846	-	179.00
	28	3/7/2016	JP42-2016-00965	JP15-07-111	172.00
	29	3/14/2016	JP42-2016-01071	-	179.00
	30	4/18/2016	JP42-2016-01618	TR16-1348-J42	32.10
	31	5/4/2016	JP42-2016-01860	TR16-1492-J42	450.00
	32	5/5/2016	JP42-2016-01883	CRNT16-0030-J42	78.00
	33	6/24/2016	JP42-2016-02498	JP15-04-226	5.10
	34	6/30/2016	JP42-2016-02567		50.00
	35	6/30/2016	JP42-2016-02568	TR16-2308-J42	50.00
	36	6/30/2016	JP42-2016-02570	TR16-2278-J42	50.00
	37	7/6/2016	JP42-2016-02643	JP15-07-399	138.10
	38	7/6/2016	JP42-2016-02644	JP15-07-398	105.10

	39	7/6/2016	JP42-2016-02647	JP15-03-440	5.00
	40	7/11/2016	JP42-2016-02697	JP14-08-283	100.00
	41	7/19/2016	JP42-2016-02779	JP09-10-723	93.90
	42	7/19/2016	JP42-2016-02781	JP09-10-724	119.90
	43	7/29/2016	JP42-2016-02900		299.00
	44	8/26/2016	JP42-2016-03191	CRNT16-0166-J42	129.00
	45	10/20/2016	JP42-2016-03603	JP08-12-833	283.00
	46	10/21/2016	JP42-2016-03609	CRNT16-0181-J42	129.00
2017	47	6/20/2017	JP42-2017-02537	CRNT17-0109-J42	167.00
			Sub-Total		<u>\$ 7,288.95</u>
			April 2015 jail payments		219.00
			June 2015 jail payments		267.00
			Total		<u><u>\$ 7,774.95</u></u>

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: August-17**

Judge: **Homero A. Jasso**
Precinct No. **4** Place No. **2**

City: **EDINBURG, TX**
Hidalgo County, Texas

PBC

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED (Receipts #s) JP42-2017-03335 ~~0~~ THRU JP42-2017-03972 \$77,526.15 X6

LESS: COST ON DEPOSIT _____ X7

ADD: COST ON DEPOSIT LIQUIDATED _____ X7

AMOUNT OWED TO COUNTY (Should Match Amt in Part III) \$77,526.15 X3

Less: Total amount of remittances to County Treasurer (From Part II) \$ 90,462.63

Total funds due to County Treasurer (Overtransfer Made to Co Treas.) (17,774.45) (90,462.63)

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$77,526.15	B 1
Add: Previous Month's Bond Overtransfer <i>Unliquidated Bonds</i>	\$0.00	
<i>Dec '13 May '16 through Aug. '16, Oct '16</i>	7,288.95	X4-0
Add: HCSO Monthly "D" Collections Report <i>April '15 "D" Coll.</i>	219.00	\$0.00 X4-0
<i>June '15 "D" Coll.</i>	267.00	X4-0
	<u>85,301.10</u>	
Total Remittances Made to County Treasurer	<u>\$ 90,462.63</u>	

PREPARED BY: [Signature]

DATE PREPARED: 9/5/2017

RECEIVED
SEP 06 2017
Hidalgo County
Auditor's Office

HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: [Signature]
DATE: 9/6/17

[Signature] 9/5/2017
JUSTICE OF THE PEACE DATE

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

X5

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-17**

Judge: Homero A. Jasso
Precinct No. 4 Place No. 2

City: EDINBURG, TX
Hidalgo County, Texas

PBC

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED	(Receipts #s) <u>JP42-2017-03123</u> <u>0</u>	THRU <u>JP42-2017-04415</u>	<u>\$63,856.73</u> X10-
LESS: COST ON DEPOSIT			
ADD: COST ON DEPOSIT LIQUIDATED			
AMOUNT OWED TO COUNTY (Should Match Amt in Part III)			<u>\$63,856.73</u> X3.
Less: Total amount of remittances to County Treasurer (From Part II)			<u>\$ 77,526.25</u>
Total funds due to County Treasurer (Overtransfer Made to Co Treas.)			<u>(77,526.25)</u> <u>17,774.95</u>

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	<u>\$63,856.73</u> 77,526.25	B1
Add: Previous Month's Bond Overtransfer <i>Unliquidated Bonds</i>	\$0.00	
<i>Dec '13, May '16 through Aug '16, Oct '16</i>	<u>7,235.95</u>	X4-K
Add: HCSO Monthly "D" Collections Report <i>April '15 "D" Call</i>	<u>219.00</u>	X4-K
	<u>211.70</u>	X4-K
	<u>71,631.68</u>	
Total Remittances Made to County Treasurer	<u>\$ 77,526.25</u>	

PREPARED BY: *[Signature]*

DATE PREPARED: 10/3/2017

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

HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: *[Signature]*
DATE: 10/25/17

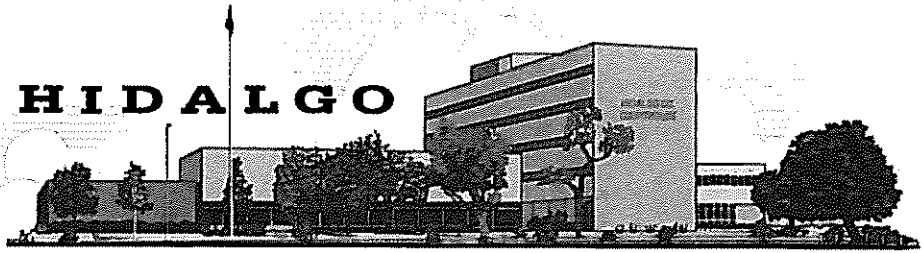
RECEIVED
OCT 04 2017
Hidalgo County
Auditor's Office

[Signature]
JUSTICE OF THE PEACE

DATE

X2

COUNTY of HIDALGO



HIDALGO COUNTY AUDITOR'S OFFICE
Hidalgo County Administration Building
2808 South Business Highway 281
Edinburg, Texas 78539-5243
PHONE: (956) 318-2511
FAX: (956) 318-2577
WEBSITE: www.co.hidalgo.tx.us/auditor

EDINBURG, TEXAS 78539

November 14, 2017

The Honorable Pablo Villarreal, Jr., RTA
Hidalgo County Tax Assessor/Collector
County Administration Building
2804 South Business Highway 281
Edinburg, Texas 78539

Re: Review of the *Hidalgo County Tax Collected Reports*
For the months of April 2017 through June 2017

Dear Mr. Villarreal:

We have conducted a limited scope review of the *Hidalgo County Tax Collected Reports* for the County of Hidalgo (GHD), Road District No. 2 (RD2), Road District No. 5 (RD5), Road District No. 15 (RD15), and State District (TEX) taxing entities and supporting documentation for the months of April 2017 through June 2017 pursuant to Local Government Code §115.002 (a) and (b) and Local Government Code §115.901. The objective of the review was to determine if taxes, penalties, interest, and fees collected were properly accounted and reported.

Scope:

The scope of our review was limited to collections reported by your office on the *Hidalgo County Deposit Status Report - All Locations* and the *Hidalgo County Tax Collected Reports* for the County of Hidalgo (GHD), Road District No. 2 (RD2), Road District No. 5 (RD5), Road District No. 15 (RD15), and State District (TEX) taxing entities.

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.

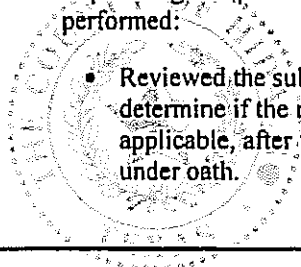
The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that 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 reports. The following procedures were performed:

- Reviewed the submittal date of the *Hidalgo County Tax Collected Report* to the County Auditor's Office to determine if the report and supporting documentation were received within fifteen or twenty-five days, as applicable, after the last day of the month pursuant to Tax Code §31.10 (a) and whether the report was made under oath.



HIDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 13th D.C.

J. R. "BOBBY" FLORES
JUDGE, 14th D.C.

ROSE GUERRA REYNA
JUDGE, 16th D.C.

JUAN R. PARTIDA
JUDGE, 17th D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 17th D.C.

MERIE GONZALEZ
JUDGE, 17th D.C.
DWP/RS/PPH

LITICIA LOPEZ
JUDGE, 18th D.C.

L. NERVO YARQUEZ
JUDGE, 18th D.C.

ISRAEL RAMON, JR.
JUDGE, 19th D.C.

FENESE R. BETHANCOURT
JUDGE, 19th D.C.

- Verified the signature on the *Hidalgo County Tax Collected 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 *Hidalgo County Tax Collected Report* by footing and cross-footing the report.
- Verified that taxes collected per the *Hidalgo County Tax Collected Report* agreed to: 1.) total collections per ACT's Deposit Distribution Report (Report No. TC298-D); 2.) total deposits made with the County Treasurer; and 3.) total deposits posted to *alio*'s Undistributed Receipts general ledger account.
- Verified that modifications to the tax levy per the *Hidalgo County Tax Collected Report* agreed to: modifications made to the tax levy per ACT's *Tax Collector Monthly Report* (Report No. TC168) for each entity.
- Compared the *Hamer Enterprise Online Credit Card Payment Report* to the *Hidalgo County Deposit Status Report – All Locations* to ensure all online credit card transactions received within the period in review were timely received.
- Compared the *Electronic Check BMI 147 Report* to the *Hidalgo County Deposit Status Report – All Locations* to ensure all online e-check transactions received within the period in review were timely received.
- Reviewed the *Hidalgo County Tax Collected Report* and County Treasurer receipts to determine whether collections were properly accounted and deposited with the County Treasurer in a timely manner.
- Reviewed deposits that did not agree to the *Hidalgo County Deposit Status Report – All Locations* report to determine if the shortages were replenished and/if overages were deposited to the general fund as miscellaneous revenue.
- Reviewed selected validated deposit slips to determine if the deposit composition (cash, checks, credit card payments) agreed to the total of the applicable payment method listed on the *Hidalgo County Deposit Status Report – All Locations* report.

Conclusion:

Total collections for the months of April 2017 through June 2017 as reported on the *Hidalgo County Tax Collected Reports* for the County of Hidalgo (GHD), Road District No. 2 (RD2), Road District No. 5 (RD5), Road District No. 15 (RD15), and State District (TEX) taxing entities were \$3,550,500.34; \$22,141,810.15; and \$2,819,646.91, respectively. Based on the results of our review, we have concluded that taxes, penalties, interest, and fees collected were generally properly accounted and reported; however, the system of internal controls for the accounting of collections requires improvement as noted in the following observation.

Observation No. 1:

We reviewed deposits that did not agree to the *Hidalgo County Deposit Status Report – All Locations* for the period in review to determine if the shortages were replenished and/if overages were deposited to the general fund as miscellaneous revenue. The results of our review revealed the following:

- Total deposits did not agree to the amount collected per the "Deposit Control" report.
 - Deposits were short a total of \$74.07.
 - Net shortages totaling \$55.00 (April 2017); \$5.44 (May 2017); and \$13.63 (June 2017) were replenished with funds in the Cashier Over/Short balance sheet accounts.
 - Deposits were over a total of \$345.95.
 - Net overages totaling \$290.41 (April 2017); \$35.59 (May 2017); and \$19.95 (June 2017) were placed in the Cashier Over/Short balance sheet accounts.

According to staff, overages will not be remitted to the County Treasurer's Office as miscellaneous revenue for the time being. Overages are deposited to the Tax General bank account and credited to the Cashier Over/Short balance sheet account. The funds are utilized to replenish collection shortages, if any. As of June 2017, the Tax Office General balance sheet account Cashier Over/Short had a debit balance (shortage) of \$692.20.

The County Auditor's Office requires cash receipts be deposited intact on a daily basis. In addition, overages should be remitted to the County Treasurer's Office as miscellaneous revenue. If a shortage occurs and criminal conduct is suspected, regardless of the amount, the shortage must be immediately reported to the County Auditor's Office and the Sheriff's Office. Shortages should be replenished or a request for indemnification be made to Commissioners Court pursuant to Local Government Code §157.903. Local Government Code §157.903 authorizes Commissioners Court to indemnify an elected or appointed County officer against personal liability for the loss of County funds, if the loss was not the result of the officer's negligence or criminal action. Failure to implement internal controls may be considered

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. BINGLETERRY
JUDGE, 42ND D.C.

RODOLFO DELGADO
JUDGE, 51ST D.C.

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

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

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

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

HOE GONZALEZ
JUDGE, 378TH D.C.
OVFRSFR

LETICIA LOPEZ
JUDGE, 343RD D.C.

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

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

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

negligence. Supervisors must monitor all overages and shortages to determine if there is a pattern meriting further investigation, modification of collection procedures, re-training of personnel, or disciplinary action.

Formal monitoring procedures were not in place to ensure that overages and shortages were properly accounted and reported.

Failure to ensure that overages and shortages are properly accounted and reported may result in the loss or misuse of funds.

Recommendation:

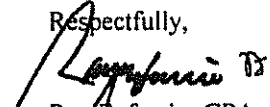
Management should develop and implement formal monitoring procedures to ensure that overages and shortages are properly accounted and reported. At a minimum, procedures should include the following:

- o Transfer overages to the County Treasurer as miscellaneous revenue.
- o Replenish shortages or request indemnification from Commissioners Court pursuant to Local Government Code §157.903;
- o Immediately report to the County Auditor's Office and the Sheriff's Office, a shortage, regardless of the amount, if criminal conduct is suspected; and
- o Monitor all overages and shortages to determine if there is a pattern meriting further investigation, modification of collection procedures, retraining of personnel, or disciplinary action.

Please provide a written management response to the observation noted above by November 30, 2017.

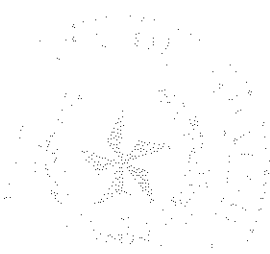
If you have any questions or would like to schedule a meeting to discuss the above noted observation, please contact Abigail Guajardo, MSA, Internal Auditor II, at 318-2511 ext. 4652, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, Commissioners Court Executive Officer
Eva Mireles, Tax Office Chief of Operations



HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 97th D.C.

RODOLFO DELGADO
JUDGE, 97th 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, 312th D.C.

NOE GONZALEZ
JUDGE, 370th D.C.
OVFRSFFR

LETICIA LOPEZ
JUDGE, 388th D.C.

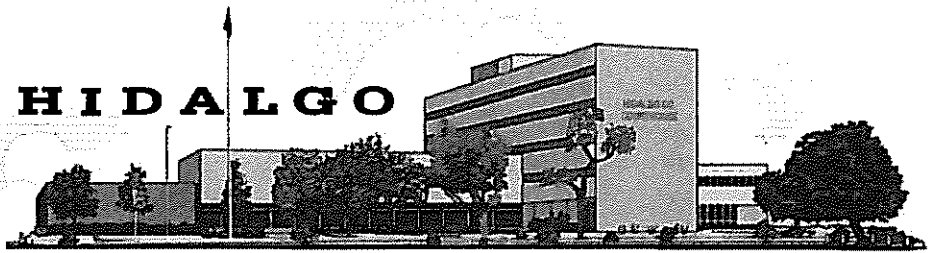
L. KENO VASQUEZ
JUDGE, 384th D.C.

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

RENEE N. 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

November 14, 2017

The Honorable Arturo Guajardo Jr.
Hidalgo County Clerk
100 N. Closser, 1st Floor
Edinburg, Texas 78539

Ref: Review of *Fee Monthly Report* and Supporting Documentation
For the months of July 2017 through September 2017

Dear Mr. Guajardo:

We have conducted a limited scope review of the *Fee Monthly Report (Monthly Report)* and supporting documentation for the months of July 2017 through September 2017 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 months of July 2017 through September 2017. Our audit was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

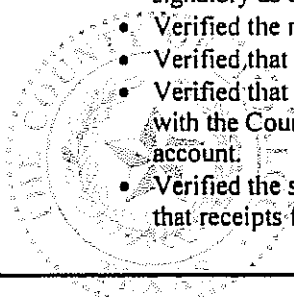
The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that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

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 statutes. The following procedures were also performed:

- Reviewed the submittal dates 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.
- Verified that procedures for voided receipts were properly followed.
- Verified that collections per the *Monthly Report* agreed to: 1.) total receipts issued, 2.) total deposits made with the County Treasurer, and 3.) total deposits posted to *alio's* Undistributed Receipts general ledger account.
- Verified the sequence of receipts per the *Monthly Report* agreed to receipts issued. In addition, verified that receipts followed sequential order.



