

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

December 4, 2018

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

Dear Judge and Commissioners:

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

Department	Description
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	Hidalgo County Tax Collected Reports for August 2018 and September 2018
Mr. Eduardo Olivarez, Chief Administrative Officer Hidalgo County Health and Human Services Department	Environmental Health Division Monthly Fees Report for September 2018
Ms. Angie Chapa, Law Librarian	Monthly Fee Report for September 2018 and October 2018
Mr. Homero Garza, Fire Marshal	Monthly Fees Report for the months of September 2018 and October 2018
The Hon. Celestino Avila Jr. Constable Precinct No. 1	Monthly Fees Report for September 2018 and October 2018
The Hon. Martin Cantu, Constable Precinct No. 2	Monthly Fees Report for September 2018 and October 2018
The Hon. Lazaro Gallardo, Constable Precinct No. 3	Monthly Fees Report for September 2018 and October 2018
The Hon. Atanacio Gaitan Jr., Constable Precinct No. 4	Monthly Fees Report for September 2018 and October 2018
The Hon. Daniel Marichalar, Constable Precinct No. 5	Monthly Fees Report for September 2018 and October 2018
The Hon. Eduardo Cantu, Commissioner Precinct No. 2	Sanitation Program Monthly Fee Report for September 2018
The Hon. Joe M. Flores, Commissioner Precinct No. 3	Anzalduas Park Monthly Fee Report for September 2018 and October 2018
The Hon. Joe M. Flores, Commissioner Precinct No. 3	Sanitation Program Monthly Fees Report for the months of June 2018 and July 2018
The Hon. Joe M. Flores, Commissioner Precinct No. 3	Sanitation Program Monthly Fees Report for the months of August 2018 and September 2018
Mr. T.J. Arredondo, Director of Planning	Monthly Fees Report for June 2018 and July 2018
Ms. Yvonne Ramon, Elections Administrator	Monthly Fees Report for August 2018
Ms. Yvonne Ramon, Elections Administrator	Monthly Fees Reports for September 2018 and October 2018
The Hon. Arturo Guajardo, Jr., Hidalgo County Clerk	Fee Monthly Report for August 2018
The Hon. Arturo Guajardo, Jr., Hidalgo County Clerk	Fee Monthly Report for September 2018
The Hon. Gilberto Saenz, Justice of the Peace Pct. 1 Pl. 1	Monthly Fines and Fees Report for September 2018
The Hon. Jesus E. Morales, Justice of the Peace Pct. 1 Pl. 2	Monthly Fines and Fees Report for September 2018
The Hon. Bobby Contreras, Justice of the Peace Pct. 2 Pl. 1	Monthly Fines and Fees Report for September 2018
The Hon. Jaime J. Munoz, Justice of the Peace Pct. 2 Pl. 2	Monthly Fines and Fees Report for September 2018
The Hon. Luis Garza, Justice of the Peace Pct. 3 Pl. 1	Monthly Fines and Fees Report for September 2018
The Hon. Marcos Ochoa, Justice of the Peace Pct. 3 Pl. 2	Monthly Fines and Fees Report for September 2018
The Hon. Charlie Espinoza, Justice of the Peace Pct. 4 Pl. 1	Monthly Fines and Fees Report for September 2018
The Hon. Homero A. Jasso, Justice of the Peace Pct. 4 Pl. 2	Monthly Fines and Fees Report for September 2018

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

The Hon. Jason Pena, Justice of the Peace Pct. 5 Pl. 1	Monthly Fines and Fees Report for September 2018
The Hon. Laura Hinojosa, Hidalgo County District Clerk	Monthly Fees Report for September 2018
The Hon. Juan R. Partida, 275 th District Judge	275 th District Court Asset Inventory Listing Audit No. 2018-77
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	September 2018 Delinquent Tax Attorney Payment Request Report No. 2018-84
The Hon. Ricardo Rodriguez, Jr. Hidalgo County Criminal District Attorney	HIDTA Financial Statements for January 2018 through August 2018
The Hon. J.E. "Eddie" Guerra, Hidalgo County Sheriff	Inmate Trust Financial Statements for January 2018 through March 2018
The Hon. J.E. "Eddie" Guerra, Hidalgo County Sheriff	Inmate Trust Financial Statements for April 2018 through June 2018
The Hon. Norma G. Garcia, Hidalgo County Treasurer	Cash Count Report No. 2018-82
The Hon. Joseph Palacios, Commissioner Precinct No. 4	Sanitation Program Cash Count Report No. 2018-83
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	Edinburg Motor Vehicle Main Office Cash Count Report No. 2018-552
Mr. Arnold K. Patrick, Director Community Supervision and Corrections Department	Cash Count Report No. 2018-558

Respectfully,

Maria A. Duran

Maria Arcilia Duran, CPA
Hidalgo County Auditor

Attachments

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

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 6, 2018

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

Re: Hidalgo County Tax Collected Reports for August 2018 and September 2018

Dear Mr. Villarreal:

We conducted a limited scope review of the *Hidalgo County Tax Collected Reports* and supporting documentation 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 for the months of August 2018 and September 2018 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. 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.

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.

Methodology:

In conducting our review, the following procedures were performed:

- Reviewed the submittal date of the *Hidalgo County Tax Collected Reports* to the County Auditor's Office to determine if the reports 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).
- Verified the signature on the *Hidalgo County Tax Collected Reports* to ensure that the reports were signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Tax Collected Reports* by footing and cross-footing the reports.
- Verified that taxes collected per the *Hidalgo County Tax Collected Reports* 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 Reports* 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 receipted.

HIDALGO COUNTY DISTRICT JUDGES

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

JAMIE E. TIJERINA
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, 312ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

- Compared the *Electronic Check BMI 147 Report* to the *Hidalgo County Deposit Status Report – All Locations* to ensure all online e-check transactions were timely receipted.
- Reviewed the *Hidalgo County Tax Collected Reports* 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* 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*.

Conclusion:

Total collections for the months of August 2018 and September 2018 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 \$22,455,031.77 and \$12,053,506.68, respectively. Based on the results of our review, we 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.

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.

Observation No. 1:

We noted that total deposits did not agree to the amount collected per the *Deposit Status Report - All Locations*, as follows:

- Deposits for the month of August 2018 were short a total of \$68.05.
 - Net shortages totaling \$68.05 were replenished with funds in the Cashier Over/Short balance sheet account. A significant shortage occurred on August 13, 2018. One cashier was short \$20.00 at the Pharr Substation.
- Deposits for the month of September 2018 were short a total of \$124.38.
 - Net shortages totaling \$124.38 were replenished with funds in the Cashier Over/Short balance sheet account. A significant shortage occurred on September 20, 2018. One cashier was short \$100.00 at the Edinburg Substation.

According to staff, shortages are recorded on the Cashier Over/Short balance sheet account as a debit to the account.

- Deposits for the month of August 2018 were over a total of \$53.42.
 - Net overages totaling \$53.42 were placed in the Cashier Over/Short balance sheet account.
- Deposits for the month of September 2018 were over a total of \$19.19.
 - Net overages totaling \$19.19 were placed in the Cashier Over/Short balance sheet account.

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 September 30, 2018, the Cashier Over/Short balance sheet account has a debit balance of \$603.48.

The County Auditor's Office requires that cash receipts be deposited intact daily. In addition, overages should be remitted to the County Treasurer's Office as miscellaneous revenue. If a shortage occurs of \$100.00 or more, or 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 should 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 negligence. Supervisors must 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.

HIDALGO COUNTY DISTRICT JUDGES

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

Recommendation:

Management should retrain employees to ensure that cashiers verify that the receipt agrees to the amount collected, prior to issuing a receipt. In addition, 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:

- Transfer overages to the County Treasurer as miscellaneous revenue;
- Replenish shortages or request indemnification from Commissioners Court pursuant to Local Government Code §157.903;
- 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; and
- Immediately report shortages to the County Auditor's Office and the Sheriff's Office, regardless of the amount, if criminal conduct is suspected.

Please provide a written management response to the observation noted above by November 23, 2018.