HIDALGO COUNTY DISTRICT JUDGES

JAMIE E. TURNER
JUDGE, 5TH D.C.

RODOLFO DELGADO
JUDGE, 5TH D.C.

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

NOSE GUERRA NEYRA
JUDGE, 28TH D.C.

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

MARIO E. RAMIREZ, JR.
JUDGE, 22ND D.C.

NOE GONZALEZ
JUDGE, 37TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38TH D.C.

L. XENIO YARQUEZ
JUDGE, 36TH D.C.

ISRAEL RAMON, JR.
JUDGE, 18TH D.C.

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

- Reviewed *Revenue Remittance Reports* and County Treasurer receipts to determine if fees collected were properly accounted and deposited with the County Treasurer on a daily basis.
- Reviewed receipts, *Revenue Remittance Reports*, *Company Accounts Summary Report*, and a sample of bank deposit slips to verify proper completion.

Conclusion:

Total collections for the months of July 2017 through September 2017 were \$424,079.54; \$472,106.50; and \$419,471.25, respectively. Based on the results of our review, we have concluded that fees 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:

We noted during our review that the July 2017 through September 2017 *Monthly Reports* were submitted to the County Auditor's Office 14, 16, and 14 days, respectively, after the fifth day following the end of the month. According to staff, attempts are made to submit the *Monthly Report* in a timely manner; however, due to heavy work load, submittal of the *Monthly Report* gets delayed. In addition, at times, management is not available to review, approve, and sign the *Monthly Report*.

Pursuant to Local Government Code §114.001 (b), "A monthly report must be filed within five days after the last day of each month." Timely submittal of the *Monthly Report* helps ensure the proper accounting and accurate projection of county revenues.

Failure to ensure that the *Monthly Report* is submitted to the County Auditor's Office within five days after the last day of each month may result in the improper accounting and inaccurate projection of County revenues.

Recommendation:

Management should ensure that the *Monthly Report* is filed with the County Auditor's Office within 5 days after the last day of each month.

Observation No. 2:

We were not able to verify the receipt sequence issued through *Kofile*. According to staff, *Kofile* creates an order number for every type of activity made on the system (e.g., receipting, scanning, or searching). The *Kofile* Order Summary Report only provides information regarding the issuance of order numbers (receipt) in which a financial transaction occurred; therefore, a gap on the receipt sequence exists. The *Kofile* "Order Summary Report" does not provide all the orders (receipts) issued. According to staff, the department is working with *Kofile* representatives to customize or create a report that will include all orders issued during the month. The report will indicate the type of order issued (e.g., receipting, scanning, or searching).

The County Auditor's Office requires that all official receipts be pre-numbered and issued in sequential order.

Failure to ensure that receipts are issued in sequential order may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that receipts are issued in sequential order. Management should continue working with *Kofile* representatives to create a report that will include all orders issued during the month.

Observation No. 3:

The balances, as of September 2017, for four company accounts (escrow accounts) reflected incorrect balances in the *Company Accounts Summary Report*. The balances were overstated as follows:

- Edward Abstract and Title Co. account was overstated by \$4.00;
- Nain Engineering LLC Maps account was overstated by \$75.00;
- Perdue Brandon Fielder Collins account was overstated by \$4.00; and,
- Spoor Engineering account was overstated by \$85.00.

The discrepancies are mainly attributed to entering incorrect amounts into *Kofile* when the accounts were opened or glitches in the receipting system. According to staff, *Kofile* representatives were informed of the discrepancies and they are still pending to be resolved.

The County Auditor's Office requires that all company accounts reflect the proper balances.

Failure to ensure that the company accounts reflect the proper balances may result in the loss of County funds.

HIDALGO COUNTY DISTRICT JUDGES

Recommendation:

Management should ensure that balances on company accounts reflect the correct balances. Management should continue working with *Kofile* representatives to correct the errors found in the escrow accounts listed above.

Observation No. 4:

We noted during our review that deposit slips did not include the receipt sequence and the listing of check numbers to be deposited. In addition, copies of the checks receipted are not kept and attached to the Close-Out Report. According to staff, the majority of the payments received are made by check and the list of checks will exceed the space available on the deposit slip. Furthermore, the staff has a heavy work load and making copies of the checks will be difficult. Staff is also instructed to enter the check number in *Kofile* when a payment is receipted.

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 check 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 attached to the Close-Out Report."

Failure to properly prepare deposit slips may result in the misuse of County funds.

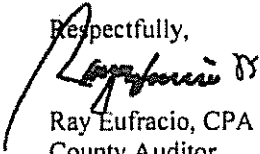
Recommendation:

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.

Please provide written management responses to the observations noted above by December 4, 2017.

If you have any questions or would like to schedule a meeting to discuss the above noted observations, please contact Gricelda Quintero, Internal Auditor II, at 318-2511 ext. 4643, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642. Arcy B. Duran, CPA, Director of Audit, at ext. 4645 or me at ext. 4604.

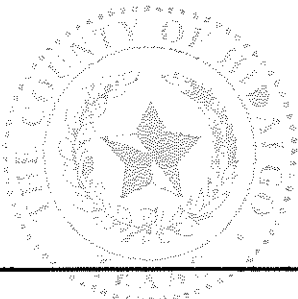
Respectfully,



Ray Eufrazio, CPA
County Auditor

Enclosures: Copy of *Fee Monthly Report*

cc: Valde Guerra, County Executive Officer



HIDALGO COUNTY DISTRICT JUDGES

LUIS M. BINGOLETERRY
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, 21st 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, 40th D.C.

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

COUNTY CLERK MONTHLY FEE REPORT

JULY
2017

****COUNTY CLERK FEE ACCOUNT****

PBC

RECORDING FEES/LGC118 013, 118 011, 212.004, BCC35 10		\$130,939.75	X2; X5
MARRIAGE LICENSES/LGC118 018 (TOTAL)		\$12,442.50	X2; X5
STATE COMPTROLLER			
MARRIAGE LICENSE	# Filed 408	\$12,180.00	X; X2; X5
BIRTH CERTIFICATES	# Filed 336	608.40	X; X2; X5
BIRTH DSHS	# Filed 34	602.22	X; X2; X5
DECLARATION OF INFORMAL MARRIAGE	# Filed 21	\$262.50	X; X2; X5
UCC-FINANCING STATEMENTS/BCC9 403		855.00	X; X2; X5
EARLY CHILDHOOD DONATION		\$15.00	X; X2; X5
VITAL STATISTICS/LGC 118 015		\$17,425.38	X2; X5
CERTIFIED COPIES/LGC 118 014		\$25.00	X2; X5
RETURNED CHECK CHARGE/LGC 118 0215		\$269.75	X; X2; X5; X3-SA
REFUNDS		\$0.00	
BEER & WINE PERMITS/ABC 61.31		\$0.00	
PRINTER FEES/ABC 61.38		\$0.00	
RECEIVED ON ACCOUNT		\$233,491.29	X2; X3-60; X5
RCRDS MGMT & PRESERVATION PRGM/LGC 118 0216		\$79,540.00	X; X2; X5
DIGITAL IMAGE FEES		\$4,371.84	X; X2; X5
CC RECORDS ARCHIVES FEE LGC 118 025		\$81,360.00	X; X2; X5
COURTHOUSE SECURITY FUND/LGC 291 008		850.00	X; X2; X5
VITAL ARCHIVE FEE HSC 191 0045(h)		1,200.00	X; X2; X5
OVER/(SHORT)		\$0.00	
NEW COURTHOUSE FEE		\$72,000.00	X; X2; X5
INTEREST EARNED		\$0.00	
ADJUSTMENTS		\$0.00	
TOTAL CHARGES AND COLLECTIONS		\$655,698.63	X5; X2; X6; X6
LESS:			
CHARGES ON ACCOUNT		931,619.09	X3-60
TOTAL DEPOSITED IN BANK		580,668.70	
LESS:			
PRINTERS FEES/ABC 61.38		\$0.00	
BIRTH DSHS		0.00	507.66
REFUNDS		0.00	3209.75
OVER/(SHORT)			\$0.00
SUBTOTAL			-3307.31 0.00
DUE TO TREASURER			5602,302.40
			424,079.54
DISTRIBUTION:			
COUNTY CLERK FEES	1100-341-10-180-002-0-000	163,559.83	X
EARLY CHILDHOOD DONATION	1100-207-20-000-074-0-000	942,127.08	X2; X5
INTEREST EARNED DSHS	1100-207-20-000-075-0-000	\$15.00	X; X2
RCRDS MGMT & PRESERVATION PRGM/LGC 118 0216	1237-341-10-180-000-0-000	62.22	X; X2
DIGITAL IMAGE FEES	1100-341-10-180-013-0-000	\$79,540.00	X; X2
CC RECORDS ARCHIVE FEE LGC 118 025	1100-341-10-180-038-0-000	\$4,371.84	X; X2
COURTHOUSE SECURITY FUND/LGC 291 008	1100-341-10-180-038-0-000	\$81,360.00	X; X2
COMPTOR OF PUBLIC ACCTS-MARR FEES (MONTHLY)/LGC 118 022(a)	1241-341-10-180-001-0-000	850.00	X; X2
COMPTOR OF PUBLIC ACCTS-BIRTH/DEATH CERT (QUARTERLY)/LGC 118 015(b)	1100-207-20-000-040-0-000	608.40	X; X2
COMPTOR OF PUBLIC ACCTS-DECLARATION OF INFORMAL MARRIAGE/LGC 118 022(a)	1100-207-20-000-041-0-000	\$262.50	X; X2
NEW COURTHOUSE FEE	1100-341-10-180-019-0-000	\$72,000.00	X; X2
PRESERVATION OF VITAL STATISTICS HSC 191 0045(h)	1100-341-10-180-019-0-000	1,200.00	X; X2
Refunds	1100-207-20-000-022-0-000	269.75	X; X2
DISTRIBUTION TOTAL:	1100-341-10-180-000-0-000		424,079.54
COUNTY AUDITOR'S FORM: ARS-CC-002, PART I			5602,302.40
REVISED 2004			

PREPARED BY

Berenze Alvarado 8/8/17
BERENZE ALVARADO DEPUTY CLERK DATE

APPROVAL:

Arturo Guajardo, Jr
ARTURO GUAJARDO, JR COUNTY CLERK DATE

AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: 6/19/17

6/19/17

COUNTY CLERK MONTHLY FEE REPORT

RECEIVED BY:
COUNTY AUDITOR

AUGUST
2017

****COUNTY CLERK FEE ACCOUNT****

2017 SEP 21 07 10 42

RECORDING FEES/LGC118.013,118.011,212.004,BCC38.10		
MARRIAGE LICENSES/LGC118.018 (TOTAL)		
STATE COMPTROLLER		
MARRIAGE LICENSE	# Filed	444
BIRTH CERTIFICATES	# Filed	338
BIRTH DSHS	# Filed	31
DECLARATION OF INFORMAL MARRIAGE	# Filed	17
UCC-FINANCING STATEMENTS/BCC9.403		
EARLY CHILDHOOD DONATION		
VITAL STATISTICS/LGC 118.015		
CERTIFIED COPIES/LGC 118.014		
RETURNED CHECK CHARGE/LGC 118.0215		
REFUNDS		
BEER & WINE PERMITS/ABC 61.31		
PRINTER FEES/ABC 61.38		
RECEIVED ON ACCOUNT		
RCRDS MGMT & PRESERVATION PRGM/LGC 118.0216		
DIGITAL IMAGE FEES		
CC RECORDS ARCHIVES FEE LGC 118.025		
COURTHOUSE SECURITY FUND/LGC 291.008		
VITAL ARCHIVE FEE HSC 191.0045(h)		
OVER/(SHORT)		
NEW COURTHOUSE FEE		
INTEREST EARNED		
ADJUSTMENTS		
TOTAL CHARGES AND COLLECTIONS		

\$141,806.75	^ X2;XS
\$13,532.50	^ X2;XS
\$13,320.00	^ X;X2;XS
\$808.40	^ X;X2;XS
\$56.73	^ X;X2;XS
\$212.50	^ X;X2;XS
\$1,395.00	^ X2;XS
\$20.00	^ X;X2;XS
\$17,537.87	^ X2;XS
\$30.00	^ X2;XS
\$485.50	^ X;X2;XS
\$0.00	
\$0.00	
\$266,653.50	^ X2;XS;X3-S;X3-6a
\$90,340.00	^ X;X2;XS
\$4,295.78	^ X;X2;XS
\$93,170.00	^ X;X2;XS
\$9,726.00	^ X;X2;XS
\$1,192.00	^ X;X2;XS
\$1.50	^ X;X2;XS;X3-3a
\$83,210.00	^ X;X2;XS
\$0.00	
\$0.00	

LESS:
CHARGES ON ACCOUNT

\$737,694.01 X2;XS;X6;X6
265,587.51
~~\$62,643.25~~ X3-6a

TOTAL DEPOSITED IN BANK

~~\$875,000.36~~
472,106.50

LESS:

PRINTERS FEES/ABC 61.38		
BIRTH DSHS		
REFUNDS		
OVER/(SHORT)		
SUBTOTAL		

\$0.00	\$96.73
0.00	\$485.50
0.00	\$1.50

0.00
~~\$543.73~~

DUE TO TREASURER

~~\$874,597.02~~
472,106.50

DISTRIBUTION:

COUNTY CLERK FEES	1100-341-10-188-002-0-000	\$978,142.86
EARLY CHILDHOOD DONATION	1100-207-20-008-074-0-000	\$20.00
INTEREST EARNED DSHS	1100-207-20-000-075-0-000	56.73
RCRDS MGMT & PRESERVATION PRGM/LGC 118.0216	1237-341-10-188-000-0-000	\$90,340.00
DIGITAL IMAGE FEES	1100-341-10-188-013-0-000	\$4,295.78
CC RECORDS ARCHIVE FEE LGC 118.025	1100-341-10-188-008-0-000	\$93,170.00
COURTHOUSE SECURITY FUND/LGC 291.008	1241-341-10-188-001-0-000	\$9,726.00
COMPTROLLER OF PUBLIC ACCTS-MARR FEES (MONTHLY)/LGC 118.022(a)	1100-207-20-000-040-0-000	\$13,320.00
COMPTROLLER OF PUBLIC ACCTS-BIRTH/DEATH CERT (QUARTERLY)/LGC 118.015(b)	1100-207-20-000-039-0-000	\$808.40
COMPTROLLER OF PUBLIC ACCTS-DECLARATION OF INFORMAL MARRIAGE/LGC 118.022(a)	1100-207-20-000-041-0-000	\$212.50
NEW COURTHOUSE FEE	1100-341-10-188-019-0-000	\$83,210.00
PRESERVATION OF VITAL STATISTICS HSC 191.0045(h)	1100-341-10-188-010-0-000	\$1,192.00
Refunds	1100-207-20-000-022-0-000	485.50
Overages	1100-360-00-000-000-0-000	1.50

175,468.11	^ X
\$978,142.86	^ X2;XS
\$20.00	^ X;X2
56.73	^ X;X2
\$90,340.00	^ X;X2
\$4,295.78	^ X;X2
\$93,170.00	^ X;X2
\$9,726.00	^ X;X2
\$13,320.00	^ X;X2
\$808.40	^ X;X2
\$212.50	^ X;X2
\$83,210.00	^ X;X2
\$1,192.00	^ X;X2
485.50	^ X2
1.50	^ X2

DISTRIBUTION TOTAL: Overages
COUNTY AUDITOR'S FORM: ARS-CC-002, PART I
REVISED 2004

PREPARED BY: Berenze Alvarado DEPUTY CLERK DATE: 09/18/17

APPROVAL: Arturo Guajardo, Jr. COUNTY CLERK DATE: 9-20-17

AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: 6/6
10/19/17

COUNTY CLERK MONTHLY FEE REPORT

RECEIVED BY
 COUNTY CLERK
 2017 OCT 19 AM 10 10

SEPTEMBER
 2017

****COUNTY CLERK FEE ACCOUNT****

PBC

RECORDING FEES/LGC118.013,118.011,212.004,BCC35.10		130,144.50	\$420,000.00	X2,XS
MARRIAGE LICENSES/LGC118.018 (TOTAL)			\$12,842.50	X2,XS
STATE COMPTROLLER				
MARRIAGE LICENSE	# Filed# Filed	421	\$12,830.00	X,X2,XS
BIRTH CERTIFICATES	# Filed# Filed	213-214	6885.00	X,X2,XS
BIRTH DSHS	# Filed# Filed	18	\$29.28	X,X2,XS
DECLARATION OF INFORMAL MARRIAGE	# Filed# Filed	17	\$212.50	X,X2,XS
UCC-FINANCING STATEMENTS/BCC9.403			\$960.00	X2,XS
EARLY CHILDHOOD DONATION			\$5.00	X,X2,XS
VITAL STATISTICS/LGC 118.015		13,581.32	613,557.00	X2,XS
CERTIFIED COPIES/LGC 118.014			\$0.00	
RETURNED CHECK CHARGE/LGC 118.0215			\$644.00	X,X2,XS,X3-5b
REFUNDS			\$0.00	
BEER & WINE PERMITS/ABC 61.31			\$0.00	
PRINTER FEES/ABC 61.38			\$236,911.75	X2,XS,X3-6a
RECEIVED ON ACCOUNT			\$89,040.00	X,X2,XS
RCRDS MGMT & PRESERVATION PRGM/LGC 118.0216		20,000.00	\$4,264.00	X,X2,XS
DIGITAL IMAGE FEES		4,111.00	\$81,910.00	X,X2,XS
CC RECORDS ARCHIVES FEE LGC 118.025			\$8,563.00	X,X2,XS
COURTHOUSE SECURITY FUND/LGC 291.008		997.00	6088.00	X,X2,XS
VITAL ARCHIVE FEE HSC 191.0045(h)		.50	548.50	X,X2,XS
OVER/(SHORT)			\$73,140.00	X,X2,XS
NEW COURTHOUSE FEE			\$0.00	
INTEREST EARNED		0.00	657,023.75	X2,XS
ADJUSTMENTS			657,023.75	X2,XS
TOTAL CHARGES AND COLLECTIONS			931,552.50	X2,XS
LESS:			657,349.50	X3-6a
CHARGES ON ACCOUNT			3599,749.25	
TOTAL DEPOSITED IN BANK			419,471.25	
LESS:			\$0.00	
PRINTERS FEES/ABC 61.38		0.00	329.28	
BIRTH DSHS		0.00	644.00	
REFUNDS		0.00	648.50	
OVER/(SHORT)			0.00	
SUBTOTAL			3749.28	

DUE TO TREASURER

5600,029.47
 419,471.25

DISTRIBUTION:

COUNTY CLERK FEES	1100-341-10-180-002-0-000	130,845.57	3950,974.77	X
EARLY CHILDHOOD DONATION	1100-207-20-000-074-0-000		\$5.00	X,X2
INTEREST EARNED DSHS	1100-207-20-000-075-0-000	29.28	60.00	X,X2
RCRDS MGMT & PRESERVATION PRGM/LGC 118.0216	1227-341-10-180-000-0-000		388,040.00	80,000.00 X,X2
DIGITAL IMAGE FEES	1100-341-10-180-013-0-000		34,264.00	4,111.00 X,X2
CC RECORDS ARCHIVE FEE LGC 118.025	1100-341-10-180-028-0-000		81,910.00	X,X2
COURTHOUSE SECURITY FUND/LGC 291.008	1241-241-10-180-001-0-000		8,563.00	X,X2
COMPTOR OF PUBLIC ACCTS-MARR FEES (MONTHLY)/LGC 118.022(a)	1100-207-20-000-040-0-000		\$12,830.00	X,X2
COMPTOR OF PUBLIC ACCTS-BIRTH/DEATH CERT (QUARTERLY)/LGC 118.015(b)	1100-207-20-000-039-0-000	383.40	6885.00	X,X2
COMPTOR OF PUBLIC ACCTS-DECLARATION OF INFORMAL MARRIAGE/LGC 118.022(a)	1100-207-20-000-041-0-000		\$212.50	X,X2
NEW COURTHOUSE FEE	1100-341-10-180-016-0-000		\$73,140.00	X,X2
PRESERVATION OF VITAL STATISTICS HSC 191.0045(h)	1100-341-10-180-016-0-000		5088.00	997.00 X,X2
Refunds	1100-207-20-000-022-0-000		644.00	X,X2
DISTRIBUTION TOTAL: overage	1100-360-00-000-000-0-000		0.50	X,X2

REVISID 2004

PREPARED BY

Berendez
 BERENDEZ ALVARADO DEPUTY CLERK DATE 10-11-17

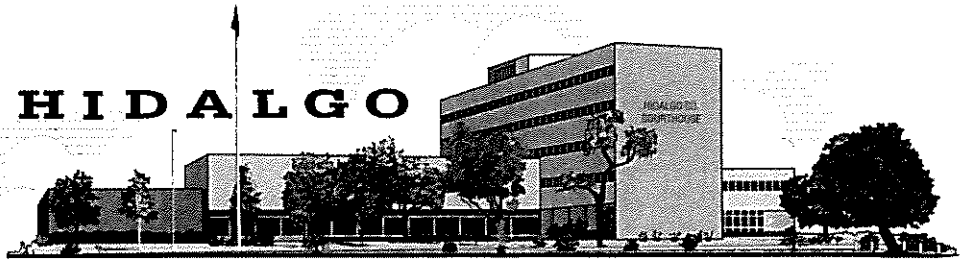
APPROVAL

Arturo
 ARTURO GUAJARDO, JR COUNTY CLERK DATE 10-16-17

AUDITED BY: THE HIDALGO COUNTY AUDITOR'S OFFICE
 DATE: 10/26/17

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



EDINBURG, TEXAS 78539

November 16, 2017

The Honorable Arturo Guajardo Jr.
Hidalgo County Clerk
100 N. Closner, 1st Floor
Edinburg, Texas 78539

Ref: Review of *Civil and Probate Fees and Court Costs Monthly Report* and Supporting Documentation
For the months of July 2017 through September 2017

Dear Mr. Guajardo:

We have conducted a limited scope review of the *Civil and Probate Fees and Court Costs Monthly Report (Monthly Report)* and supporting documentation for the months of July 2017 through September 2017 pursuant to Local Government Code §115.002 (a) and (b). The objective of the review was to determine if fees and court costs 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 months of July 2017 through September 2017. Our audit was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

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

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 fees and court cost statutes and schedules. The following procedures were also 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 five 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.
- Verified that procedures for voided receipts were properly followed.
- Verified that collections per the *Monthly Report* agreed to: 1.) total receipts issued *per Odyssey's* Receipt Journal Report, 2.) total collections per *Odyssey's* Fee Distribution Report, 3.) total deposits made with the County Treasurer, and 4.) total deposits posted to *alio's* Undistributed Receipts general ledger account.
- Verified the sequence of receipts per the *Monthly Report* agreed to *Odyssey's* Receipt Journal Report. In addition, verified that receipts followed sequential order.

HIDALGO COUNTY DISTRICT JUDGES

LUIS W. BANGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 129TH D.C.

ROSE QUERRA 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, 398TH D.C.

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

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

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

- Reviewed randomly selected receipts to determine if fees and court costs were allocated and reported in the proper amounts.
- Reviewed *Cashier's Daily Fund Report* and bank deposit slips to verify proper completion and accuracy.
- Reviewed *Revenue Remittance Reports* and County Treasurer receipts to determine if fees collected were deposited with the County Treasurer in a timely manner.
- Reviewed receipts, *Revenue Remittance Reports*, *Monthly Report*, and mail logs to verify proper completion.
- Reviewed randomly selected validated deposit slips to determine if the deposit composition (cash, checks, credit card, etc.) agreed to the applicable payment method listed on the receipts.
- Reviewed and verified that the number of civil cases and motions were correctly reported on the *Monthly Report*.

Conclusion:

Total collections for the months of July 2017 through September 2017 were \$137,114.02, \$206,299.32, and \$162,947.04, respectively. Based on the results of our review, we have concluded that fees and court costs were generally properly accounted and reported; however, the system of internal controls for the accounting and reporting of fees and court costs requires improvement as noted in the following observations.

Observation No. 1:

We reviewed randomly selected receipts to determine if fees and court costs were properly allocated and reported. The results of our review revealed that 23 receipts (July-18; August-3; and September-2) (see Exhibit A) contained errors in the allocation of fees and court costs. The errors were the result of the incorrect assessment of the Records Management and Preservation Fee (RMP) as the fee was over assessed by \$5.00. According to staff, the fee schedules on the receipting system have been corrected to reflect the correct RMP fee on all new filings.

There are numerous statutes that require the County Clerk to charge various fees and court costs for certain services and offenses. Fees and court costs must be allocated pursuant to State statutes and/or Commissioners Court approval.

Failure to ensure that fees and court costs are properly allocated and reported may result in the improper collection of County revenues. In addition, the County may be held liable to the State for failure to properly allocate and report fees and court costs.

Recommendation:

Management should ensure that all pending adjustments are completed. In addition, management should ensure that fees and court costs are properly allocated and reported. At a minimum, the following procedures should be implemented:

- Staff should be provided with training regarding the proper allocation of fees and court costs.
- Staff should review the allocation of fees and court costs before the official County receipt is issued.
- Staff should ensure that the proper cost allocation of fees and court costs is entered when a case is setup.
- The bill of costs should be revised through a court order to reflect the correct fees and court costs.

Observation No. 2:

We noted during our review that the July 2017 through September 2017 *Monthly Reports* were submitted to the County Auditor's Office 14, 16, and 14 days, respectively, after the fifth day following the end of the month. According to staff, attempts are made to submit the *Monthly Report* in a timely manner; however, due to heavy work load, submittal of the *Monthly Report* gets delayed.

Local Government Code §114.001 (b) states, "A monthly report must be filed within five days after the last day of each month." Timely submittal of the *Monthly Report* helps ensure the proper accounting and accurate projection of County revenues.

Failure to ensure that the *Monthly Report* is submitted to the County Auditor's Office within five days after the last day of each month may result in the improper accounting and inaccurate projection of County revenues.

HIDALGO COUNTY DISTRICT JUDGES

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

RICOLFO 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.

NDE 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.

Recommendation:

Management should ensure that the *Monthly Report* is filed with the County Auditor's Office within 5 days after the last day of each month.

Observation No. 3:

We noted during our review that deposit slips did not include the receipt sequence and the listing of check numbers to be deposited. In addition, copies of the checks receipted are not kept and attached to the Close-Out Report. According to staff, the majority of the payments received are made by check and the list of checks will exceed the space available on the deposit slip. Furthermore, the staff has a heavy work load and making copies of the checks will be difficult. Staff is also instructed to enter the check number in *Odyssey* when a payment is receipted.

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 check 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 attached to the Close-Out Report."

Failure to properly prepare deposit slips may result in the misuse of County funds.

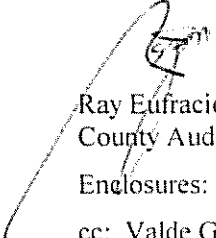
Recommendation:

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.

Please provide written management responses to the observations noted above by December 6, 2017.

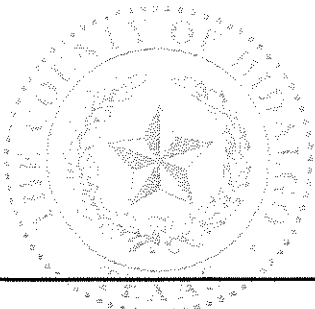
If you have any questions or would like to schedule a meeting to discuss the above noted observations, please contact Gricelda Quintero, Internal Auditor II, at 318-2511 ext. 4643, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Arcy B. Duran, CPA, Director of Audit, at ext. 4645 or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

Enclosures: Copy of *Civil and Probate Fees and Court Cost Monthly Report* and Exhibit
cc: Valde Guerra, County Executive Officer



HIDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 92ND 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, 448TH D.C.

Receipt Journal by Fund and Fee Code

TXHIDALGOPROD

Transaction Date Range: 07/01/2017 - 07/31/2017 Sorted by: By receipt number
 County Clerk County Court at Law #1 County Court at Law #2 County Court at Law #4 County Court at Law #5 County Court at Law #6 County Court at Law #7 County Court at

Tills: Alejandra Zapata, Alma Navarro, Anna Smith, Bersy Sanchez, CC Adjustment, Clari

Hidalgo County Clerk
 2017 Civil and Probate Court Cost

	Totals	Fee Totals
Total Receipts	137,129.02	137,129.02
Total Adjustments Impacting Receipts	(15.00)	(15.00)
Final Fee Code Totals	137,114.02	137,114.02
Less Refunds		\$ 832.00
Total Due to Treasurer	\$ 136,282.02	
Plus City of Pharr Eserew-account-deposit-2017-034808		\$ 50.00
Total	\$ 136,332.02	
Plus Duplicated E-Files		
Under-transferred-in-August-		
\$2 P-38-163 2017-033161-		
\$2 CL-17-1219-B 2017-033162-		
\$2 CL-17-2157-D 2017-033179-		\$ 8.00
\$2 CL-17-2462-E 2017-033181-		
Due Treasurer:	\$ 136,340.02	

For the Month of July 2017

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

[Signature]
 County Clerk

August 8, 2017
 Date

AUDITED BY: THE HIDALGO
 COUNTY AUDITOR'S OFFICE
 DATE: 8/25/17

02 01 10 10 28

Receipt Journal by Fund and Fee Code

TXHIDALGOPROD

Transaction Date Range: 07/01/2017 - 07/31/2017 Sorted by: By receipt number

Tillis: Alejandra Zapata,Alma Navarro,Anna Smith,Bersy Sanchez,CC Adjustment,Clari

County Clerk County Court at Law #1 County Court at Law #2 County Court at Law #4 County Court at Law #5 County Court at Law #6 County Court at Law #7 County Court at

Civil Probate or Mental Health Family

Fund and Fee Account Summary	Totals	Fee Totals
Fee Code Totals for All Funds	137,114.02	137,114.02
1100-341-10-180-002-0-000 County Clerk	28,737.00	28,737.00 ✓ X ; X3
1100-342-10-180-001-0-000 Sheriff	3,575.00	3,575.00 ✓ X ; X3-1
1100-341-10-180-001-0-000 County Judge	616.00	616.00 ✓ X ; X3-1
1100-341-10-180-006-0-000 Stenographer	7,100.00	7,100.00 ✓ X ; X3-1
1100-341-10-180-008-0-000 Jury - County Clerk	5,320.00	5,320.00 ✓ X ; X3-1
1100-341-10-180-007-0-000 Probate Judge Education	105.00	105.00 ✓ X ; X3-1
1100-207-20-000-048-0-000 Indigent Civil Legal Services	3,300.00	3,300.00 ✓ X ; X3 330 X4-1
1100-207-20-000-047-0-000 Probate Indigent Legal Service	390.00	390.00 ✓ X ; X3 39 X4-1
1100-207-20-000-043-0-000 Judicial Fund / Civil CC Stat	12,720.00	12,720.00 ✓ X ; X3-1 318 X4-1
1100-207-20-000-055-0-000 Judicial Support Fee	13,524.00	13,524.00 ✓ X ; X3-1 322 X4-2
1100-207-20-000-042-0-000 Judicial Fund / Probate CC Stat	1,560.00	1,560.00 ✓ X ; X3-1 39 X4-1
1100-207-20-000-001-0-000 Appellate Judicial System Fund	1,785.00	1,785.00 ✓ X ; X3
1100-341-10-080-011-0-000 Dist Attorney BF Commission	275.20	275.20 ✓ X ; X3
1100-341-10-180-002-0-000 Registry Administration Fee	3,945.64	3,945.64 ✓ X ; X3
1100-207-20-000-037-0-000 Non Disclosure Fee	56.00	56.00 ✓ X ; X3-1 2 X4-2
1100-361-11-000-006-0-000 Interest Earnings	7.98	7.98 ✓ X ; X3
1100-207-20-000-069-0-000 State-Elec Filing Fee	11,070.00	11,070.00 ✓ X ; X3
1100-341-10-180-017-0-000 County Clerk EFile Fee	6,334.00	6,334.00 ✓ X ; X3
1100-341-10-180-019-0-000 County Clerk - Court Facilities	7,140.00	7,140.00 ✓ X ; X3
1100 - General Fund	107,560.82	107,560.82
1238-341-20-180-001-0-000 County Records Management	3,690.00	3,690.00 ✓ X ; X1 ; X3-1
1238-341-10-180-000-0-000 Co Rec Mgmt/Preserve	3,570.00	3,570.00 ✓ X ; X1 ; X3

07 31 2017 10 10 28

401100-111111

Receipt Journal by Fund and Fee Code

TXHIDALGOPROD

Transaction Date Range: 07/01/2017 - 07/31/2017 Sorted by: By receipt number

Tills: Alejandra Zapata, Alma Navarro, Anna Smith, Bersy Sanchez, CC Adjustment, Clari

County Clerk County Court at Law #1 County Court at Law #2 County Court at Law #4 County Court at Law #5 County Court at Law #6 County Court at Law #7 County Court at