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, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer
Eva Mireles, Tax Office Chief of Operations
Julio Espinosa, Property Tax Manager
Crystal Puente, Chief Accountant

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 28, 2018

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

Re: Environmental Health Division *Monthly Fees Report* for September 2018

Dear Mr. Olivarez:

We conducted a limited scope review of the Environmental Health Division *Monthly Fees Report* and supporting documentation for the month of September 2018 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. 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.

Scope:

The scope of the review was limited to collections reported by your office on the *Monthly Fees Report* for the month of September 2018. Our review was not intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

Methodology:

In conducting our review, the following procedures were performed:

- Reviewed the submittal date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report and supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001(b).
- Verified the signature on the *Monthly Fees Report* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fees Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified that receipts were issued in sequential order.
- Verified that procedures for voided receipts were properly followed.
- Reviewed *Daily Remittance/Close-out Reports* (Close-out Reports) to determine if fees collected were properly accounted and deposited with the financial institution on a daily basis.
- Verified that the collections per the *Monthly Fees Report* agreed to: 1.) total receipts issued by the Environmental Health Division; 2.) total deposits made with the financial institution; 3.) total receipts issued by the County Treasurer.
- Reviewed receipts issued, Close-out Reports, and the *Monthly Fees Report* to verify proper completion.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TJERINA
JUDGE, 83rd D.C.

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

ROSE GUERRA REYNA
JUDGE, 206th D.C.

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

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

NOE GONZALEZ
JUDGE, 370th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 388th D.C.

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

ISRAEL RAMON, JR.
JUDGE, 436th D.C.

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

Conclusion:

Total collections for the month of September 2018 were \$24,285.00. Based on the results of our review, we concluded that fees collected were properly accounted and reported.

If you have any questions, please contact Reynaldo Cantu III, Compliance Audit Supervisor, at 318-2511 ext. 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAME E. TJERINA
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.

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 28, 2018

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

Re: *Monthly Fee Report* for September 2018 and October 2018

Dear Ms. Chapa:

We conducted a limited scope review of the *Monthly Fee Report* and supporting documentation for the months of September 2018 and October 2018 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. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Fee Report* for the months of September 2018 and October 2018. 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.

Methodology:

In conducting our review, the following procedures were performed:

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

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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, 378TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

Conclusion:

Total collections for the months of September 2018 and October 2018 were \$1,117.75 and \$1,162.50, respectively. Based on the results of our review, we concluded that fees collected were properly accounted and reported.

If you have any questions, please contact Reynaldo Cantu III, Compliance Audit Supervisor, at 318-2511 ext. 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

COUNTY of HIDALGO



EDINBURG, TEXAS 78539

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

November 28, 2018

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

Re: *Monthly Fees Report* for the months of September 2018 and October 2018

Dear Mr. Garza:

We conducted a limited scope review of the *Monthly Fees Report* and supporting documentation for the months of September 2018 and October 2018 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.

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.

Scope:

The scope of the review was limited to collections reported by your office on the *Monthly Fees Report* for the months of September 2018 and October 2018. 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.

Methodology:

In conduction our review, the following procedures were performed:

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

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

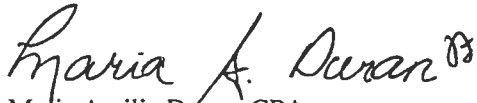
RENEE R. BETANCOURT
JUDGE, 449TH D.C.

Conclusion:

Total collections for the months of September 2018 and October 2018 were \$9,527.25 and \$13,135.00. Based on the results of our review, we concluded that fees collected were properly accounted and reported.

If you have any questions, please contact Reynaldo Cantu III, Compliance Audit Supervisor, at 318-2511 ext. 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TJERINA
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.

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 28, 2018

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

Re: *Monthly Fees Report* for September 2018 and October 2018

Dear Constable Avila:

We conducted a limited scope review of the Constable Precinct No. 1 *Monthly Fees Report* and supporting documentation for the months of September 2018 and October 2018 pursuant to Local Government Code §115.002 (a) and (b) and Code of Criminal Procedure Article 103.011. The objective of the review was to determine if fees collected were properly accounted and reported. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Fees Report* for the months of September 2018 and October 2018. 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.

Methodology:

In conducting our review, the following procedures were performed:

- Reviewed the submittal date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report and supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Fees Report* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fees Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified receipts issued followed a sequential order.
- Verified that procedures for voided receipts were properly followed.
- Reviewed *Cashier's Daily Close-out Reports/Daily Remittance Forms (Close-out Reports)* to determine if fees collected were properly accounted and deposited with the financial institution in a timely manner.
- Verified that the collections per the *Monthly Fees Report* agreed to: 1.) total receipts issued by the Constable; 2.) total deposits made with the financial institution; 3.) total receipts issued by the County Treasurer.
- Reviewed receipts issued, *Close-out Reports*, and the *Monthly Fees Report* to verify proper completion.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

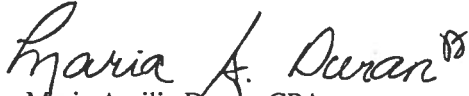
The Honorable Celestino Avila
November 28, 2018
Page 2 of 2

Conclusion:

Total collections for the months of September 2018 and October 2018 were \$2,375.00 and \$550.00, respectively. Based on the results of our review, we concluded that fees collected were properly accounted and reported.

If you have any questions, please contact Reynaldo Cantu III, Compliance Audit Supervisor at 318-2511 ext. 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer



HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JAIME E. TIJERINA J. R. "BOBBY" FLORES ROSE GUERRA REYNA JUAN R. PARTIDA MARIO E. RAMIREZ, JR. NOE GONZALEZ LETICIA LOPEZ L. KENO VASQUEZ ISRAEL RAMON, JR. RENEE R. BETANCOURT

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 28, 2018

The Honorable Martin Cantu, Constable
Hidalgo County Precinct No. 2
300 W. Hall Acres, Ste. E
Pharr, TX 78577

Re: *Monthly Fees Report* for September 2018 and October 2018

Dear Constable Cantu:

We conducted a limited scope review of the Constable Precinct No. 2 *Monthly Fees Report* and supporting documentation for the months of September 2018 and October 2018 pursuant to Local Government Code §115.002 (a) and (b) and Code of Criminal Procedure Article 103.011. The objective of the review was to determine if fees collected were properly accounted and reported. 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.

Scope:

The scope of the review was limited to collections reported by your office on the *Monthly Fees Report* for the months of September 2018 and October 2018. 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.

Methodology:

In conducting our review, the following procedures were performed:

- Reviewed the submittal date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report and supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Fees Report* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fees Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified receipts issued followed a sequential order.
- Verified that procedures for voided receipts were properly followed.
- Reviewed *Cashier's Daily Close-out Report/Daily Remittance Forms* (Close-out Reports) to determine if fees collected were properly accounted and deposited with the financial institution in a timely manner.
- Verified that the collections per the *Monthly Fees Report* agreed to: 1.) total receipts issued by the Constable; 2.) total deposits made with the financial institution; 3.) total receipts issued by the County Treasurer.
- Reviewed receipts issued, Close-out Reports, and the *Monthly Fees Report* to verify proper completion.

HIDALGO COUNTY DISTRICT JUDGES

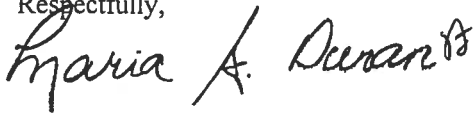
LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	JAIME E. TIJERINA JUDGE, 93 RD D.C.	J. R. "BOBBY" FLORES JUDGE, 139 TH D.C.	ROSE GUERRA REYNA JUDGE, 206 TH D.C.	JUAN R. PARTIDA JUDGE, 275 TH D.C.	MARIO E. RAMIREZ, JR. JUDGE, 332 ND D.C.	NOE GONZALEZ JUDGE, 370 TH D.C.	LETICIA LOPEZ JUDGE, 389 TH D.C.	L. KENO VASQUEZ JUDGE, 398 TH D.C.	ISRAEL RAMON, JR. JUDGE, 430 TH D.C.	RENEE R. BETANCOURT JUDGE, 449 TH D.C.
---	---	---	--	--	--	---	--	--	--	--

Conclusion:

Total collections for the months of September 2018 and October 2018 were \$7,815.50 and \$15,402.50, respectively. Based on the results of our review, we concluded that fees were generally properly accounted and reported.