Civil Probate or Mental Health Family

Fund Fee Code Account Summary		Totals	Fee Totals
1238 - County Records Management and Preservation	7,260.00	7,260.00	
1200-352-10-180-001-0-000 Bond Forfeitures	2,864.20	2,864.20	2,864.20 ✓ X; X1; X3
1200 - Road and Bridge Countywide	2,864.20	2,864.20	
1239-341-10-180-001-0-000 Court Reporter Service Fee	4,830.00	4,830.00	4,830.00 ✓ X; X1; X3
1239 - Court Reporter Service	4,830.00	4,830.00	
1241-341-10-180-001-0-000 Courthouse Security Fund	1,797.00	1,797.00	1,797.00 ✓ X; X1; X3
1241 - Courthouse Security	1,797.00	1,797.00	
1247-341-10-180-001-0-000 Law Library	11,270.00	11,270.00	11,270.00 ✓ X; X1; X3-1
1247 - Law Library Fee	11,270.00	11,270.00	
1250-341-10-180-001-0-000 SCIG Probate Filing Fee	700.00	700.00	11,270.00 ✓ X; X1; X3-1 700.00 35 ✓ X4-2
1250 - Supplemental Court Guardianship	700.00	700.00	
9900-000-00-000-000-000 Refunds/Overpayments Due to	832.00	832.00	832.00 ✓ X2; X3-1
9999 - Due to Others	832.00	832.00	

2017 AUG 10 PM 10 28

Hidalgo County Clerk
 Schedule of Adjustments
 For the Month Ended July 31, 2017

July 2017 Civil Fee Testing

RMP.C was over assessed by \$5.00

Receipt	Cause	Date	Payor	File Date	RMP.C	TOTAL
2017-030600	Cl-17-2758-D	7/5/2017	Salinas, Rene	7/5/2017	10.00	431.00
2017-031423	Cl-16-1992-D	7/10/2017	SECURITY FIRST FEDERAL CREDIT UNION	4/28/2016	10.00	375.00
2017-031686	Cl-17-1566-E	7/11/2017	Lacks Valley Stores, Ltd	4/4/2017	10.00	512.00
2017-032359	Cl-17-2851-A	7/14/2017	Gomez, Eduardo	7/14/2017	10.00	388.00
2017-032499	Cl-17-2856-G	7/17/2017	NAVARRO, CARLOS	7/17/2017	10.00	623.00
2017-032729	Cl-15-0695-F	7/18/2017	Gomez, Luis Marcos	3/5/2015	10.00	277.00
2017-032780	Cl-17-2871-A	7/18/2017	National Collegiate Student Loan Trust 2007-3	7/18/2017	10.00	288.00
2017-032897	Cl-17-2876-D	7/19/2017	Ford Motor Credit Company LLC	7/18/2017	10.00	292.00
2017-032910	Cl-17-2887-B	7/19/2017	TD Bank USA, N.A.	7/19/2017	10.00	288.00
2017-033362	Cl-17-2934-E	7/21/2017	Discover Bank	7/20/2017	10.00	286.00
2017-033714	Cl-17-2971-D	7/24/2017	National Judgment Recovery Center, LP as Assignee of Un	7/24/2017	10.00	292.00
2017-034041	Cl-17-3004-A	7/26/2017	PORTFOLIO RECOVERY ASSOCIATES, LLC	7/25/2017	10.00	286.00
2017-034254	Cl-17-3027-G	7/26/2017	PORTFOLIO RECOVERY ASSOCIATES, LLC	7/26/2017	10.00	286.00
2017-034356	Cl-17-3038-H	7/27/2017	VILLARREAL, IUAN MARTIN	7/27/2017	10.00	286.00

July 2017 Probate Fee Testing

RMP.P was over assessed by \$5.00

Receipt	Cause	Date	Payor	File Date	RMF.P	TOTAL
2017-031505	P-37,264	7/11/2017	Ogle, Peggy	12/14/2015	10.00	437.00
2017-032006	P-38,125	7/13/2017	Gomez, Ana Cristina	4/5/2017	10.00	350.00
2017-033271	P-38,002	7/20/2017	Hippert, James	2/9/2017	10.00	666.00
2017-034088	P-38,187	7/26/2017	SPARKS, RENE ALLISON	5/16/2017	10.00	339.00

Receipt Journal by Fund and Fee Code

TXHIDALGOPROD

Transaction Date Range: 08/01/2017 - 08/31/2017 Sorted by: By receipt number
 County Clerk County Court at Law #1 County Court at Law #2 County Court at Law #4 County Court at Law #5 County Court at Law #6 County Court at Law #7 County Court at

Tills: Alejandra Zapata, Alma Navarro, Anna Smith, Bersy Sanchez, CC Adjustment, Clarif

Hidalgo County Clerk

RECEIVED BY
 COUNTY AUDITOR

2017 SEP 21 PM 10 42

2017 Civil and Probate Court Cost

	Totals	Fee Totals
Total Receipts	206,333.96	206,333.96 X7-1
Total Adjustments Impacting Receipts	(34.64)	(34.64) X7-2
Final Fee Code Totals	206,299.32	206,299.32 X3-1; X10; X7-2

Less Refunds	\$ 5.00	X2-2
Total Due To Treasurer:	\$ 206,294.32	X; X5-2
Plus City of Mission		
Eserow-account-deposit-2017-034808	\$ 240.00	
Total	\$ 206,534.32	
Less Duplicated E-Files		
Under-transferred-in-August		
\$2 P-38-463 2017-033161		
\$2 CL-17-1219-B 2017-033162		
\$2 CL-17-2157-D 2017-033179		
\$2 CL-17-2462-E 2017-033484	\$ 8.00	
Due Treasurer:	\$ 206,526.32	

For the Month of August 2017

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

Alejo S. Sanchez
 County Clerk

September 18, 2017
 Date

AUDITED BY: THE HIDALGO COUNTY AUDITOR'S OFFICE
 DATE: 9/28/17

Receipt Journal by Fund and Fee Code

Transaction Date Range: 08/01/2017 - 08/31/2017 Sorted by: By receipt number
 County Clerk County Court at Law #1 County Court at Law #2 County Court at Law #4 County Court at Law #5 County Court at Law #6 County Court at Law #7 County Court at

Civil Probate or Mental Health Family

Fund and Fee Account Summary	Totals	Fee Totals
Fee Code Totals for All Funds	206,299.32	206,299.32
1100-341-10-180-002-0-000 County Clerk	50,463.00	50,463.00 ✓ X; X3
1100-342-10-180-001-0-000 Sheriff	4,655.00	4,655.00 ✓ X; X3-1
1100-341-10-180-001-0-000 County Judge	554.00	554.00 ✓ X; X3-1
1100-341-10-180-006-0-000 Stenographer	11,420.00	11,420.00 ✓ X; X3-1
1100-341-10-180-008-0-000 Jury - County Clerk	6,280.00	6,280.00 ✓ X; X3-1
1100-341-10-180-007-0-000 Probate Judge Education	150.00	150.00 ✓ X; X3-1
1100-207-20-000-048-0-000 Indigent Civil Legal Services	5,320.00	5,320.00 ✓ X; X3 532 X4-1
1100-207-20-000-047-0-000 Probate Indigent Legal Service	500.00	500.00 ✓ X; X3 50 X4-1
1100-207-20-000-043-0-000 Judicial Fund / Civil CC Stat	21,040.00	21,040.00 ✓ X; X3-1 526 X4-1
1100-207-20-000-055-0-000 Judicial Support Fee	22,092.00	22,092.00 ✓ X; X3-1 526 X4-1
1100-207-20-000-042-0-000 Judicial Fund (Probate CC Stat	2,000.00	2,000.00 ✓ X; X3-1 50 X4-1
1100-207-20-000-001-0-000 Appellate Judicial System Fund	2,880.00	2,880.00 ✓ X; X3
1100-341-10-080-011-0-000 Dist Attorney BF Commission	80.20	80.20 ✓ X; X3
1100-341-10-180-002-0-000 Registry Administration Fee	1,512.84	1,512.84 ✓ X; X3
1100-207-20-000-037-0-000 Non Disclosure Fee	28.00	28.00 ✓ X; X3-1 1 X4-1
1100-361-11-000-006-0-000 Interest Earnings	15.58	15.58 ✓ X; X3
1100-207-20-000-069-0-000 State-Elec Filing Fee	17,460.00	17,460.00 ✓ X; X3
1100-341-10-180-017-0-000 County Clerk EFile Fee	8,496.00	8,496.00 ✓ X; X3
1100-341-10-180-019-0-000 County Clerk - Court Facilities	11,520.00	11,520.00 ✓ X; X3
1100 - General Fund	166,466.62	166,466.62
1238-341-20-180-001-0-000 County Records Management	3,200.00	3,200.00 ✓ X; X1; X3-1
1238-341-10-180-000-0-000 Co Rec Mgmt/Preserve	5,760.00	5,760.00 ✓ X; X1; X3

RECEIVED BY
 COUNTY AUDITOR

2017 SEP 21 AM 10 42

Receipt Journal by Fund and Fee Code

TXHIDALGOPROD

Transaction Date Range: 08/01/2017 - 08/31/2017 Sorted by: By receipt number

Tills: Alejandra Zapata,Alma Navarro,Anna Smith,Bersy Sanchez,CC Adjustment,Clari:

County Clerk County Court at Law #1 County Court at Law #2 County Court at Law #4 County Court at Law #5 County Court at Law #6 County Court at Law #7 County Court at

Civil Probate or Mental Health Family

County of Alameda

	Totals	Fee Totals
1238 - County Records Management and Preservation	8,960.00	8,960.00
1200-352-10-180-001-0-000 Bond Forfeitures	681.70	681.70
1200 - Road and Bridge Countywide	681.70	681.70
1239-341-10-180-001-0-000 Court Reporter Service Fee	7,890.00	7,890.00
1239 - Court Reporter Service	7,890.00	7,890.00
1241-341-10-180-001-0-000 Courthouse Security Fund	2,886.00	2,886.00
1241 - Courthouse Security	2,886.00	2,886.00
1247-341-10-180-001-0-000 Law Library	18,410.00	18,410.00
1247 - Law Library Fee	18,410.00	18,410.00
1250-341-10-180-001-0-000 SCIG Probate Filing Fee	1,000.00	1,000.00
1250 - Supplemental Court Guardianship	1,000.00	1,000.00
9900-000-00-000-000-0-000 Refunds/Overpayments Due to	5.00	5.00
9999 - Due to Others	5.00	5.00

1,000.00 X3-1 X4-2

50

RECEIVED BY
COUNTY CLERK

2017 SEP 21 PM 10 42

Hidalgo County Clerk
 Schedule of Adjustments
 For the Month Ended August 31, 2017

August 2017 Civil Fee Testing

RMP.C was over assessed by \$5.00			
Receipt	Cause	Date	Payor
2017-038999	CL-17-2448-A	8/23/2017	Alvarado, Elisa
		File Date	RMP.C TOTAL
		6/8/2017	10.00 308.00

August 2017 Probate Fee Testing

RMP.P was over assessed by \$5.00			
Receipt	Cause	Date	Payor
2017-035022	P-38,174	8/1/2017	HANSEN, JOHN
2017-035555	P-38,015	8/3/2017	Reyna, Mayra Alejandra
		File Date	RMP.P TOTAL
		5/11/2017	10.00 630.00
		2/17/2017	10.00 450.00

Receipt Journal by Fund and Fee Code

TXHIDALGOPROD

Transaction Date Range: 09/01/2017 - 09/30/2017 Sorted by: By receipt number
 County Clerk County Court at Law #1 County Court at Law #2 County Court at Law #4 County Court at Law #5 County Court at Law #6 County Court at Law #7 County Court at

Tills: Alejandra Zapata, Alma Navarro, Anna Smith, Bersy Sanchez, CC Adjustment, Clari

Hidalgo County Clerk
 2017 Civil and Probate Court Cost

	Totals	Fee Totals
Total Receipts	164,164.04	164,164.04
Total Adjustments Impacting Receipts	(1,217.00)	(1,217.00)
Final Fee Code Totals	162,947.04	162,947.04

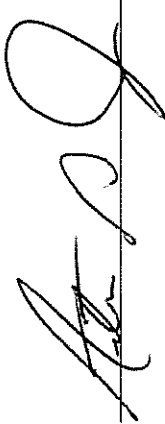
Less Refunds	\$ 704.00	X2-2
Total	\$ 162,243.04	X, XS-Z
Less under transfer 9/28/17 Report missing new cashier	\$ 448.10	
Total	\$ 161,794.94	

COPIED TO
 2017 OCT 19 AM 10:10

AUDITED BY: THE HIDALGO
 COUNTY AUDITOR'S OFFICE
 DATE: 10/25/17

For the Month of September 2017

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


 County Clerk

October 11, 2017
 Date

Receipt Journal by Fund and Fee Code

TXHIDALGOPROD

Transaction Date Range: 09/01/2017 - 09/30/2017 Sorted by: By receipt number
 County Clerk County Court at Law #1 County Court at Law #2 County Court at Law #4 County Court at Law #5 County Court at Law #6 County Court at Law #7 County Court at

Tills: Alejandra Zapata, Alma Navarro, Anna Smith, Bersy Sanchez, CC Adjustment, Clarif:

Civil Probate or Mental Health Family

Fee Code	Description	Totals	Fee Totals	Notes
1100-341-10-180-002-0-000	County Clerk	34,195.00	34,195.00	X; X3
1100-342-10-180-001-0-000	Sheriff	3,860.00	3,860.00	X; X3-1
1100-341-10-180-001-0-000	County Judge	514.00	514.00	X; X3-1
1100-341-10-180-006-0-000	Stenographer	8,500.00	8,500.00	X; X3-1
1100-341-10-180-008-0-000	Jury - County Clerk	6,640.00	6,640.00	X; X3-1
1100-341-10-180-007-0-000	Probate Judge Education	159.00	159.00	X; X3
1100-207-20-000-048-0-000	Indigent Civil Legal Services	3,980.00	3,980.00	X4-1
1100-207-20-000-047-0-000	Probate Indigent Legal Service	550.00	550.00	X4-1
1100-207-20-000-043-0-000	Judicial Fund / Civil CC Stat	15,280.00	15,280.00	X4-1
1100-207-20-000-055-0-000	Judicial Support Fee	16,128.00	16,128.00	X4-2
1100-207-20-000-042-0-000	Judicial Fund / Probate CC Stat	2,200.00	2,200.00	X4-1
1100-207-20-000-001-0-000	Appellate Judicial System Fund	2,185.00	2,185.00	X; X3
1100-341-10-080-011-0-000	Dist Attorney BF Commission	550.00	550.00	X; X3
1100-341-10-180-002-0-000	Registry Administration Fee	1,648.86	1,648.86	X; X3
1100-207-20-000-037-0-000	Non Disclosure Fee	56.00	56.00	X4-2
1100-361-11-000-006-0-000	Interest Earnings	11.18	11.18	X; X3
1100-207-20-000-069-0-000	State-Elec Filing Fee	13,580.00	13,580.00	X; X3
1100-341-10-180-017-0-000	County Clerk EFile Fee	7,010.00	7,010.00	X; X3
1100-341-10-180-019-0-000	County Clerk - Court Facilities	8,700.00	8,700.00	X; X3
1100-207-20-000-076-0-000	Jud. & Court Personnel	1,890.00	1,890.00	X; X3-1
1100 - General Fund		127,637.04	127,637.04	378 cases
1238-341-20-180-001-0-000	County Records Management	2,275.00	2,275.00	X; X1; X3-1

RECEIVED BY
 COUNTY CLERK
 2017 OCT 19 AM 10 10

Receipt Journal by Fund and Fee Code

TXHIDALGOPROD

Transaction Date Range: 09/01/2017 - 09/30/2017 Sorted by: By receipt number
 County Clerk County Court at Law #1 County Court at Law #2 County Court at Law #4 County Court at Law #5 County Court at Law #6 County Court at Law #7 County Court at

Tills: Alejandra Zapata, Alma Navarro, Anna Smith, Bersy Sanchez, CC Adjustment, Clari:

Civil Probate or Mental Health Family

	Totals	Fee Totals
1238-341-10-180-000-0-000 Co Rec Mgmt/Preserve	4,370.00	4,370.00 ✓ X; X1; X3
1238 - County Records Management and Preservation	6,645.00	6,645.00
1200-352-10-180-001-0-000 Bond Forfeitures	5,500.00	5,500.00 ✓ X; X1; X3
1200 - Road and Bridge Countywide	5,500.00	5,500.00
1239-341-10-180-001-0-000 Court Reporter Service Fee	5,760.00	5,760.00 ✓ X; X1; X3
1239 - Court Reporter Service	5,760.00	5,760.00
1241-341-10-180-001-0-000 Courthouse Security Fund	2,201.00	2,201.00 ✓ X; X1; X3
1241 - Courthouse Security	2,201.00	2,201.00
1247-341-10-180-001-0-000 Law Library	13,440.00	13,440.00 ✓ X; X1; X3-1
1247 - Law Library Fee	13,440.00	13,440.00
1250-341-10-180-001-0-000 SCIG Probate Filing Fee	1,060.00	1,060.00 ✓ X; X1; X3-1
1250 - Supplemental Court Guardianship	1,060.00	1,060.00
9900-000-00-000-000-000 Refunds/Overpayments Due to	704.00	704.00 ✓ X2; X3-1
9999 - Due to Others	704.00	704.00

RECORDED BY
 COUNTY CLERK
 2017 OCT 19 60 10 10

Hidalgo County Clerk
 Schedule of Adjustments
 For the Month Ended September 30, 2017

September 2017 Civil Fee Testing

Receipt	Cause	Date	Payor	File Date	RMP.C	TOTAL
2017-044436	CL-16-4525-A	9/22/2017	American Builders & Contractor's Supply Company, Inc.	11/28/2016	10.00	327.00

RMP.C was over assessed by \$5.00

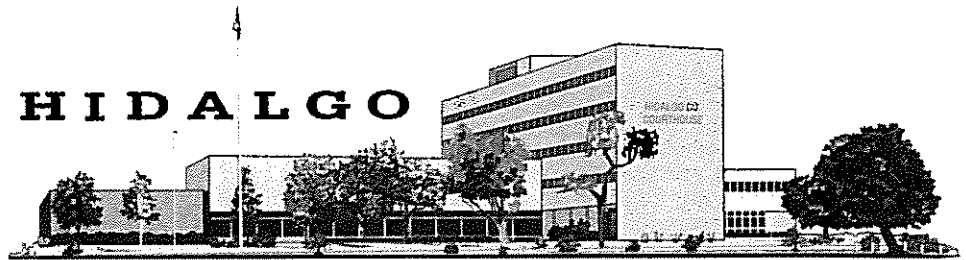
September 2017 Probate Fee Testing

Receipt	Cause	Date	Payor	File Date	RMF.P	TOTAL
2017-042259	P-37,915	9/11/2017	Somohano Guerra, Rosario	12/16/2016	10.00	337.00

RMP.P was over assessed by \$5.00

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

November 16, 2017

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

Re: Review of the Sheriff's Fee *Monthly Fees Report*
For the Month of August 2017

Dear Sheriff Guerra:

We conducted a limited scope review of the Sheriff's Fee *Monthly Fees Report* and supporting documentation for the month of August 2017 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 the review was limited to collections reported by your office on the *Monthly Fees Report* for the month of August 2017. 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 Report*. 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 the collections per the *Monthly Fees Report* agreed to: 1.) total receipts issued; 2.) total deposits made with the financial institution; and 3.) total receipts issued by the County Treasurer.

HIDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 107TH D.C.

ROSE GUERRA REYNA
JUDGE, 104TH D.C.

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

MARUO 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, 448TH D.C.

- Verified that receipts issued followed a sequential order.
- Verified that the receipts issued and the *Monthly Fees Report* was properly completed.

Conclusion:

Total collections for the month of August 2017 were \$47,975.22. 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 improvements as noted in the following observation.

Observation No. 1:

We noted during our review that the August 2017 *Monthly Fees Report* was submitted to the County Auditor's Office 21 days after the fifth day following the end of the month.

Local Government Code § 114.001(b) states, "A monthly report must be filed within five days after the last day of each month." Timely submittal of the *Monthly Fees Report* helps ensure the proper accounting and accurate projection of county revenues.

Failure to ensure that the *Monthly Fees Report* is submitted to the County Auditor's Office within five days after the last day of the each month may result in the improper accounting and inaccurate projection of County revenues.

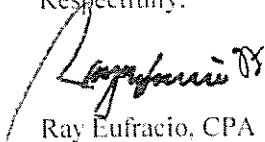
Recommendation:

Management should ensure the *Monthly Fees Report* is submitted to the County Auditor's Office within five days after the last day of each month.

Please provide a management response to the observation noted above by November 30, 2017.

If you have any questions, please contact Reynaldo Cantu III, Internal Auditor II, at ext. 4654, 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, 129TH 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.

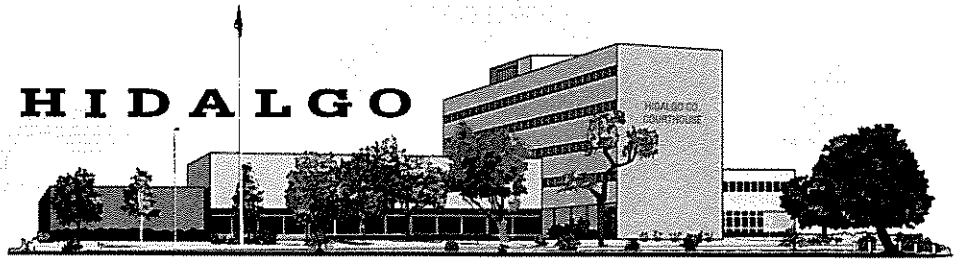
L. KENO VASQUEZ
JUDGE, 398TH D.C.

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

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

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

November 17, 2017

Honorable Ramon Garcia, County Judge
Honorable David L. Fuentes, Commissioner, Precinct No. 1
Honorable Eduardo Cantu, Commissioner, Precinct No. 2
Honorable Jose M. Flores, Commissioner, Precinct No. 3
Honorable Joseph Palacios, Commissioner, Precinct No. 4

Ref: Review of Request for Qualifications (RFQ) No. 2016-267-09-21-HGO
Report No. 2017-31

Dear Judge and Commissioners:

We have completed a review of the evaluation process utilized to grade and rank the Request for Qualifications (RFQ) received for the "Program Management Services-New Courthouse" (construction manager-agent) (RFQ No. 2016-267-09-21-HGO). The objective of the review was to evaluate the procedures in place for selecting a program manager (construction manager-agent) in compliance with Government Code §2269.207 "Selection of Construction Manager-Agent" and Government Code §2254.004 "Contract for Professional Services of Architect, Engineer, or Surveyor." This review was conducted due to a concern regarding the evaluation process.

BACKGROUND:

Hidalgo County is authorized under Chapter 2269 of the Texas Government Code to use six (6) types of construction delivery methods for public works projects. These methods are: competitive sealed bids; competitive sealed proposals; construction manager-agent; construction manager at risk; design-build; and job order contract. Each of the alternative construction delivery methods has its own procurement procedure prescribed by the applicable section of Chapter 2269.

Hidalgo County Commissioners Court intends to build a new courthouse and hire a program manager (construction manager-agent) to oversee the project. Pursuant to Government Code Chapter §2269.204, a construction manager-agent represents the governmental entity in a fiduciary capacity. The construction manager-agent generally serves as a consultant to the County, and oversees and coordinates work under the construction contract(s). The construction manager-agent method is utilized by governmental entities that do not have in-house expertise and/or sufficient staff to effectively oversee a construction project.

The purchasing agent must comply with two principal laws when procuring a construction manager-agent: Government Code §2269.207 "Selection of Construction Manager-Agent" and Government Code §2254.004 "Contract for Professional Services of Architect, Engineer, or Surveyor."

Pursuant to Government Code Chapter §2269.207, a governmental entity selects a construction manager-agent on the basis of demonstrated competence and qualifications in the same manner that an architect or engineer is selected under Government Code §2254.004. This is generally accomplished via a Request for Qualifications (RFQ). Under Government Code Chapter §2254.004, a governmental entity first selects the most highly qualified vendor on the basis of demonstrated competence and qualifications and then attempts to negotiate a contract at a fair and reasonable price. If the county is unable to negotiate a satisfactory contract with the most highly qualified vendor, negotiations will formally end with that vendor. The next most highly qualified vendor will then be asked to negotiate. Negotiations are continued in this sequence until a contract is finalized.

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, 201st 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, 381st D.C.

L. KENO VASQUEZ
JUDGE, 384th D.C.

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

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

RFQ No. 2016-267-09-21-HGO

On August 23, 2016, Commissioners Court approved the Request for Qualifications (RFQ) packet for “Program Management Services-New Courthouse.” The RFQ packet listed the evaluation criteria in two sections: 1.) Section III of the RFQ and 2.) Exhibit B-“RFQ Evaluation Form.” The evaluation criteria on Section III of the RFQ packet did not agree to the criteria published on Exhibit B-“RFQ Evaluation Form.”

Exhibit B-“RFQ Evaluation Form” and Section III of the RFQ Packet Evaluation Criteria

“RFQ Evaluation Form” and Section III of the RFQ packet consisted of a 100-point scoring system (scoring matrix) and 5 criteria with assigned weights as follows:

“RFQ Evaluation Form”	Section III of the RFQ Packet
<p>1. Professional Qualifications (max. points 25):</p> <p>a. Qualifications and Experience in providing on similar scale projects (max points 15):</p> <ul style="list-style-type: none"> i. Management of design phase ii. Management of overall task sequencing iii. Management of construction phase iv. Field inspection services v. Project controls vi. Project close-out <p>b. Examples of strategies used on other projects of similar scale to achieve a high-performance building development process and physical buildings leading to projects within the project budget and schedule (max points 10).</p>	<p>1. Professional Qualifications (max. points 25):</p> <p>Demonstrate a highly qualified ability to accomplish the objectives of the RFQ and a deep understanding of strategies to achieve a high-performing building development processes and physical building that shall be accomplished within the project budget and schedule. The respondent must demonstrate that it is experienced in and capable of providing the services described in the scope of services.</p> <p>Demonstrate its qualifications and experience in providing the types of services that will be required:</p> <ul style="list-style-type: none"> i. Management of design phase ii. Management of overall task sequencing iii. Management of construction phase iv. Field inspection services v. Project controls vi. Project close-out vii. Temporary facilities
<p>2. Experience of Project Team and Ability to Commit Resources (max points 25):</p> <p>a. Instances of proposed team working together on projects of similar scale (max points 5).</p> <p>b. Qualifications by education, training and applicable experience of proposed personnel in program management generally (max points 10).</p> <p>c. Assurance of committed resources (max. points 10).</p>	<p>2. Experience of Project Team and Ability to Commit Resources (max points 25):</p> <p>The respondent must demonstrate that its key personnel that would be assigned to the project are well qualified by education, training and applicable experience to competently carry out the goals and requirements stated in the RFQ.</p> <p>Respondent must provide an organizational chart for the proposed project team and a summary paragraph of the project services each would perform. Respondent must designate experienced technical staff to completely and efficiently perform the services, either through their own personnel or consultants. The respondent must identify the project team composition, project leadership, reporting responsibilities and address how consultants would fit into the team structure. Biographical summaries that highlight the experience relevant to the specific project responsibilities should be provided for all proposed personnel. A statement should also be included about such personnel’s education, training and experience related to the services to be provided.</p> <p>The respondent must provide assurance of how its qualified team members would be committed to this project, full or part time. Such information should also be described other respondent’s resources that would be available and committed.</p>

HIDALGO COUNTY DISTRICT JUDGES

<p>3. Relevant Experience (max. points 20):</p> <p>a. Relevant professional affiliations such as the Project Management Institute or the Construction Management Association of America (max. points 5).</p> <p>b. Relevant program management experience (max. points 5).</p> <p>c. Assurance of committed resources (max. points 10).</p>	<p>3. Relevant Experience (max. points 20):</p> <p>The respondent must have adequate experience as program manager for varied projects of a similar nature and scope. The scope of relevant projects must be included as well. Any relevant experience as a program manager on a courthouse project in any state within the past ten years is relevant. For each such project of a similar nature and scope listed, state the minimum limit of coverage amount of professional liability insurance required to the extent to which such limit was fully dedicated to the project.</p> <p>The respondent must be registered with the Texas Secretary of State to do business in Texas. The respondent should list any relevant professional affiliations such as the Project Management Institute or the Construction Management Association of America.</p> <p>In the following criteria for minimum and preferred qualifications and experience need not consist of continuous work but may be made up on discontinuous periods of full-time services with cumulatively equivalent years of experience.</p> <ul style="list-style-type: none"> • Minimum Qualifications- The respondent must have been project manager for two different types of projects and must have been personally involved with 50% of the technical development of the projects; • Preferred Qualifications- The respondent must have been project manager for five different types of projects and must have been 85-100% involved with the technical development of the projects.
<p>4. Understanding of Project (max. points 20) :</p> <p>a. Demonstrating an understanding of the scope of services (max. points 10).</p> <p>b. Identify information to be gathered or obtained/proposed approach to complete the scope (max. points 5).</p> <p>c. Statement of Qualifications (SOQ) clearly demonstrates an understanding of this project (max. points 5).</p>	<p>4. Understanding of Project (max. points 20) :</p> <p>The SOQ (Statement of Qualifications) shall:</p> <ul style="list-style-type: none"> • Demonstrate an understanding of the scope of services; • Identify information to be gathered or obtained; • SOQ clearly demonstrates an understanding of this project. <p>The SOQ shall be clear, well organized, easy to evaluate and appropriate to this RFQ.</p> <ul style="list-style-type: none"> • Minimum Qualifications: The SOQ must address knowledge and experience of working with multiple entities, such as counties, cities, etc. • Preferred Qualifications: The SOQ must address the proposed approach to complete the scope of services and identify information to be gathered or obtained and how it would be used in addition to the minimum qualifications.
<p>5. Familiarity with applicable rules and regulations (max points 10):</p> <p>a. Indicate passed experience of the proposed firm knowledge governmental regulations, appropriate codes, guidelines, professional standards and policies (max. points 5).</p> <p>b. Must contain a narrative outlining applicable regulations, guidelines, standards, and policies (max. points 5).</p>	<p>5. Familiarity with applicable rules and regulations (max. points 10):</p> <p>The SOQ must indicate through past experience of the proposed team that they possess sufficient knowledge of governmental regulations, appropriate codes, guidelines, professional standards and policies (as required).</p> <ul style="list-style-type: none"> • Minimum Qualifications: The SOQ must contain a narrative that outlines applicable regulations, guidelines, standards and policies. • Preferred Qualifications: Suitable examples of previous projects completed in the area by the project manager in addition to the minimum qualifications.

HIDALGO COUNTY DISTRICT JUDGES

On August 16, 2016, Commissioners Court approved the selection/designation of an evaluation committee to grade and score the statements of qualifications received for the engagement of the program manager. The appointment committee consisted of Commissioners Precinct 1, Precinct 2, Precinct 3, Precinct 4, and the County Judge.

On October 13, 2016, presentations were made by each of the respondents. The respondents were allowed 10 minutes to make a presentation and the evaluators were allowed to ask questions. The evaluators were allowed to perform the scoring process during the presentation.

According to the "RFQ Submittal Check List", the following forms must be submitted by each respondent.

1. Page 9 of Legal Notice (respondent acknowledgment);
2. Exhibit "D-1"- CIQ Form-Copy of County Clerk file recording fee receipt;
3. Exhibit "D-2"- CIS Form-Copy of County Clerk file recording fee receipt;
4. Exhibit "E"- Proposers Affidavit;
5. Vendor Bidder Application and IRS Form W-9;
6. Certification Regarding Debarment; and
7. One (1) original, six (6) copies and one (1) CD in PDF format containing a complete copy of response.

In addition, the RFQ stipulates that the respondent must submit a "Historically Underutilized Business (HUB) Declaration." The documents were required to be submitted along with the proposals by September 21, 2016.

Furthermore, the RFQ stipulates that "Hidalgo County reserves the right to refuse and reject any/all qualifications and to waive any/all formalities or technicalities, or to accept the proposal considered the best and most advantageous to Hidalgo County."

On October 4, 2016, Commissioners Court approved to extend the submission day to October 6, 2016 for Exhibit E-Proposers Affidavit, Vendor Bidder Application, IRS Form W-9, and Certification Regarding Debarment forms not included in the SOQ packet by 2 respondents.

Conflict Disclosure Statement (CIS)

Pursuant to Local Government Code § 176.001 (4), local government officer means:

- (A) a member of the governing body of a local governmental entity;
- (B) a director, superintendent, administrator, president, or other person designated as the executive officer of a local governmental entity; or
- (C) an agent of a local governmental entity who exercises discretion in the planning, recommending, selecting, or contracting of a vendor.

State of Texas Contract Management Guide

The State of Texas Contract Management Guide (Guide) offers recommendations on improving existing contract management processes and practices. The Guide covers many topics including the evaluation of proposals.