If you have any questions, please contact Reynaldo Cantu III, Compliance Audit Supervisor, at 318-2511 ext. 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JAME E. TIJERINA J. R. "BOBBY" FLORES ROSE GUERRA REYNA JUAN R. PARTIDA MARIO E. RAMIREZ, JR. NOE GONZALEZ LETICIA LOPEZ L. KENO VASQUEZ ISRAEL RAMON, JR. RENEE R. BETANCOURT

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 28, 2018

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

Re: *Monthly Fee Report* for September 2018 and October 2018

Dear Constable Gallardo:

We conducted a limited scope review of the Constable Precinct No. 3 *Monthly Fee Report* and supporting documentation for the months of September 2018 and October 2018 pursuant to Local Government Code §115.002 (a) and (b) and Code of Criminal Procedure Article 103.011. The objective of the review was to determine if fees collected were properly accounted and reported. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Fees Report* for the months of September 2018 and October 2018. 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.

Methodology:

In conduction our review, the following procedures were performed:

- Reviewed the submittal date of the *Monthly Fee Report* to the County Auditor's Office to determine if the report 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 Fee Report* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fee Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified receipts issued followed a sequential order.
- Verified that procedures for voided receipts were properly followed.
- Reviewed *Cashier's Daily Close-out Reports/Daily Remittance Forms* (Close-out Reports) to determine if fees collected were properly accounted and deposited with the financial institution in a timely manner.
- Verified that the collections per the *Monthly Fee Report* agreed to: 1.) total receipts issued by the Constable; 2.) total deposits made with the financial institution; 3.) total receipts issued by the County Treasurer.
- Reviewed receipts issued, Close-out Reports, and the *Monthly Fee Report* to verify proper completion.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 52 ND D.C.	JAME E. TIJERINA JUDGE, 93 RD D.C.	J. R. "BOBBY" FLORES JUDGE, 139 TH D.C.	ROSE GUERRA REYNA JUDGE, 208 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.
---	--	---	--	--	--	---	--	--	--	--

Honorable Lazaro Gallardo
November 28, 2018
Page 2 of 2

Conclusion:

Total collections for the months of September 2018 and October 2018 were \$1,865.00 and \$10,205.00, respectively. Based on the results of our review, we concluded that fees collected were generally properly accounted and reported.

If you have any questions, please contact Reynaldo Cantu III, Compliance Audit Supervisor, at 318-2511 ext. 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	JAIME E. TIJERINA 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.	NOE GONZALEZ JUDGE, 370 TH D.C.	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
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 28, 2018

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

Re: *Monthly Fees Report* for September 2018 and October 2018

Dear Constable Gaitan:

We conducted a limited scope review of the Constable Precinct No. 4 *Monthly Fees Report* and supporting documentation for the months of September 2018 and October 2018 pursuant to Local Government Code §115.002 (a) and (b) and Code of Criminal Procedure Article 103.011. The objective of the review was to determine if fees collected were properly accounted and reported. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Fees Report* for the months of September 2018 and October 2018. 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.

Methodology:

In conducting our review, the following procedures were performed:

- Reviewed the submittal date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report and supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Fees Report* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fees Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified receipts issued followed a sequential order.
- Verified that procedures for voided receipts were properly followed.
- Reviewed *Cashier's Daily Close-out Reports/Daily Remittance Forms* (Close-out Reports) to determine if fees collected were properly accounted and deposited with the financial institution in a timely manner.
- Verified that the collections per the *Monthly Fees Report* agreed to: 1.) total receipts issued by the Constable; 2.) total deposits made with the financial institution; 3.) total receipts issued by the County Treasurer.
- Reviewed receipts issued, Close-out Reports, and the *Monthly Fees Report* to verify proper completion.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 2ND D.C.

JAIME E. TIJERINA
JUDGE, 9TH D.C.

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

ROSE GUERRA REYNA
JUDGE, 20TH D.C.

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

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

NOE GONZALEZ
JUDGE, 37TH D.C.

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.

Conclusion:

Total collections for the months of September 2018 and October 2018 were \$6,959.00 and \$9,970.50, respectively. Based on the results of our review, we concluded that fees collected were generally properly accounted and reported.

If you have any questions, please contact Reynaldo Cantu III, Compliance Audit Supervisor, at 318-2511 ext. 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE 32ND D.C.

JAIME E. TIERINA
JUDGE 31ST D.C.

J. R. "BOBBY" FLORES
JUDGE 11TH D.C.

ROSE GUERRA REYNA
JUDGE 20TH D.C.

JUAN R. PARTIDA
JUDGE 22ND D.C.

MARIO E. RAMIREZ, JR.
JUDGE 23RD D.C.

NOE GONZALEZ
JUDGE 24TH D.C.

LETICIA LOPEZ
JUDGE 25TH D.C.

L. KENO VASQUEZ
JUDGE 26TH D.C.

ISRAEL RAMON, JR.
JUDGE 27TH D.C.

RENEE R. BETANCOURT
JUDGE 28TH 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 28, 2018

The Honorable Daniel Marichalar, Constable
Hidalgo County Precinct No. 5
P.O. Box 1279
Elsa, TX 78543

Re: *Monthly Fees Report* for September 2018 and October 2018

Dear Constable Marichalar:

We conducted a limited scope review of the Constable Precinct No. 5 *Monthly Fees Report* and supporting documentation for the months of September 2018 and October 2018 pursuant to Local Government Code §115.002 (a) and (b) and Code of Criminal Procedure Article 103.011. The objective of the review was to determine if fees collected were properly accounted and reported. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Fees Report* for the months of September 2018 and October 2018. 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.

Methodology:

In conducting our review, the following procedures were performed:

- Reviewed the submittal date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report and supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Fees Report* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fees Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified receipts issued followed a sequential order.
- Verified that procedures for voided receipts were properly followed.
- Reviewed *Cashier's Daily Close-out Reports/Daily Remittance Forms* (Close-out Reports) to determine if fees collected were properly accounted and deposited with the financial institution in a timely manner.
- Verified that the collections per the *Monthly Fees Report* agreed to: 1.) total receipts issued by the Constable; 2.) total deposits made with the financial institution; 3.) total receipts issued by the County Treasurer.
- Reviewed receipts issued, Close-out Reports, and the *Monthly Fees Report* to verify proper completion.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	JAMIE E. TJERINHA JUDGE, 93 RD D.C.	J. R. "BOBBY" FLORES JUDGE, 138 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, 436 TH D.C.	RENEE R. BETANCOURT JUDGE, 449 TH D.C.
---	---	---	--	--	--	---	--	--	--	--

Conclusion:

Total collections for the months of September 2018 and October 2018 were \$2,263.80 and \$3,396.00, respectively. Based on the results of our review, we concluded that fees collected were generally properly accounted and reported.

If you have any questions, please contact Reynaldo Cantu III, Compliance Audit Supervisor, at 318-2511 ext. 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	JAIME E. TIJERINA 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.	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
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 27, 2018

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

Re: Sanitation Program *Monthly Fee Report* for September 2018

Dear Commissioner Cantu:

We conducted a limited scope review of the Precinct 2 Sanitation Program *Monthly Fee Report* and supporting documentation for the month of September 2018 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. 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.

Scope:

The scope of the review was limited to collections reported by your office on the *Monthly Fee Report* for the month of September 2018. 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.

Methodology:

In conducting our review, the following procedures were performed:

- Reviewed the submittal date of the *Monthly Fee Report* to the County Auditor's Office to determine if the report 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 Fee Report* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fee Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified that receipts and permits issued followed a sequential order.
- Verified that procedures for voided receipts and voided permits were properly followed.
- Reviewed *Cashier's Daily Close-out Reports/Daily Remittance Forms* (Close-out Reports) to determine if fees collected were properly accounted and deposited with the financial institution on a daily basis.
- Verified that the collections per the *Monthly Fee Report* agreed to: 1.) total receipts issued by the Precinct; 2.) total deposits made with the financial institution; and 3.) total receipts issued by the County Treasurer.
- Reviewed receipts issued, Close-out Reports, and the *Monthly Fee Report* to verify proper completion.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

Conclusion:

Total collections for the month of September 2018 were \$4,150.00. Based on the results of our review, we concluded that fees collected were generally properly accounted and reported.