Evaluation Team

The evaluation team should be comprised of individuals who are stakeholders in the final product/service and/or individuals who have the necessary technical or program expertise. The Purchasing Department representative should serve as the team leader for the evaluation team, and serves as a non-voting member.

The evaluation team members should understand the needs of the organization and understand the desired outcome of the procurement. The evaluation team should bring together as much knowledge as possible to ensure the best qualified vendor is selected. The team members should fully understand the requirements of the solicitation (SOQ) and must be able to critically read and evaluate responses and to document and justify their scores concisely and clearly.

Scoring Matrix

The scoring matrix is used by the evaluation team members to score the individual responses based on the evaluation criteria defined in the solicitation document. The evaluation team scoring matrix should be completed prior to publishing the solicitation document because, when developing the scoring matrix, the departments may see that additions or revisions are needed to the solicitation document.

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, 206 TH D.C.	JUAN R. PARTIDA JUDGE, 275 TH D.C.	MARIO E. RAMIREZ, JR. JUDGE, 332 ND D.C.	NCE 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, 403 TH D.C.	RENEE R. BETANCOURT JUDGE, 449 TH D.C.
---	---	---	--	--	--	---	--	--	--	--

Team Briefing

Prior to the evaluation team conducting the evaluations, the team leader provides a briefing for the team to outline the team's duties and responsibilities. Each member should sign and submit a signed Non-Disclosure Statement to the Purchasing Department prior to engaging in any discussion about, or having access to proposal documents. The Purchasing Department has implemented the use of a Confidentiality Agreement to document each of the evaluation team members' understanding of the non-disclosure requirements. Team members should be instructed on their responsibilities including the critical nature of confidentiality to the integrity of the evaluation process. The team leader will review all evaluation criteria with the team members and explain how the evaluation process will be conducted. Communication between team members during the evaluation must be limited to asking questions of the team leader and obtaining information from technical experts to better understand the proposal contents and requirements. Each proposal must be evaluated individually against the requirements of the RFQ. Each RFQ response is considered independently of all other RFQ responses.

Evaluation Criteria

The solicitation document must advise the respondents how a proposal will be evaluated. The evaluation criteria must reflect the essential qualities or performance requirements necessary to achieve the objectives of the contract. The criteria should allow the evaluation team to fairly evaluate the proposals. Specific portions of the required response should directly relate to the evaluation criteria.

To ensure fairness in evaluation, the evaluation criteria should reflect only those requirements specified in the solicitation document. The language within the solicitation will determine the scope of the evaluation criteria and the flexibility the evaluation team will have when evaluating proposals, so the evaluation criteria should not be unduly restrictive.

Proposal Evaluation

Once the proposals have been reviewed and deemed responsive, the evaluation team may begin the evaluation process. The recommended method for evaluation is to have all team members in the same room evaluating the proposals at the same time. This will facilitate questions by team members to the purchasing staff or the technical experts. Purchasing staff and technical experts may answer technical questions regarding proposals.

Once the evaluations are complete, the team leader will collect all of the evaluation score sheets and proposals. The team leader totals the score sheets and verifies the accuracy of calculations for input into the final evaluation formula. If it is apparent that one or more team members' evaluations differ significantly from the majority, the team should discuss the situation to ensure the criteria was clear to all team members and that information was not overlooked or misunderstood. If after this discussion, a team member feels that he/she did not understand the criteria, the proposal requirement, or missed information that was included in the proposal, the evaluator, at his/her own discretion, may revise his/her evaluation score. The team leader must be present during these discussions to ensure that no team member tries to influence the decision of other team members. Under no circumstances should any team member attempt to pressure other members to change evaluation scores.

Proposal Submission Requirements

The solicitation document should include one section listing all of the required information that respondents must submit with their response. This will assist respondents and the Purchasing Department in ensuring required documentation is submitted with the proposal.

OVERALL CONCLUSION:

The results of the review revealed that improvements could be made to the procedures in place for selecting a program manager (construction manager-agent) in compliance with Government Code §2269.207 "Selection of Construction Manager-Agent" and Government Code §2254.004 "Contract for Professional Services of Architect, Engineer, or Surveyor." More specifically, improvements could be made as follows:

1. According to the Purchasing Department staff, Statements of Qualifications submitted by each of the respondents are reviewed to determine if the vendors meet the minimum qualifications put forth in the RFQ; however, we found no evidence that this review is formally documented. In addition, we noted that certain forms were not filed with the Statements of Qualifications or were submitted subsequent to the submittal deadline date.

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, 225TH D.C.

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

NOE GONZALEZ
JUDGE, 379TH 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. BETANCOURT
JUDGE, 448TH D.C.

The Statements of Qualifications packets for 4 respondents did not include copies of the County Clerk's file recording receipts for Form CIQ and Form CIS as required by the RFQ packet. However, 1 of 4 respondents submitted copies of the County Clerk file recording fee receipts subsequent to the submittal deadline. In addition, The Statements of Qualifications packets for 2 respondents did not include the Historically Underutilized Business (HUB) Declaration. It appears that the HUB Declarations were submitted subsequent to the submittal deadline. We found no evidence that Commissioners Court was made aware of the missing documents to determine if any informalities or technicalities needed to be waived. According to the Purchasing Department, the respondents were not required to provide the County Clerk's file recording receipts for Form CIQ and Form CIS since there was no conflict of interest reported by the respondents.

2. Evaluation team members do not formally document and justify their scores when evaluating responses. This can result in an evaluation of the RFQs that appears unfair and inconsistent.
 - o Evaluation team members, at times, assigned the maximum points for criteria in which insufficient or no information regarding the criteria was provided by the respondent:
 - A respondent did not provide information regarding the "Familiarity with Applicable Rules and Regulations;" however, the maximum points were assigned by the evaluators.
 - Some respondents did not provide "Relevant professional affiliations." However, the maximum points were assigned by the evaluators.
3. The grading of certain criteria by certain team members differed significantly from other team members; however, we found no evidence that the Purchasing Department staff discussed the significant differences to ensure the criteria was clear to all members and that information was not overlooked or misunderstood.
4. Evaluation team members were required to sign a Confidentiality Form (Non-Disclosure Statement). There were 5 evaluators; however, Purchasing Department only provided a signed Confidentiality Form (Non-Disclosure Statement) for one of the five members.
5. The evaluation criteria on the "Evaluation Form" did not agree to the criteria in Section III the RFQ. For example:
 - o The RFQ required the respondent to demonstrate its "Professional qualifications" in "Temporary Facilities"; however, the "Evaluation Form" did not contain the criteria for "Temporary Facilities."
 - o The "Experience of Project Team and Ability to Commit Resources" criteria listed on the "Evaluation Form" requires the evaluator to assign up to a max of 5 points for providing instances of proposed team working together on projects of similar scale; however, the RFQ did not include this as criteria for grading "Experience of Project Team and Ability to Commit Resources."
 - o The RFQ contains minimum and preferred qualifications for "Relevant Experience", "Understanding of the Project", and "Familiarity with Applicable Rules and Regulations"; however, the "Evaluation Form" does not. In addition, neither the RFQ nor the "Evaluation Forms" contain scoring guidelines for assigning points to minimum and preferred qualifications.

We found no evidence that Commissioners Court was made aware of the errors to determine if any informalities or technicalities needed to be waived.

6. Respondents are required to submit Form CIS (Conflicts Disclosure Statement); however, pursuant to Local Government Code § 176.003, Form CIS must be filed by the local government officer and not the vendor.

Failure to comply with Government Code §2269.207 "Selection of Construction Manager-Agent" and Government Code §2254.004 "Contract for Professional Services of Architect, Engineer, or Surveyor" may result in not selecting the most highly qualified vendor at a fair and reasonable price. In addition, the system in place may lend itself to selecting a vendor based on favoritism.

HIDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 92ND 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, 376TH D.C.
CHIEF CLERK

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.

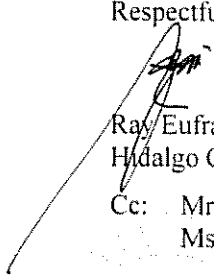
RECOMMENDATIONS:

We recommend that the Purchasing Department implement formal procedures to ensure selection of a program manager (construction manager-agent) in compliance with Government Code §2269.207 "Selection of Construction Manager-Agent" and Government Code §2254.004 "Contract for Professional Services of Architect, Engineer, or Surveyor." At a minimum, the following should be implemented:

1. The Statements of Qualifications submitted by each of the respondents should be reviewed by the Purchasing Department to determine if the vendors meet the minimum qualifications put forth in the RFQ and has submitted all the required forms/information. Consultation with legal counsel may sometimes be necessary to determine a proposal's responsiveness. In addition, Commissioners Court should be made aware of any missing information in order to determine if any informalities or technicalities need to be waived. An administrative review checklist should be developed and implemented to document the responsiveness of the SOQs. The evaluation team should only be provided with those proposals deemed responsive. Furthermore, the "RFQ Submittal Check List" should be revised to state that the County Clerk's file recording receipt is only required if a conflict exists.
2. Evaluation team members must formally document and justify their scores when evaluating responses. The comments must be clear, concise, and properly referenced. All 0% and 100% scores must be fully justified. If an item is a strength/weakness for one proposal it must also be noted as a strength/weakness when it appears in other proposals
3. If the grading of certain criteria differs significantly from one team member to another, the Purchasing Department should discuss the differences with the applicable team members to ensure the criteria was clear and that information was not overlooked or misunderstood. After the discussion, the evaluator, at his/her own discretion, may revise his/her evaluation score.
4. Prior to engaging in any discussion about, or having access to proposal documents, each evaluation team member should sign and submit to the Purchasing Department a signed "non-disclosure statement." The Purchasing Department should instruct team members (evaluation committee) on the critical nature of confidentiality to the integrity of the evaluation process.
5. To ensure fairness in evaluation, the criteria on Exhibit B-"RFQ Evaluation Form" should reflect only those requirements specified in Section III of the RFQ. Criteria not included in the RFQ may not be used in the selection or ranking. Likewise, if this information is not requested in the RFQ, proposers who neglect to offer these options cannot be penalized. Before evaluation takes place, Commissioners Court should be made aware of any errors in order to waive any informalities or technicalities.
6. Form CIS should be removed from the RFQ packet. Form CIS should be filed by the local government officer, if applicable, at the time the contract is awarded. A copy of the forms should be maintained on file.

If you have any questions or would like to schedule a meeting to discuss this report, please call me at 318-2511 ext. 4604.

Respectfully,



Ray Eufrazio, CPA
Hidalgo County Auditor

Cc: Mr. Valde Guerra, Hidalgo County Executive Officer
Ms. Martha Salazar, Hidalgo County Purchasing Agent

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, 206TH D.C.

JIAN 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.

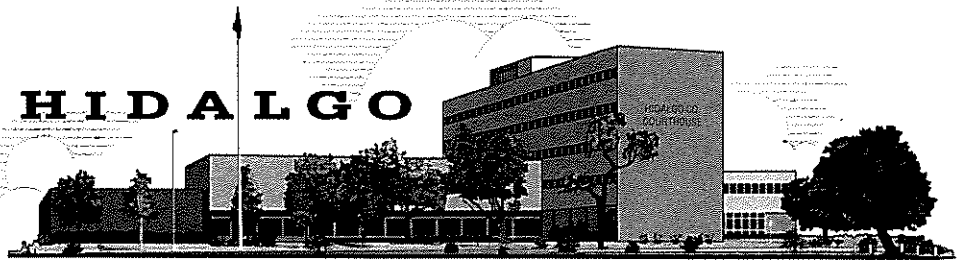
L. KENO VASQUEZ
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 409TH 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

November 17, 2017

Daniel Flores, Building Maintenance Manager
Facilities Management
3100 S. Business 281
Edinburg, Texas 78539

Ref: Audit of Facilities Management
Audit No. 2017-10

Dear Mr. Flores:

We conducted a limited scope audit of the Facilities Management Department in accordance with Local Government Code §115.001. The objective of the audit was to evaluate procedures in place for the accounting and safeguarded of scrap metal. The audit was prompted by concerns of possible theft of scrap metal.

Background:

Fixed Assets Policy and Procedures-Scrap Metal

On March 17, 2015, Commissioners Court approved the Fixed Asset Policy and Procedures Manual. Pursuant to Chapter 17.10 of the policy, accumulation of metal objects that were part of old building structures, metal parts from air conditioning units, or parts of trashed items, may be disposed by using the services of the County's contracted scrap metal company. The request for disposition should be presented to Commissioners Court for approval. The request should include a list of any items that may have a County asset number, and/or serial number, and a complete description to ensure proper removal of such items from the County's inventory system.

All scrap metal items that have been declared surplus for disposition, should be transferred to Facilities Management for proper disposal. Facilities Management personnel will separate the units as metal, copper, or aluminum.

Facilities Management may sell the scrap metal in the open market or to the County's contracted scrap metal company. All proceeds from the sale of scrap metal will be deposited in the County's general fund.

Any issue not specifically addressed in the Fixed Asset Policy and Procedures Manual must be directed to the Purchasing Agent prior to any action being taken by any department.

Facility Management Procedures for the Sale of Scrap Metal

According to the Building Maintenance Manager, Facilities Management only sells scrap metal accumulated by their department. Scrap metal is defined by Facilities Management as any metal item that can be redeemed at a recycler (i.e., ballast, copper wire, copper pipes, battery (lead type), old used auto parts, steel, and tin) 9. Facilities Management cannibalizes all useable items off of HVAC units. Once the cannibalized items are no longer usable, the items are separated into metal, copper, and aluminum. The metal is maintained in different areas within the Facilities Management Department with most of the metal maintained at the employee parking area. Once there is a substantial amount of accumulated material, the material is loaded onto a trailer by Facilities Management employees and sold to Wilkinson Ray Iron and Metal. According to the Building

HIDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 13TH D.C.

J. R. "BOBBY" FLORES
JUDGE, 14TH 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. BETANCOURT
JUDGE, 44TH D.C.

Maintenance Manager, employees are required to receive payment in the form of a check. The Building Maintenance Manager delivers the checks to the County Treasurer's Office. Facilities Management received \$11,103.36 from the sale of scrap metal from February 2011 through October 2016.

Work Orders

According to the Building Maintenance Manager, work orders are used to document the sale of scrap metal. Work is assigned through a paper-based work order process. The work order form contains the following:

- Name of the County department requesting assistance;
- Department Contact person and phone number;
- Date and time of work order request;
- Description of the work requested;
- Job site address;
- Payment request information;
- Name of the employee assigned the work order;
- Work order number;
- Start and end date of work order;
- Estimated material and labor cost;
- Actual labor hours and material cost; and
- Signature of the employee who performed the job assigned.

The Administrative Assistant receives the work orders and assigns a work order number. All work orders are recorded on a manual log and on an excel spread sheet. The work orders are forwarded to the Building Maintenance Manager, Maintenance Supervisor, or the Maintenance Manager for proper distribution to employees. Facilities Management recently implemented the use of a computer application for work orders.

Pursuant to Penal Code Sec. 39.02 (a)(2), a public servant commits an offense if, with intent to obtain a benefit or with intent to harm or defraud another, he intentionally or knowingly misuses government property, services, personnel, or any other thing of value belonging to the government that has come into the public servant's custody or possession by virtue of the public servant's office or employment. An offense under Subsection (a) (2) is: (1) a Class C misdemeanor if the value of the use of the thing misused is less than \$100; (2) a Class B misdemeanor if the value of the use of the thing misused is \$100 or more but less than \$750; (3) a Class A misdemeanor if the value of the use of the thing misused is \$750 or more but less than \$2,500; (4) a state jail felony if the value of the use of the thing misused is \$2,500 or more but less than \$30,000; (5) a felony of the third degree if the value of the use of the thing misused is \$30,000 or more but less than \$150,000; (6) a felony of the second degree if the value of the use of the thing misused is \$150,000 or more but less than \$300,000; or (7) a felony of the first degree if the value of the use of the thing misused is \$300,000 or more.

Occupation Code 1956

Pursuant to Occupations Code 1956.001 (9), regulated material means aluminum, bronze, copper, lead, or regulated metal such as condensing or evaporator coils for central heating or air conditioning units.

Pursuant to Occupations Code § 1956.032 (a) a person attempting to sell regulated metal to a Metals Recycling Entity (MRE) shall display personal identification document, provide a description and license plate number of the vehicle used to transport the regulated material, and either:

- Provide evidence in writing the person was the legal owner or lawfully was entitled to sell the regulated material; or
- Sign a written statement provided by the entity the person legally owned or was entitled to sell the material offered for sale.

If the regulated material includes condensing or evaporator coils for central heating or air conditioning units, the seller shall display the person's air conditioning and refrigeration contractor license; the person's air conditioning and refrigeration technician registration; a receipt, bill of sale, or other documentation showing

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, 398TH D.C.

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

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

that the seller purchased the coils the seller is attempting to sell; or a receipt, bill of sale, or other documentation showing that the seller has purchased a replacement central heating or air conditioning unit.

Pursuant to Occupations Code § 1956.003 (a), each metal recycling entity shall keep an accurate electronic record or an accurate and legible written record of each purchase of regulated material made in the course of the entity's business from an individual.

The Texas Department of Public Safety (DPS) maintains an electronic database that contains transactional metals purchasing data. All MREs must submit transactions to DPS showing an itemized list of each metals purchase within two (2) days of the purchase date. MREs shall submit this data to DPS electronically. The purchase transaction data is kept in the DPS Texas Online Metals database. Law enforcement has access to current and historical transaction information.

Scope and Methodology:

The scope of the audit was limited to a review of scrap metal sold by Facilities Management during the period of January 1, 2011 through December 31, 2016.

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

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

In planning and performing the audit, we conducted interviews with Facilities Management staff, reviewed applicable policies and procedures, and reviewed *alio* and Texas Department of Public Safety reports. The following procedures were performed:

- Reviewed procedures for safeguarding scrap metal to determine if scrap metal is properly safeguarded.
- Reviewed procedures for disposing of scrap metal to determine if the scrap metal is disposed pursuant to the County's Fixed Asset Policy and Procedures manual.
- Requested work orders to determine if work orders were used to document the delivery and sale of scrap metal.
- Requested a report from the statewide electronic reporting system maintained by the Texas Department of Public Safety to determine if funds received by Hidalgo County employees for the sale of scrap metal were receipted with the County Treasurer.
- Reviewed judgmentally selected invoices to determine if the County received revenue for the sale of scrap metal when a new air conditioning unit or replacement parts were purchased.

Conclusion:

Based on the results of our review, we have concluded that improvements could be made to the procedures in place for accounting and safeguarding of scrap metal. More specifically, the following was noted:

- Formal policies and procedures have not been implemented to ensure that scrap metal is properly safeguarded. Scrap metal is maintained in different designated locations within the Facilities Management Department. Most of the scrap metal is maintained in the Facilities Management Department's employee parking area. The scrap metal is accessible to the public and not secured with a lock and key.
- Formal monitoring procedures have not been implemented to ensure that scrap metal is disposed of pursuant to the County's Fixed Asset Policy and Procedures Manual. More specifically, the following was noted:

○ We found no evidence that the request for disposition of scrap metal is presented to Commissioners Court for approval.

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, 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, 446TH D.C.

- Scrap metal items are sold by other departments and not transferred to Facilities Management for proper disposal.
- Quotes are not obtained from different metal recycling businesses to determine if the County is receiving the best price for the sale of scrap metal. According to Facilities Management, they use Ray Wilkinson since the other metal recycling centers cause damage to the County vehicles.
- The work orders requested were not provided; however, we were provided with 3 work orders dated November 30, 2016 and January 6, 2017 used to document the disassembling and delivery of air conditioning units and other scrap metal to the metal recycling entity; however, the work orders did not contain sufficient information to authenticate the amount of scrap metal sold.
- We noted that two employees of the Facility Management Department sold scrap metal; however, the Texas Department of Public Safety report did not provide sufficient information (i.e., description and license plate number of vehicle used to transport the regulated material) to determine if the property sold by the two employees belonged to Hidalgo County. In addition, we found no evidence that the funds received for the sale of scrap metal was receipted with the County Treasurer.
- We were not able to determine if the County received revenue for the sale of scrap metal when a new air conditioning unit or replacement part was purchased, since Facilities Management did not have a system in place to document the disposal of the old air condition unit and/or replaced parts.

Recommendations:

In our opinion, the issues identified during our review could be addressed by developing and implementing monitoring procedures to ensure the following:

- Scrap metal is properly safeguarded. At a minimum the procedures should ensure that access to scrap metal is limited to as few employees as possible. In addition, the scrap metal should be secured with a lock and key.
- Scrap metal is disposed pursuant to the Fixed Asset Policy and Procedures Manual, as follows:
 - Request for disposition of scrap metal is presented to Commissioners Court for approval, pursuant to Chapter 17.10 of the Fixed Asset Policy and Procedures Manual.
 - Scrap metal items that are declared surplus are transferred to Facilities Management for proper disposal.
 - Quotes are obtained from different metal recycling entities to ensure that the County is receiving the best price for the sale of scrap metal.
- Create an audit trail to authenticate the amount and sale of scrap material.
 - Use only serial-numbered containers and weigh each container before it is picked up.
 - Create a bill of lading that records the weight, container serial numbers, and the material actually inside the container.
 - The driver who picks up the containers should sign the bills of lading with a legible signature.
 - The driver should provide a pickup receipt showing the container number(s), time and date of pickup, and the signature of someone from your facility.
 - When the load arrives at the recycler's facility, the receiver again should weigh the load electronically and then generate a numbered scale ticket for each container showing the weights, as well as the contents, your bill of lading number, the container number picked up, and the time and date.
 - The recycler should send this scale ticket along with payment check to verify that payment for the actual weight of scrap was received.
 - Verify that the certified scale ticket reconciles with the receiving documents from the scrap vendor.
 - Compare the unit prices published in the trade papers and/or contract with payments received.
- Monitor employees to ensure they are not involved in removing scrap without your knowledge.
- Reconcile all the pounds of scrap metal before and after they leave facility.
- Require employees to provide to the metals recycling entity (MRE) the employees personal identification document and a description and license plate number of the vehicle used to transport the regulated material, pursuant to Occupations Code § 1956.032 (a).

HIDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELSADO
JUDGE, 31st 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.

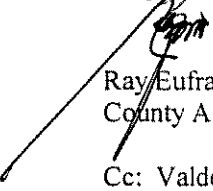
ISRAEL RAMON, JR.
JUDGE, 43rd D.C.

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

Mr. Daniel Flores
November 17, 2017
Page 5 of 5

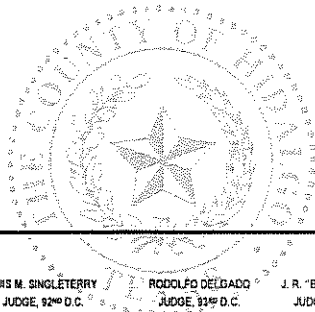
If you have any questions, please call Letty Chavez, Compliance Audit Supervisor at 318-2511 ext. 4651, Arcy B. Duran, MBA, Director of Audit, at ext.4645, Linda Fong, First Assistant County Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

Cc: Valde Guerra, County Executive Officer

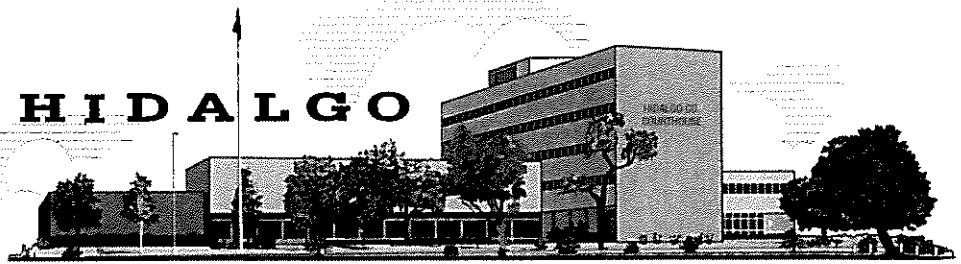


HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	RODOLFO DELGADO JUDGE, 31 ST D.C.	J. R. "BOBBY" FLORES JUDGE, 139 TH D.C.	ROSE GUERRA REYNA JUDGE, 206 TH D.C.	JUAN R. PARTIDA JUDGE, 215 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. BETANCOURT JUDGE, 449 TH D.C.
---	---	---	--	--	--	---	--	--	--	--

COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE
County Administration Building
2808 South Business Highway 281
Edinburg, Texas 78539-3587
PHONE: (956) 318-2511
FAX: (956) 318-2577
WEBSITE: www.co.hidalgo.tx.us/auditor



EDINBURG, TEXAS 78539

November 15, 2017

The Honorable Ricardo Rodriguez, Jr., Criminal District Attorney
Hidalgo County District Attorney's Office
100 N. Closner
Edinburg, TX 78539

Ref: Cash Count
Report No. 2017-53

Dear Mr. Rodriguez:

We conducted a surprise cash count of the cash held at your office on October 5, 2017, 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 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 \$3,745.50. Based on the results of our review, we have concluded that generally total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

Observation No. 1:

Security cameras were not utilized in areas where cash was received and safeguarded. According to staff, cameras are in the process of being ordered.

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

HIDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 15TH 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.

NOE GONZALEZ
JUDGE, 37TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38TH D.C.

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

ISRAEL RAMON, JR.
JUDGE, 40TH D.C.

RENEE R. BETANCOURT
JUDGE, 48TH D.C.

stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored.

Failure to utilize security cameras in areas where cash is received and safeguarded increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that security cameras are utilized in areas where cash is received and safeguarded.

Observation No. 2:

We noted during our review that if a shift change is necessary and collections are transferred from one employee to another, the collections are counted in the presence of both parties; however, a receipt signed by the employee who accepted custody is not prepared.

The County Auditor's Office requires the transfer of cash from one person to another be counted in the presence of both parties. The amount should be recorded on a receipt ("Shift Change Form"), and the receipt should be signed by the employee accepting custody. This is necessary for the purposes of establishing responsibility relating to a shortage.

Failure to ensure that a receipt signed by the employee who accepts custody of collections is prepared during a shift change increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that the transfer of cash from one person to another is counted in the presence of both parties and recorded on a receipt. The attached "Shift Change Form" should be used to document the transfer of cash from one person to another.

Observation No. 3:

We noted during our review that money orders and checks were made payable to either Ricardo Rodriguez, Jr. or Ricardo Rodriguez.

The County Auditor's Office requires cashiers to verify that checks are made payable to the Elected or Public Official's title (i.e., Hidalgo County Criminal District Attorney) 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 prescribe the accounting procedures and internal controls to be implemented by each county office.

Failure to ensure that checks are made payable to the Elected Official's title (i.e., Hidalgo County Criminal District Attorney) increases the risk of loss or misuse of County funds.

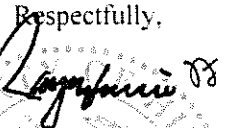
Recommendation:

Management should ensure that checks are made payable to the Elected Official's title (i.e., Hidalgo County Criminal District Attorney).

Please provide written management responses to the observations noted above by November 30, 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 Ricardo Nunez, Internal Auditor II, at 318-2511 ext. 4644, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, 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, 138TH D.C.

POSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

NCE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

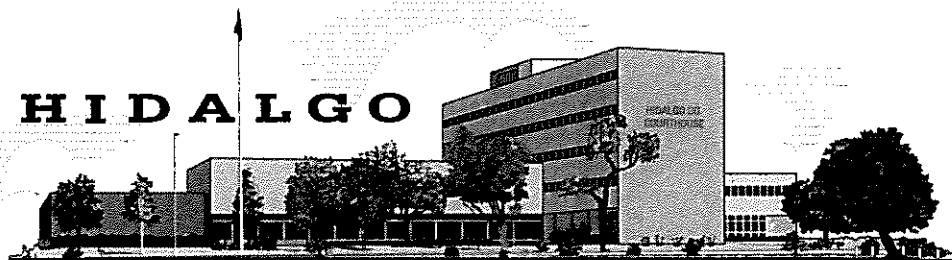
L. KENO VASQUEZ
JUDGE, 398TH D.C.

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

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

COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE
County Administration Building
2808 South Business Highway 281
Edinburg, Texas 78539-3587
PHONE: (956) 318-2511
FAX: (956) 318-2577
WEBSITE: www.co.hidalgo.tx.us/auditor



EDINBURG, TEXAS 78539

November 16, 2017

The Honorable Ricardo Rodriguez, Jr., Criminal District Attorney
Hidalgo County District Attorney's Office
100 N. Closner
Edinburg, TX 78539

Ref: Cash Count
Report No. 2017-54

Dear Mr. Rodriguez:

We conducted a surprise cash count of the cash held at the District Attorney's Office Asset Forfeiture Section on October 5, 2017, 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 up to the time of the cash count.

Scope:

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

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

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included, but were not limited to, the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

Conclusion:

At the time of the cash count, receipts had not been issued and collections had not been made. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observation.

Observation No. 1:

Security cameras were not utilized in areas where cash was received and safeguarded. According to staff, cameras are in the process of being ordered.

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 the camera images are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency. Furthermore, a notice stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. BINGLETERRY JUDGE, 12TH D.C. RODOLFO DELAADO JUDGE, 10TH D.C. J. R. "BOBBY" FLORES JUDGE, 13TH D.C. ROSÉ GUERRA REYNA JUDGE, 20TH D.C. JUAN R. PARTIDA JUDGE, 27TH D.C. MARIO E. RAMIREZ, JR. JUDGE, 33RD D.C. NOÉ GONZALEZ JUDGE, 37TH D.C. OVERSEER LETICIA LOPEZ JUDGE, 28TH D.C. L. KENO VASQUEZ JUDGE, 34TH D.C. ISRAEL RAMON, JR. JUDGE, 43RD D.C. RENEE R. BETHANCOURT JUDGE, 44TH D.C.

Failure to utilize security cameras in areas where cash is received and safeguarded increases the risk of loss or misuse of County funds.

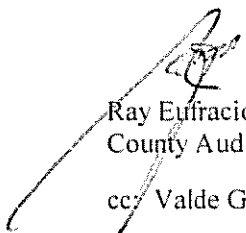
Recommendation:

Management should ensure that security cameras are utilized in areas where cash is received and safeguarded.

Please provide a written management response to the observation noted above by November 30, 2017.

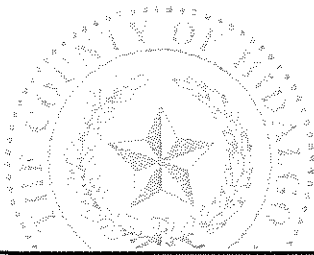
We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Ricardo Nunez, Internal Auditor II, at 318-2511 ext. 4644, Letty Chavez, Compliance Audit Supervisor, at ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, 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, 296TH 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.

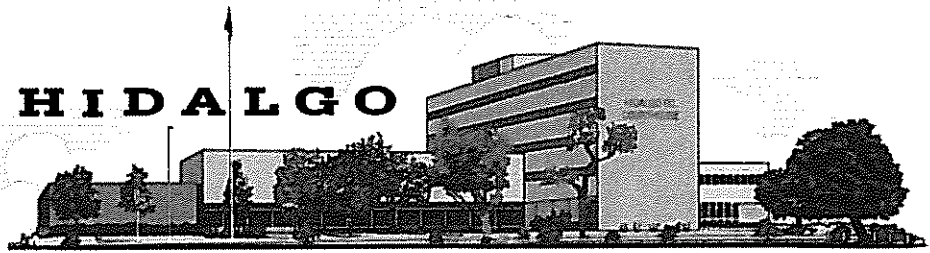
L. KENO VASQUEZ
JUDGE, 398TH D.C.

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

RENEE R. 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

November 14, 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. 2017-527

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the Weslaco Motor Vehicle Substation on September 14, 2017, 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 \$135,804.41. 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, change order form (request for change from financial institution via armored company), 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:

Total cash on hand at the time of the cash count exceeded receipts issued by \$15,372.12 due to the following:

- Seven checks totaling \$6,152.08 assigned to a cashier had not been receipted at the time of the cash count. The checks belonged to dealers that were waiting in the lobby to have their checks processed. Six

HIDALGO COUNTY DISTRICT JUDGES

LUIS H. BINGOLETHERY
JUDGE, 13TH D.C.

RODOLFO DELGADO
JUDGE, 13TH D.C.

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

ROSE OLIVERA REYNA
JUDGE, 28TH D.C.

AJAN R. PARTIDA
JUDGE, 37TH D.C.

RAMO E. RAMIREZ, JR.
JUDGE, 33RD D.C.

HOE GONZALEZ
JUDGE, 37TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38TH D.C.

L. NEMO VARGUES
JUDGE, 38TH D.C.

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

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

checks were subsequently receipted and one check totaling \$834.12 was returned to the dealer due to insufficient documentation.

- Nine checks totaling \$9,219.79 were dropped-off by dealers on the day of the cash count. Of the nine checks:
 - 7 checks totaling \$7,655.47 were subsequently receipted; and
 - 2 checks totaling \$1,564.32 were returned to the dealer due to insufficient documentation.
- One cashier had an unidentified cash overage of \$0.25.