If you have any questions, please contact Reynaldo Cantu III, Compliance Audit Supervisor, at 318-2511 ext. 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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, 378TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

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 28, 2018

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

Re: Anzalduas Park *Monthly Fee Report* for September 2018 and October 2018

Dear Commissioner Flores:

We conducted a limited scope review of the Anzalduas Park *Monthly Fee Report* and supporting documentation for the months of September 2018 and October 2018 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. 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.

Scope:

The scope of the review was limited to collections reported by your office on the *Monthly Fee Report* for the months of September 2018 and October 2018. 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.

Methodology:

In conducting our review, the following procedures were performed:

- Reviewed the submittal date of the *Monthly Fee Report* to the County Auditor's Office to determine if the report 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 Fee Report* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fee Report* by footing and cross-footing the report.
- Reviewed tickets issued to determine if proper fee amounts were collected and reported.
- Verified tickets issued followed a sequential order.
- Verified that procedures for voided tickets were properly followed.
- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Forms* (Close-out Reports) to determine if fees collected were properly accounted and deposited with the financial institution on or before the fifth business day after the day on which the funds were received pursuant to Local Government Code §113.022.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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, 436TH D.C.

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

- Verified that the collections per the *Monthly Fee Report* agreed to: 1.) total receipts issued by the Precinct; 2.) total deposits made with the financial institution; and 3.) total receipts issued by the County Treasurer.
- Reviewed receipts issued, Close-out Reports, and the *Monthly Fee Report* to verify proper completion.

Conclusion:

Total collections for the months of September 2018 and October 2018 were \$372.00 and \$1,396.00, respectively. Based on the results of our review, we concluded that fees collected were properly accounted and reported; however, the system of internal controls for the accounting and reporting of fees requires improvement as noted in the following observation.

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.

Observation No. 1:

A \$4.00 park entrance fee is collected from vehicles entering the Anzalduas Park on Saturdays and Sundays. Commissioners Court approved to increase the park entrance fee from \$2.00 to \$4.00 on March 23, 1993. A review of the County's financial records indicated that a park entrance fee has been collected since at least 1992. Commissioners Court may set and approve park entrance fees if approved by a majority of qualified voters through a referendum election; however, evidence that a referendum election was conducted was not provided. According to the Anzalduas Park staff, they were not aware if and when a referendum election was held to approve the collection of the park entrance fee.

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

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

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

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

Recommendation:

Management should develop and implement formal procedures to ensure that park entrance fees are properly collected. Evidence that a referendum election was conducted and evidence authorizing the collection and

HIDALGO COUNTY DISTRICT JUDGES

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

JAIMIE E. TIJERINA
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, 378TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

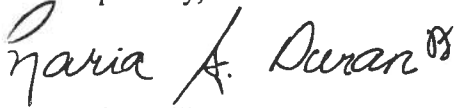
The Honorable Jose M. Flores
November 28, 2018
Page 3 of 3

waiver of the fee should be obtained. In addition, the park entrance fee should continue to be collected after the cut-off time as required by the *Cash Handling Guidelines and Procedures*.

Please provide a written management response to the observation noted above by December 14, 2018 using the attached Management Response Form.

If you have any questions, please contact Reynaldo Cantu III, Compliance Audit Supervisor, at 318-2511 ext. 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosure: Management Response Form

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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.

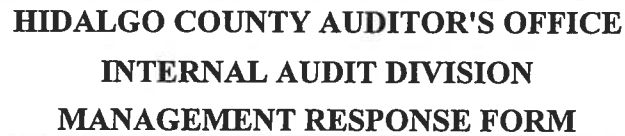
NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

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.



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

Signature: _____ **Date:** _____

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



October 15, 2018

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

Re: Sanitation Program *Monthly Fees Report* for June 2018 and July 2018

Dear Commissioner Flores:

We conducted a limited scope review of the Precinct 3 Sanitation Program *Monthly Fees Report* and supporting documentation for the months of June 2018 and July 2018 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. 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.

Scope:

The scope of the review was limited to collections reported by your office on the *Monthly Fees Report* for the months of June 2018 and July 2018. 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.

Methodology:

In conducting our review, the following procedures were performed:

- Reviewed the submittal date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report and supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Fees Report* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fees Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified that receipts and permits issued followed a sequential order.
- Verified that procedures for voided receipts and voided permits were properly followed.
- Reviewed *Cashier's Daily Close-out Reports/Daily Remittance Forms* (Close-out Reports) to determine if fees collected were properly accounted and deposited with the financial institution on a daily basis.
- Verified that the collections per the *Monthly Fees Report* agreed to: 1.) total receipts issued by the Precinct; 2.) total deposits made with the financial institution; and 3.) total receipts issued by the County Treasurer.
- Verified that the Close-out Reports and *Monthly Fees Report* were properly completed.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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, 385TH D.C.

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

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

RENEE R. BETANCOURT
JUDGE, 443RD D.C.

Conclusion:

Total collections for the months of June 2018 and July 2018 were \$39,425.00 and \$38,450.00, respectively. Based on the results of our review, we concluded that fees collected were generally properly accounted and reported; however, the system of internal controls for the accounting and reporting of fees requires improvement as noted in the following observations.

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.

Observation No. 1:

We noted that several void and reissued permits were not documented on the "Void Permit Log." Therefore, the date permit was voided, void permit number, reason for void, new permit number, the name of the individual requesting the new permit, employee's signature, and the supervisor's signature of approval was not documented.

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

Failure to ensure that void and reissued permits are documented on the "Void Permit Log" may result in the loss of County revenue.

Recommendation:

Management should ensure that void and reissued permits are documented on the "Void Permit Log."

Observation No. 2:

We noted that permit number 57689 issued to user 13 was out of sequence and unaccounted for.

In addition, shortages and missing permits totaling \$890.00 (shortages of \$25.00, \$10.00, and \$5.00 on January 8, 2016, January 11, 2016, and February 24, 2016, respectively, and 34 missing permits totaling \$850.00 issued between January 2016 and December 2017, January 2018 and March 2018) have not been replenished and deposited with the County Treasurer, as previously requested by the County Auditor's Office.

Persons who accept accountable forms (i.e., permits, receipts, etc.) become responsible, upon receipt, for the accountability and safeguarding of such forms. Loss or theft of accountable forms must be promptly reported to the County Auditor's Office. The written notification should include a statement of the circumstances concerning the loss. Accountable forms reported lost or stolen must be marked "Void" in the electronic application system. Management must also monitor all missing accountable forms to determine if there is a pattern meriting further investigation, modification of procedures, retraining of personnel, or disciplinary action. Furthermore, the supervisor should verify that the permits previously issued to the cashier have been sold prior to issuing additional permits. Moreover, prior to replacing a permit, the cashiers should verify that the permit is in the Solid Waste Disposal System and not reported missing and unaccounted for. A missing and unaccounted permit should not be replaced until the constituent provides proof of payment.

A county officer is personally liable for the loss of funds (e.g. shortage, acceptance of counterfeit bill, hot check, credit card charge back, etc.) while in his/her possession in the performance of official duties. Shortages must be replenished.

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

Recommendation:

Management should ensure that permits are properly accounted and safeguarded. At a minimum, the procedures noted above should be implemented. The unaccounted permits should also be voided in the Solid Waste Disposal Application Program and \$890.00 for the missing permits should be replenished and deposited with the County Treasurer.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERNA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

Observation No. 3:

We noted that several permit numbers were not correctly entered in the Solid Waste Disposal Program. We were not able to determine the actual permit number that was issued.

According to the Solid Waste Citizen Collection Station Rules and Guidelines, all vehicles entering that collection station must display a valid permit issued to the specific vehicle and vehicle owner; therefore, when a new permit is issued, the new permit information must be entered in the Solid Waste Disposal Program.

Failure to ensure that employees are entering accurate permit numbers and replacement permit numbers in the Solid Waste Disposal Program may result in the constituent not being allowed to enter the collection station since the permit is not active in the Solid Waste Disposal Program.

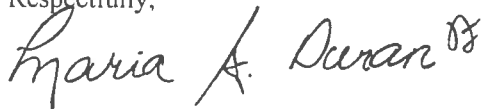
Recommendation:

Management should ensure that cashiers enter accurate permit numbers and replacement permit numbers in the Solid Waste Disposal Program.

Please provide a management response to the observations noted above by October 26, 2018 using the attached Management Response Forms.

If you have any questions regarding the requested information, please contact Corina Martinez, Internal Auditor I, at 318-2511, ext. 4624, Reynaldo Cantu III, Compliance Audit Supervisor, at ext 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosures: Management Response Forms

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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.



AUDITEE:	<u>Precinct 3</u>	AUDIT NO.:	<u></u>
AUDIT:	<u>Sanitation Program Monthly Fees Report for June 2018 and July 2018</u>	MANAGEMENT RESPONSE DUE:	<u>October 26, 2018</u>
FINDING No.:	<u>1</u>	RECOMMENDATION:	<u>1</u>

Management should ensure that void and reissued permits are documented on the "Void Permit Log."

Management Response (Choose One):

_____ AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)

_____ AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION

_____ DISAGREE THAT RISK EXISTS (Specify below)

Management Comments (Attach additional page(s) if necessary):

Specify Target Date of Remedial Action (if any):

Signature: _____ **Date:** _____

	HIDALGO COUNTY AUDITOR'S OFFICE INTERNAL AUDIT DIVISION MANAGEMENT RESPONSE FORM
---	---

AUDITEE:	<u>Precinct 3</u>	AUDIT NO.:	_____
	<u>Sanitation Program</u>		
AUDIT:	<u>Monthly Fees Report for</u>	MANAGEMENT	
	<u>June 2018 and July 2018</u>	RESPONSE DUE:	<u>October 26, 2018</u>
FINDING No.:	<u>2</u>	RECOMMENDATION:	<u>2</u>

Management should ensure that permits are properly accounted and safeguarded. At a minimum, the procedures noted above should be implemented. The unaccounted permits should also be voided in the Solid Waste Disposal Application Program and \$890.00 for the missing permits should be replenished and deposited with the County Treasurer.

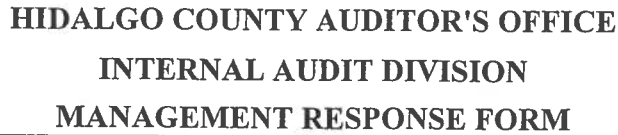
Management Response (Choose One):

_____	AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)
_____	AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION
_____	DISAGREE THAT RISK EXISTS (Specify below)

Management Comments (Attach additional page(s) if necessary):

Specify Target Date of Remedial Action (if any):

Signature:	_____	Date:	_____
------------	-------	-------	-------



Management should ensure that cashiers enter accurate permit numbers and replacement permit numbers in the Solid Waste Disposal Program.

_____ AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)

_____ AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION

_____ DISAGREE THAT RISK EXISTS (Specify below)

Specify Target Date of Remedial Action (if any):

Signature: _____ **Date:** _____

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 27, 2018

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

Re: Sanitation Program *Monthly Fees Report* for August 2018 and September 2018

Dear Commissioner Flores:

We conducted a limited scope review of the Precinct 3 Sanitation Program *Monthly Fees Report* and supporting documentation for the months of August 2018 and September 2018 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. 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.

Scope:

The scope of the review was limited to collections reported by your office on the *Monthly Fees Report* for the months of August 2018 and September 2018. 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.

Methodology:

In conducting our review, the following procedures were performed:

- Reviewed the submittal date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report and supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Fees Report* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fees Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified that receipts and permits issued followed a sequential order.
- Verified that procedures for voided receipts and voided permits were properly followed.
- Reviewed *Cashier's Daily Close-out Reports/Daily Remittance Forms* (Close-out Reports) to determine if fees collected were properly accounted and deposited with the financial institution on a daily basis.
- Verified that the collections per the *Monthly Fees Report* agreed to: 1.) total receipts issued by the Precinct; 2.) total deposits made with the financial institution; and 3.) total receipts issued by the County Treasurer.
- Verified that the Close-out Reports and *Monthly Fees Report* were properly completed.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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, 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.

Conclusion:

Total collections for the months of August 2018 and September 2018 were \$30,950.00 and \$30,800.00, respectively. Based on the results of our review, we concluded that fees collected were generally properly accounted and reported; however, the system of internal controls for the accounting and reporting of fees requires improvement as noted in the following observations.

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.

Observation No. 1:

We noted that several void and reissued permits were not documented on the "Void Permit Log." Therefore, the date permit was voided, void permit number, reason for void, new permit number, the name of the individual requesting the new permit, employee's signature, and the supervisor's signature of approval was not documented.

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

Failure to ensure that void and reissued permits are documented on the "Void Permit Log" may result in the loss of County revenue.

Recommendation:

Management should ensure that void and reissued permits are documented on the "Void Permit Log."

Observation No. 2:

We noted that permit number 59419 issued to user 14 and permit number 60043 issued to user 13 were out of sequence and unaccounted for.

In addition, shortages and missing permits totaling \$915.00 (shortages of \$25.00, \$10.00, and \$5.00 on January 8, 2016, January 11, 2016, and February 24, 2016, respectively, and 34 missing permits totaling \$875.00 issued between January 2016 and December 2017, January 2018, March 2018, and July 2018) have not been replenished and deposited with the County Treasurer, as previously requested by the County Auditor's Office.

Persons who accept accountable forms (i.e., permits, receipts, etc.) become responsible, upon receipt, for the accountability and safeguarding of such forms. Loss or theft of accountable forms must be promptly reported to the County Auditor's Office. The written notification should include a statement of the circumstances concerning the loss. Accountable forms reported lost or stolen must be marked "Void" in the electronic application system. Management must also monitor all missing accountable forms to determine if there is a pattern meriting further investigation, modification of procedures, retraining of personnel, or disciplinary action. Furthermore, the supervisor should verify that the permits previously issued to the cashier have been sold prior to issuing additional permits. Moreover, prior to replacing a permit, the cashiers should verify that the permit is in the Solid Waste Disposal System and not reported missing and unaccounted for. A missing and unaccounted permit should not be replaced until the constituent provides proof of payment.

A county officer is personally liable for the loss of funds (e.g. shortage, acceptance of counterfeit bill, hot check, credit card charge back, etc.) while in his/her possession in the performance of official duties. Shortages must be replenished.

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

Recommendation:

Management should ensure that permits are properly accounted and safeguarded. At a minimum, the procedures noted above should be implemented. The unaccounted permits should also be voided in the Solid Waste Disposal

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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, 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.

Application Program and \$965.00 for the missing permits should be replenished and deposited with the County Treasurer.

Observation No. 3:

We noted that several permit numbers were not accurately entered in the Solid Waste Disposal Program. We were not able to determine the actual permit number that was issued. In addition, according to the "Void Permit Log", permit number 59044 was issued to replace permit number 53277; however, reissued permit number 59044 was not entered in the Sanitation Program.

According to the Solid Waste Citizen Collection Station Rules and Guidelines, all vehicles entering the collection station must display a valid permit issued to the specific vehicle and vehicle owner. The permit is scanned to determine validity; therefore, when a new permit is issued, the new permit information must be entered in the Solid Waste Disposal Program.

Failure to ensure that employees are entering accurate permit numbers and replacement permit numbers in the Solid Waste Disposal Program may result in the constituent not being allowed to enter the collection station since the permit is not active in the Solid Waste Disposal Program.

Recommendation:

Management should ensure that cashiers enter accurate permit numbers and replacement permit numbers in the Solid Waste Disposal Program.

Please provide a management response to the observations noted above by December 7, 2018 using the attached Management Response Forms.

If you have any questions regarding the requested information, please contact Corina Martinez, Internal Auditor I, at 318-2511, ext. 4624, Reynaldo Cantu III, Compliance Audit Supervisor, at ext 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosures: Management Response Forms

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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.