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 and dealer walk-in checks, 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 of 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 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 of collection procedures, retraining of personnel, or disciplinary action. At a minimum, the procedures noted above should be implemented.

Observation No. 2:

During the cash count, we were informed that the department receives dealer walk-in checks that are made payable to the order of the Tax Assessor/Collector; however, the lines for the numeric and written amounts are left blank. According to staff, fees for the department's services cannot always be readily determined; therefore, the dealers opt to submit a blank check along with the recording documents. According to management, once the amount is determined, the cashier writes the numeric and written dollar amounts on the check, the documents are recorded, and a receipt is issued.

The County Auditor's Office requires that 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.

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. 3:

During the cash count, we observed a cashier with her current day collections making change from her prior day collections before the prior day collections were reconciled. The Head Cashier was present; however, she did not verify the change being produced by the cashier. The prior day's collections were subsequently reconciled.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERY
JUDGE, 87TH D.C.

RODOLFO DELGADO
JUDGE, 91TH D.C.

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

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

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

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

MOE GONZALEZ
JUDGE, 376TH 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, 448TH D.C.

The County Auditor's Office requires that change be made utilizing the main till. In addition, the cashiers should present to a supervisor the money for which change needs to be produced. The supervisor should provide the cashier with change. The request for change should not be done during the balancing process.

Failure to ensure that a supervisor makes change for a cashier utilizing the main till may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that that a supervisor makes change for a cashier utilizing the main till.

Observation No. 4:

Security cameras were not utilized in the vault where cash is safeguarded. According to staff, IT personnel have requested a quote for installing additional security cameras and update existing ones; however, the cameras have not been provided.

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.

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 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 November 30, 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 Osvaldo Escamilla, Internal Auditor I, at (956)

HIDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 15TH D.C.

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

ROSE GUERRA REYNA
JUDGE, 24TH D.C.

JUAN R. PARTIDA
JUDGE, 37TH D.C.

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

NOE GONZALEZ
JUDGE, 37TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 34TH D.C.

L. KENO YASQUEZ
JUDGE, 36TH D.C.

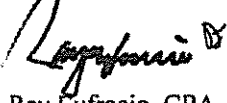
ISRAEL RAMON, JR.
JUDGE, 43RD D.C.

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

Honorable Pablo (Paul) Villarreal, Jr.
November 14, 2017
Page 4 of 4

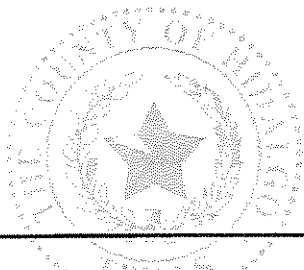
318-2511, ext. 4647, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Arcy B. Duran, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer
Santos Castilleja, Motor Vehicle Division Manager
Lucy Flores, Weslaco Motor Vehicle Substation Supervisor



HIDALGO COUNTY DISTRICT JUDGES

LUIS H. GONZALEZ
JUDGE, 9TH D.C.

RODOLFO DELGADO
JUDGE, 13TH D.C.

J. R. "BOBBY" FLORES
JUDGE, 12TH D.C.

ROSE GUERRA REYNA
JUDGE, 20TH 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, 38TH D.C.

L. KENO VASQUEZ
JUDGE, 38TH 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
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

November 15, 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. 2017-532

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the Elsa Motor Vehicle Substation on August 21, 2017, 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 \$9,180.12. Based on the results of our review, we have concluded that generally total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$4,000.00. 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:

Passwords to gain access to EZ Justice are not changed at least every 90 days. According to staff, passwords have never been changed since the substation was granted access to EZ Justice.

The Information Technology (IT) Securities Policy requires that passwords be changed at least every 90 days.

Failure to ensure that passwords are not changed at least every 90 days may increase the risk of unauthorized access to EZ Justice.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SMOLETTY
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.

MOE 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.

Recommendation:

Management should ensure that passwords are changed at least every 90 days. If necessary, the department should contact Hammer Enterprises and request passwords be updated.

Observation No. 2:

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.

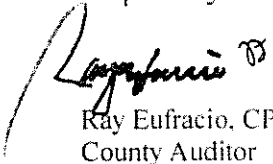
Recommendation:

Management should ensure that checks 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 November 30, 2017.

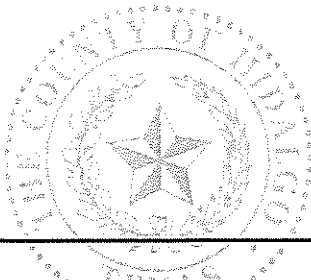
We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Osvaldo Escamilla, 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 Eufraio, CPA
County Auditor

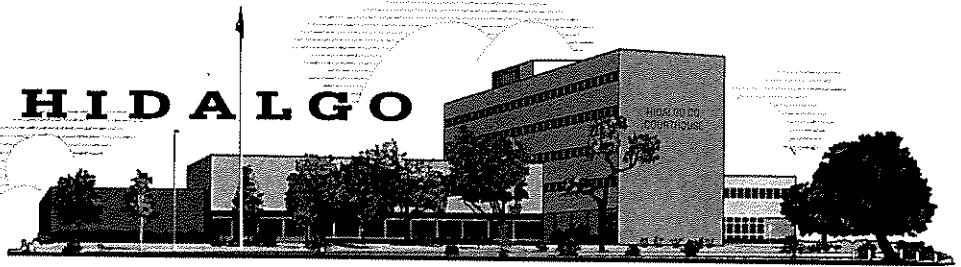
cc: Valde Guerra, County Executive Officer
Santos Castilleja, Motor Vehicle Division Manager
Hermelinda Esparza, Elsa Motor Vehicle Substation Supervisor



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. KEND VASQUEZ, JUDGE, 398TH D.C. ISRAEL RAMON, JR., JUDGE, 436TH D.C. RENEE R. BETANCOURT, JUDGE, 449TH D.C.

COUNTY of HIDALGO



EDINBURG, TEXAS 78539

HIDALGO COUNTY AUDITOR'S OFFICE
County Administration Building
2808 South Business Highway 281
Edinburg, Texas 78539-3587
PHONE: (956) 318-2511
FAX: (956) 318-2577
WEBSITE: www.co.hidalgo.tx.us/auditor

November 17, 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. 2017-539

Dear Judge Muñoz:

We conducted a surprise cash count of the cash held at your office on September 26, 2017 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 August 1, 2017 through August 31, 2017. 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 \$8,227.33. 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 No. 1). In addition, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

Observation No. 1:

Total cash on hand at the time of the cash count exceeded receipts issued by \$2,000.00 due to the following:

HIDALGO COUNTY DISTRICT JUDGES

LUIZ H. SMOLETERRY
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, 21st D.C.

MARCO 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.

- 18 mail-in payments totaling \$1,540.00 dated August 14, 2017, September 7, 2017 and September 18, 2017 had not been receipted. According to the Court Coordinator, the checks had not been receipted due to short staffing and a heavy work load. Of the 18 mail-in payments:
 - 17 checks were receipted between September 26, 2017 and October 02, 2017; and
 - 1 check, according to the Court Coordinator, was returned to the payer; however, a log was not used to document the return of the check.
- 1 check totaling \$460.00, received on the day of the cash count, had not been receipted. The check was subsequently receipted.

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.

Failure to ensure that all payments are promptly receipted and that a log is used to document returned checks may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that all payments are promptly receipted and that a log is used to document returned checks. At a minimum, the procedures noted above should be implemented.

Observation No. 2:

We noted during our review that segregation of duties over the handling of collections requires improvement. The Court Coordinator performs the following incompatible duties:

- Custody: Receives money, issues receipts, maintains a cash drawer, has access to inventory of unused cash receipts, and is responsible for collection of returned checks
- Recording: Has access to dismiss cases in *Odyssey* and prepares reports of cash received
- Authorization: Verifies that voided receipts are reviewed and accounts for numerical sequence of cash receipts

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, maintaining a cash drawer, having access to inventory of unused cash receipts, and the collection of returned checks 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 and accounting for 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.

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, 208TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.
(CVFRSFR)

LETICIA LOPEZ
JUDGE, 389TH D.C.

L. KENO VASQUEZ
JUDGE, 399TH D.C.

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

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

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. 3:

Cashiers are allowed to receipt payments from relatives or personal friends. According to staff, they were not aware that receipting payments from relatives or friends was not allowed.

According to the County Auditor's Office "*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. 4:

We noted during our review that the mail log was not properly completed. The mail logs do not contain the docket number, check/money order number, and receipt number.

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, docket number, check/ money order number, amount, and receipt number assigned.

Failure to ensure that mail-in payments are recorded on a daily mail log increases the risk that payments could be lost or misappropriated without detection.

Recommendation:

Management should ensure that a daily mail log is properly completed. 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

We noted during our review that four checks were not endorsed "For Deposit Only." According to staff, the checks had not been endorsed, in error.

According to the County Auditor's Office "*Cash Handling Guidelines and Procedures*," all checks received must be immediately restrictively endorsed "For Deposit Only" upon receipt. Immediately limiting the negotiability of checks ensures that checks received can only be deposited into the County's bank account.

Failure to ensure that all checks are immediately endorsed "For Deposit Only" increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that all checks are immediately endorsed "For Deposit Only" upon receipt.

Please provide written management responses to the observations noted above by November 30, 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;

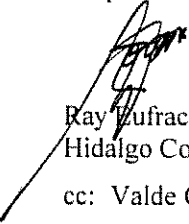
HIDALGO COUNTY DISTRICT JUDGES

- 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, 2018.

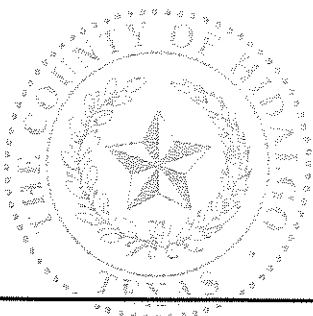
We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you should have any questions or would like to schedule a meeting to discuss this cash count, please do not hesitate to contact Edgar Alan Escobedo, Internal Auditor I, at 318-2511 ext. 4655, 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 Zufracio, 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.

NOE GONZALEZ
JUDGE, 370TH D.C.
(OVERSEER)

LÉTICIA LÓPEZ
JUDGE, 389TH D.C.

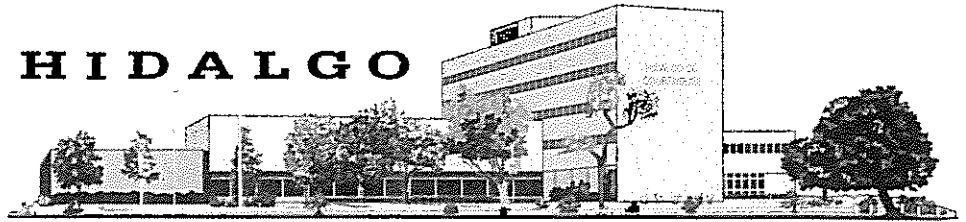
L. KENO VASQUEZ
JUDGE, 398TH D.C.

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

November 14, 2017

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

Ref: Cash Count
Report No. 2017-546

Dear Mr. Olivarez:

We conducted a surprise cash count of the cash held at the Pharr Health Clinic on August 30, 2017 as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

Scope:

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

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

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included, but were not limited to, the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

Conclusion:

Total cash on hand at the time of the cash count was \$150.00. Based on the results of our review, we have concluded that 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 there is one camera located outside at the entrance of the health clinic building; however, there are no security cameras installed where cash is received and safeguarded. According to staff, security cameras have not been installed where cash is received and safeguarded due to budgetary constraints.

HIDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 13TH D.C.

J. R. "BOBBY" FLORES
JUDGE, 14TH D.C.

ROSE GUERRA REYNA
JUDGE, 16TH D.C.

JUAN R. PARTIDA
JUDGE, 17TH D.C.

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

NOE GONZALEZ
JUDGE, 37TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 39TH 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'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 utilize security cameras where cash collections are received and safeguarded increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that security cameras are installed and utilized where cash is receipted and safeguarded. Management should contact the Department of Budget and Management to request funding assistance to purchase the security cameras.

Observation No. 2:

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 in case the bank location where deposits are normally made cannot process the deposit due to system failure and the deposit needs to be made at another bank location.

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 exercise caution when transporting deposits by not taking the key to the cash bag with them and by varying the time and the route taken.

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. If the deposit cannot be made due to the bank's system failing, the deposit can be made the following business day.

Observation No. 3:

A schedule of authorized fees was not posted in a conspicuous location for the public's view. According to the Clerk Manager, the office was instructed to place the sign on the inside of the cashier's window, facing the cashier.

The County Auditor's Office requires that a schedule of authorized fees be posted in a conspicuous location for the public to see. The schedule sets forth those fees to be charged by the County pursuant to state statutes and Commissioners Court approval. In addition, the Hidalgo County Health and Human Services Department Co-pay/Full Pay Policies and Procedures states, "A notice on co-pay assessment will be posted in a place visible to the public and in the area where co-pay is collected." The policy was implemented on December 6, 2010.

Failure to properly post the required schedule 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.

Please provide written management responses to the observations noted above by November 30, 2017.

In addition, information regarding the items listed below was previously provided to our office. Please provide any updated procedures, if applicable, by November 30, 2017.

- a. An office organizational chart;
- b. Location of cash collection points;

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.

NCE GONZALEZ
JUDGE, 375TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

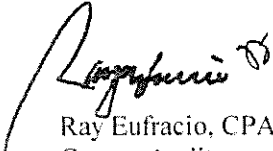
ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

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

- 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 Abigail Guajardo, 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: Mr. Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

RICOLFO 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, 322ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 385TH D.C.

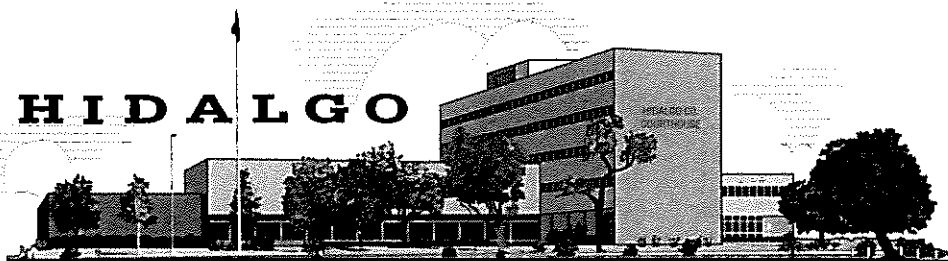
L. KENO VAGQUEZ
JUDGE, 398TH D.C.

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

November 15, 2017

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

Ref: Cash Count
Report No. 2017-563

Dear Ms. Ramon:

We conducted a surprise cash count of the cash held at the Elections Department on August 31, 2017 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:

At the time of the cash count, receipts had not been issued and collections had not been made. Based on the results of our review, we have concluded that total cash on hand did reconcile to the approved change fund of \$50.00. However, 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. SAGLETERRY
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, 38th D.C.

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

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

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

Observation No. 1:

We noted during our review that not all employees handling cash were required to read the "Cash Handling Guidelines and Procedures" and sign a receipt acknowledging their understanding of these guidelines and procedures. The acknowledgment receipts for the employees were subsequently provided.

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 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. 2:

We noted during our review that prior day collections had been deposited with the County Treasurer; however, a County Treasurer receipt was not provided to the employee making the deposit. According to staff, the deposits are dropped off and a receipt is later provided.

The County Auditor's Office requires that a receipt be immediately obtained when making a deposit. The employee should not leave without a receipt.

Failure to ensure that employees immediately receive a receipt for the deposit may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that a receipt is immediately obtained when making a deposit.

Please provide written management responses to the observations noted above by November 30, 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 November 30, 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.

HIDALGO COUNTY DISTRICT JUDGES

LLIS M. SINGLETERARY
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.

NOÉ GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

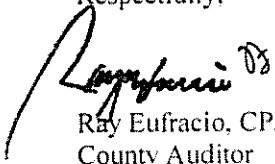
L. KENO VASQUEZ
JUDGE, 398TH D.C.

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

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

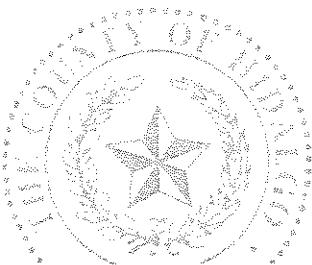
We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Araceli A. Guillen, Internal Auditor I, at (956) 318-2511, ext. 4649, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or myself at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: The Honorable Norma Garcia, County Treasurer
Valde Guerra, County Executive Officer



HIDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 92ND 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.