AUDITEE:	Precinct 3	AUDIT NO.:	
AUDIT:	Monthly Fees Report for August 2018 and September 2018	MANAGEMENT RESPONSE DUE:	December 7, 2018
FINDING No.:	1	RECOMMENDATION:	1

Management should ensure that void and reissued permits are documented on the "Void Permit Log."

Management Response (Choose One):

_____ AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)

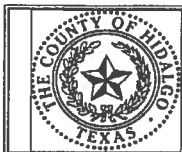
_____ AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION

_____ DISAGREE THAT RISK EXISTS (Specify below)

Management Comments (Attach additional page(s) if necessary):

Specify Target Date of Remedial Action (if any):

Signature: _____ **Date:** _____



**HIDALGO COUNTY AUDITOR'S OFFICE
INTERNAL AUDIT DIVISION
MANAGEMENT RESPONSE FORM**

AUDITEE: Precinct 3 AUDIT NO.: _____
Sanitation Program
Monthly Fees Report for
August 2018 and September
AUDIT: 2018 MANAGEMENT RESPONSE DUE: December 7, 2018
FINDING No.: 3 RECOMMENDATION: 3

Management should ensure that cashiers enter accurate permit numbers and replacement permit numbers in the Solid Waste Disposal Program.

Management Response (Choose One):

_____ AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)
_____ AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION
_____ DISAGREE THAT RISK EXISTS (Specify below)

Management Comments (Attach additional page(s) if necessary):

Specify Target Date of Remedial Action (if any):

Signature: _____ Date: _____



HIDALGO COUNTY AUDITOR'S OFFICE
INTERNAL AUDIT DIVISION
MANAGEMENT RESPONSE FORM

AUDITEE: Precinct 3 AUDIT NO.: _____
 Monthly Fees Report for
 August 2018 and September MANAGEMENT
AUDIT: 2018 RESPONSE DUE: December 7, 2018
FINDING No.: 2 RECOMMENDATION: 2

Management should ensure that permits are properly accounted and safeguarded. At a minimum, the procedures noted above should be implemented. The unaccounted permits should also be voided in the Solid Waste Disposal Application Program and \$965.00 for the missing permits should be replenished and deposited with the County Treasurer.

Management Response (Choose One):

_____ AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)
_____ AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION
_____ DISAGREE THAT RISK EXISTS (Specify below)

Management Comments (Attach additional page(s) if necessary):

Specify Target Date of Remedial Action (if any):

Signature: _____ Date: _____

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



October 15, 2018

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

Re: *Monthly Fees Report* for June 2018 and July 2018

Dear Mr. Arredondo:

We conducted a limited scope review of the Planning Department *Monthly Fees Report* and supporting documentation for the months of June 2018 and July 2018 pursuant to Local Government Code §115.002 (a) and (b). The objective of the review was to determine if collections were properly accounted and reported. 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.

Scope:

The scope of the review was limited to collections reported by your office on the *Monthly Fees Report* for the months of June 2018 and July 2018. 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.

Methodology:

In conducting our review, the following procedures were performed:

- Reviewed the submittal date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report and supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Fees Report* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fees Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified that receipts issued followed a sequential order.
- Verified that procedures for voided receipts were properly followed.
- Reviewed the *Revenue Detail Report by Account* generated from *alio* to determine if fees collected were properly accounted and deposited with the financial institution on or before the fifth business day after the day on which the funds were received.
- Verified that the collections per the *Monthly Fees Report* agreed to: 1.) total receipts issued by the department; 2.) total deposits made with the financial institution; and 3.) total receipts issued by the County Treasurer.
- Verified that the receipts issued and the *Monthly Fees Report* were properly completed.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TJERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

Conclusion:

Total collections for the months of June 2018 and July 2018 were \$21,755.00 and \$19,685.00, respectively. Based on the results of our review, we concluded that fees collected were properly accounted and reported; however, the system of internal controls for the accounting and reporting of fees requires improvement as noted in the following observation.

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.

Observation No. 1:

On August 7, 2007, February 1, 2011, and November 29, 2011, Commissioners Court approved the amount to be collected for Utility Certificates, Septic Tank Escrow, and Subdivision Review fees, respectively. We noted that the Planning Department collected other fees which we could not determine were statutorily authorized and approved by Commissioner's Court, if required, as follows:

- Letter in Lieu of Certificate - \$30.00;
- Approved Building Application - \$30.00;
- Hidalgo County Map 36"x41" - \$35.00;
- Hidalgo County Map 72"x62" - \$56.00;
- Maps or Model Subdivision Rules in PDF Format- \$20.00;
- Unauthorized Construction Penalty - \$30.00; and
- 2% Inspection Fee.

The Planning Department was not able to provide the dates the fees were approved by Commissioners Court or the statute that allows for the collection of the fees.

Departments may only collect fees that are statutorily authorized and approved by Commissioner's Court, if required.

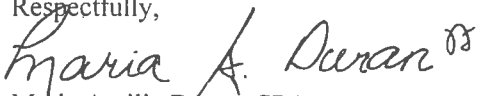
Recommendation:

Management should conduct research to determine the statutory authority for collection of the fees. If the Planning Department is statutorily authorized to collect the fees, Commissioners Court approval of the fees should be obtained. In the alternative, collection of the fees should be discontinued.

Please provide a management response to the observation noted above by October 26, 2018 using the attached Management Response Form.

If you have any questions, please contact Reynaldo Cantu III, Compliance Audit Supervisor, at 318-2511, ext. 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosure: Management Response Form

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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, 449TH D.C.



**HIDALGO COUNTY AUDITOR'S OFFICE
INTERNAL AUDIT DIVISION
MANAGEMENT RESPONSE FORM**

AUDITEE: Planning Department AUDIT NO.: _____

AUDIT: Monthly Fees Report for MANAGEMENT
June 2018 and July 2018 RESPONSE DUE: October 26, 2018

FINDING No.: 1 RECOMMENDATION: 1

Management should conduct research to determine the statutory authority for collection of the fees. If the Planning Department is statutorily authorized to collect the fees, Commissioners Court approval of the fees should be obtained. In the alternative, collection of the fees should be discontinued.

Management Response (Choose One):

_____ AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)

_____ AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION

_____ DISAGREE THAT RISK EXISTS (Specify below)

Management Comments (Attach additional page(s) if necessary):

Specify Target Date of Remedial Action (if any):

Signature: _____ **Date:** _____

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 6, 2018

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

Re: *Monthly Fees Report* for August 2018

Dear Ms. Ramon:

We conducted a limited scope review of the *Monthly Fees Report (Monthly Report)* and supporting documentation for the month of August 2018 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. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Report* for the month of August 2018. 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.

Methodology:

In conducting our review, the following procedures were performed:

- Reviewed the submittal date of the *Monthly Report* to the County Auditor's Office to determine if the report and supporting documentation were received within 5 days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Report* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if fees were allocated and reported in the proper amounts.
- Verified that procedures for voided receipts were properly followed.
- Verified that collections per the *Monthly Report* agreed to: 1.) total deposits made with the County Treasurer and 2.) total deposits posted to alio's Undistributed Receipts general ledger account.
- Reviewed *Cashier's Daily Close-out Reports/Daily Remittance Reports (Close-out Reports)* and County Treasurer receipts to determine whether collections were properly accounted and deposited with the County Treasurer on a timely basis.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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, 385TH D.C.

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

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

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

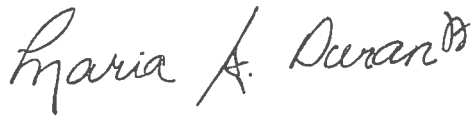
- Reviewed receipts issued to verify proper completion and issuance in sequential order.
- Reviewed *Close-out Reports* to verify proper completion.

Conclusion:

Total collections for the month of August 2018 were \$73,929.13. Based on the results of our review, we concluded that fees were generally properly accounted and reported.

If you have any questions, please contact Araceli A. Guillen, Internal Auditor I, at (956) 318-2511 ext. 4649, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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.

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 26, 2018

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

Re: *Monthly Fees Report* for September 2018 and October 2018

Dear Ms. Ramon:

We conducted a limited scope review of the *Monthly Fees Report (Monthly Report)* and supporting documentation for the months of September 2018 and October 2018 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. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Report* for the months of September 2018 and October 2018. 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.

Methodology:

In conducting our review, the following procedures were performed:

- Reviewed the submittal date of the *Monthly Report* to the County Auditor's Office to determine if the report and supporting documentation were received within 5 days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Report* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if fees were allocated and reported in the proper amounts.
- Verified that procedures for voided receipts were properly followed.
- Verified that collections per the *Monthly Report* agreed to: 1.) total deposits made with the County Treasurer and 2.) total deposits posted to *alio's* Undistributed Receipts general ledger account.
- Reviewed *Cashier's Daily Close-out Reports/Daily Remittance Reports (Close-out Reports)* and County Treasurer receipts to determine whether collections were properly accounted and deposited with the County Treasurer on a timely basis.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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.

- Reviewed receipts issued to verify proper completion and issuance in sequential order.
- Reviewed *Close-out Reports* to verify proper completion.

Conclusion:

Total collections for the months of September 2018 and October 2018 were \$77,965.75 and \$25.60, respectively. Based on the results of our review, we concluded that fees were generally properly accounted and reported; however, the system of internal controls for the accounting and reporting of fees requires improvements as noted in the following observation.

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.

Observation No. 1:

We noted that 1 of 3 receipts issued in the month of October 2018 was missing the quantity and type of service provided. Consequently, the *Close-Out Report* incorrectly noted the type of service that was provided. The Accounting Clerk informed us that the receipt was not properly completed due to an oversight. The Accounting Clerk informed us that she will ensure that the receipts are properly completed.

The County Auditor's Office requires receipts issued to contain the following information: the receipt date, the name of the person from which the funds were received, amount received, method of payment (i.e. cash, check, or money order), type and number (quantity) of services requested, and the receipt preparer's signature.

Failure to ensure that receipts are properly completed may result in the improper recording of County funds.

Recommendation:

Management should ensure that receipts are properly completed at the time of issuance.

If you have any questions, please contact Araceli A. Guillen, Internal Auditor I, at (956) 318-2511 ext. 4649, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Mr. Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAMIE E. TIJERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.
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

October 29, 2018

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

Re: *Fee Monthly Report* for August 2018

Dear Mr. Guajardo:

We conducted a limited scope review of the *Fee Monthly Report (Monthly Report)* for August 2018 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. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Report* for August 2018. 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.

Methodology:

In conducting our review, 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.
- 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.
- 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 month of August 2018 were \$499,687.50. Based on the results of our review, we 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.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
JUDGE, 13th D.C.

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

ROSE GUERRA REYNA
JUDGE, 20th D.C.

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

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

NOE GONZALEZ
JUDGE, 37th D.C.

LETICIA LOPEZ
JUDGE, 38th D.C.

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

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

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

The 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.

Observation No. 1:

We noted that the August 2018 *Monthly Report* was submitted to the County Auditor's Office 16 days after the fifth day following the end of the month. According to staff, the *Monthly Report* was not submitted timely due to a heavy work load.

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*. *Kofile* creates an order number for every type of activity recorded on *Kofile* (e.g., receipting, scanning, or searching); however, the *Kofile* "Order Summary Report" only provides information regarding the issuance of order numbers (receipt) in which a financial transaction occurred; therefore, a gap in the receipt sequence exists. According to staff, the department is working with *Kofile* representatives to create a report that will include all order numbers and type of orders issued (e.g., receipting, scanning, or searching) during the month.

Having a report that includes all types of activity recorded on *Kofile* (e.g., receipting, scanning, or searching) will help ensure that all financial transactions are accounted and recorded properly.

Failure to ensure that a report can be generated from *Kofile* that includes all activity recorded on *Kofile* may result in financial transactions not accounted and recorded properly and the loss or misuse of County funds.

Recommendation:

Management should continue working with *Kofile* representatives to create a report that will include every type of activity recorded during the month.

Observation No. 3:

As of August 2018, four company accounts (escrow accounts) reflect incorrect balances in the *Company Accounts Summary Report*. The balances were overstated as follows:

- Edward Abstract and Title Co., \$4.00;
- Nain Engineering LLC Maps account, \$75.00;
- Perdue Brandon Fielder Collins account, \$4.00; and
- Spoor Engineering account, \$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; however, they have not been 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 will result in the companies receiving services that are not paid for.

Recommendation:

Management should continue working with *Kofile* representatives to correct the errors in the escrow accounts listed above.

HIDALGO COUNTY DISTRICT JUDGES

Observation No. 4:

We noted that deposit slips did not include the receipt sequence for which the deposit was being made on the face of the deposit slip. According to staff, the receipt sequence is not noted on the deposit slips since they are able to generate a report that indicates the receipts that were issued for the day.

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." The information on the deposit slip creates an audit trail that assists in the review of the financial transactions.

Failure to ensure that the deposit slips contain the receipt sequence may increase the risk that discrepancies between receipts and deposits are not discovered in a timely manner.

Recommendation:

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

Observation No. 5:

We noted that collections are deposited 2 days after the collections are receipted. According to staff, the armored car company changed their pick-up time schedule to an earlier time, leaving the department with insufficient time to review and prepare the close-out reports and deposit slip.

Pursuant to the "Cash Handling Guidelines and Procedures" prescribed by the County Auditor's Office, cash receipts must be deposited intact on a daily basis, unless the amount collected is less than \$100.00.

Failure to ensure that collections are deposited at the bank on a daily basis may result in the loss or misuse of County funds.

Recommendation:

Management should contact the applicable parties to arrange a more convenient time for the armored car to pick up the daily collections in order to ensure that collections are deposited daily. In the alternative, the time for closing out and balancing the daily collections should be changed in order to have ample time to make daily deposits.

Observation No. 6:

We noted that 6 of 23 Close-out Reports were submitted to the County Treasurer's Office 3 to 5 days after the bank deposit was made. According to staff, the Close-out Reports were not submitted to the County Treasurer's Office due to heavy workload. In addition, Close-out Reports are submitted to the County Treasurer's Office once a validated deposit slip is obtained. It takes 2 to 3 business days to receive the validated deposit slip since the deposits are made via armored car.

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 daily Close-out Report along with the bank validated deposit slip prevents the County Treasurer's Office from recording the receipts into the accounting system on a timely basis and may increase the risk that an employee could misappropriate funds.

Recommendation:

Management should ensure that the Close-out Report along with the bank validated deposit slip 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 and action plans for observations 2 and 3 by Friday, November 26, 2018 using the attached Action Plan Forms.

HIDALGO COUNTY DISTRICT JUDGES

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, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosure: Action Plan Forms

cc: Valde Guerra, County Executive Officer
Annette Muniz, Hidalgo County Clerk Chief Deputy
Berenize Alvarado, Hidalgo County Clerk Internal Auditor

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TJERINA
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, 378TH D.C.
RUSSELL

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

COUNTY CLERK MONTHLY FEE REPORT

AUGUST
2018

COUNTY CLERK FEE ACCOUNT

PBC

RECORDING FEES/LGC118.013,118.011,212.004,BCC36.10
MARRIAGE LICENSES/LGC118.018 (TOTAL)
STATE COMPTROLLER
MARRIAGE LICENSE
BIRTH CERTIFICATES
BIRTH DSHS
DECLARATION OF INFORMAL MARRIAGE
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

✓ \$149,231.25 X2,X5
✓ \$11,107.50 X2,X5
X \$10,920.00 X,X2,X5
X \$576.00 X,X2,X5
X \$20.13 X,X2,X5
X \$187.50 X,X2,X5
✓ \$1,140.00 X,X2,X5
X \$5.00 X,X2,X5
✓ \$18,003.87 X2,X5
\$0.00
X \$788.00 X,X2,X5
\$0.00
\$0.00
X \$281,745.50 X2,X3,X5
X \$97,100.00 X,X2,X5
X \$4,148.00 X,X2,X5
X \$98,880.00 X,X2,X5
X \$10,349.00 X,X2,X5
X \$1,147.00 X,X2,X5
X \$5.00 X,X2,X5
X \$90,220.00 X,X2,X5
\$0.00
\$0.00
✓ \$775,573.75 X2,X5,X5
✓ 275,886.25
\$68,473.50 X3-60
\$707,100.25
499,687.50

LESS:
CHARGES ON ACCOUNT
TOTAL DEPOSITED IN BANK

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

\$0.00
\$20.13
\$788.00
\$5.00
0.00
\$813.13

DUE TO TREASURER

DISTRIBUTION:
COUNTY CLERK FEES
EARLY CHILDHOOD DONATION
INTEREST EARNED
RCRDS MGMT & PRESERVATION PRGM/LGC 118.0216
DIGITAL IMAGE FEES
CC RECORDS ARCHIVE FEE LGC 118.025
COURTHOUSE SECURITY FUND/LGC 291.008
COMPTOR OF PUBLIC ACCTS-MARR FEES (MONTHLY)/LGC 118.022(a)
COMPTOR OF PUBLIC ACCTS-BIRTH/DEATH CERT (QUARTERLY)/LGC 118.015(b)
COMPTOR OF PUBLIC ACCTS-DECLARATION OF INFORMAL MARRIAGE/LGC 118.022(a)
NEW COURTHOUSE FEE
PRESERVATION OF VITAL STATISTICS HSC 191.0045(h)
Refunds
DISTRIBUTION TOTAL: overages
COUNTY AUDITOR'S FORM: ARS-CC-002, PART I
REVISED 2004

✓ 185,341.87
\$392,754.62 X,X2
✓ \$5.00 X,X2
✓ 20.13 \$0.00 X,X2
X \$97,100.00 X,X2
✓ \$4,148.00 X,X2
✓ \$98,880.00 X,X2
X \$10,349.00 X,X2
✓ \$10,920.00 X,X2
✓ \$576.00 X,X2
✓ \$187.50 X,X2
✓ \$90,220.00 X,X2
✓ \$1,147.00 X,X2
✓ 788.00 X,X2
✓ 5.00 X,X2
\$707,100.25
499,687.50
^ X2
^

PREPARED BY: Berenice Alvarado 9/18/18
BERENICE ALVARADO DEPUTY CLERK DATE

APPROVAL: Arturo Guajardo 9-19-18
ARTURO GUJARDO, JR COUNTY CLERK DATE

AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: 10/23/18

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 2	We were not able to verify the receipt sequence issued through Kofile. Kofile creates an order number for every type of activity recorded on Kofile (e.g., receipting, scanning, or searching); however, the Kofile "Order Summary Report" only provides information regarding the issuance of order numbers (receipt) in which a financial transaction occurred; therefore, a gap in the receipt sequence exists.
Recommendation No. 2	Management should continue working with Kofile representatives to create a report that will include every type of activity recorded during the month.
GOAL/ACTION ITEM:	Work with Kofile representatives to create a report that will include every type of activity recorded during the month.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

	STRATEGIES/ACTION STEPS	PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3				

Dept. Head/Elected Official Signature

Date

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 3	As of July 2018, four company accounts (escrow accounts) reflect incorrect balances in the Company Accounts Summary Report. The balances were overstated as follows: • Edward Abstract and Title Co., \$4.00; • Nain Engineering LLC Maps account, \$75.00; • Perdue Brandon Fielder Collins account, \$4.00; and • Spoor Engineering account, \$85.00.
Recommendation No. 3	Management should continue working with Kofile representatives to correct the errors in the escrow accounts listed above.
GOAL/ACTION ITEM:	Work with Kofile representatives to correct the errors.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3.				
4				
5				
6.				

Dept. Head/Elected Official Signature

Date

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 5, 2018

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

Re: *Fee Monthly Report* for September 2018

Dear Mr. Guajardo:

We conducted a limited scope review of the *Fee Monthly Report (Monthly Report)* for September 2018 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. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Report* for September 2018. 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.

Methodology:

In conducting our review, 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.
- 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.
- 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 month of September 2018 were \$395,796.82. Based on the results of our review, we 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.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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, 337TH D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.

LETICIA LOPEZ
JUDGE, 388TH D.C.

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

ISRAEL RAMON, JR.
JUDGE, 410TH D.C.

RENEE R. BETANCOURT
JUDGE, 446TH D.C.

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.

Observation No. 1:

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

Having a report that includes all types of activity recorded on *Kofile* (e.g., receipting, scanning, or searching) will help ensure that all financial transactions are accounted and recorded properly.

Failure to ensure that a report can be generated from *Kofile* that includes all activity recorded on *Kofile* may result in financial transactions not accounted and recorded properly and the loss or misuse of County funds.

Recommendation:

Management should continue working with *Kofile* representatives to create a report that will include every type of activity recorded during the month.

Observation No. 2:

As of September 30, 2018, four company accounts (escrow accounts) reflect incorrect balances in the *Company Accounts Summary Report*. The balances were overstated as follows:

- Edward Abstract and Title Co., \$4.00;
- Nain Engineering LLC Maps account, \$75.00;
- Perdue Brandon Fielder Collins account, \$4.00; and
- Spoor Engineering account, \$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; however, they have not been 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 will result in the companies receiving services that are not paid for.

Recommendation:

Management should continue working with *Kofile* representatives to correct the errors in the escrow accounts listed above.

Observation No. 3:

We noted that collections are deposited 2 days after the collections are receipted. According to staff, the armored car company changed their pick-up time schedule to an earlier time, leaving the department with insufficient time to review and prepare the close-out reports and deposit slip.

Pursuant to the "Cash Handling Guidelines and Procedures" prescribed by the County Auditor's Office, cash receipts must be deposited intact on a daily basis, unless the amount collected is less than \$100.00.

Failure to ensure that collections are deposited at the bank on a daily basis may result in the loss or misuse of County funds.

Recommendation:

Management should contact the applicable parties to arrange a more convenient time for the armored car to pick up the daily collections in order to ensure that collections are deposited daily. In the alternative, the time for closing out and balancing the daily collections should be changed in order to have ample time to make daily deposits.

Observation No. 4:

We noted that the *Hidalgo County Clerk Void/Adjustment Sheets* for 1 of 1 receipt voided in September 2018 was not submitted along with the *Monthly Report*. According to staff, the *Hidalgo County Clerk Void/Adjustment Sheet* was inadvertently not submitted with the *Monthly Report*; however, a copy of the voided receipt would be provided.

The County Auditor's Office requires that if a receipt is voided, an *Hidalgo County Clerk Void/Adjustment Sheet* containing the date of the void, signature of the clerk, the signature of the supervisor approving the void, the reason for the void, and the new receipt number, if applicable, along with all copies of the voided receipt securely attached together be submitted to the County Auditor's Office.

Failure to ensure that the *County Clerk Void/Adjustment Sheet* is submitted to the County Auditor's Office increases the risk that receipts that are not properly voided go undetected.

Recommendation:

Management should implement procedures to ensure that the *Hidalgo County Clerk Void/Adjustment Sheets* are submitted to the County Auditor's Office.

Please provide written management responses to the observations noted above and action plans for observations 1 through 3 by November 16, 2018 using the attached Action Plan Forms.

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, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosure: Action Plan Forms

cc: Valde Guerra, County Executive Officer
Annette Muniz, Hidalgo County Clerk Chief Deputy
Berenize Alvarado, Hidalgo County Clerk Internal Auditor

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIERINA
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, 312ND D.C.

NOE GONZALEZ
JUDGE, 378TH D.C.

LETICIA LOPEZ
JUDGE, 384TH D.C.

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

ISRAEL RAMON, JR.
JUDGE, 384TH D.C.

RENEE R. BETANCOURT
JUDGE, 384TH D.C.

RECEIVED

COUNTY CLERK MONTHLY FEE REPORT

Revised
October 11, 2018

OCT 18 2018

SEPTEMBER
2018

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

PBC

HIDALGO COUNTY AUDITOR'S OFFICE

RECORDING FEES/LGC 118.013, 118.011, 212.004, BCC36.10
AUDITOR'S OFFICE 118.018 (TOTAL)
STATE COMPTROLLER
MARRIAGE LICENSE # Filed# Filed XS-1 348 ✓
BIRTH CERTIFICATES # Filed# Filed XS-1 252 ✓
BIRTH DSHS # Filed# Filed XS-1 11 ✓
DECLARATION OF INFORMAL MARRIAGE # Filed# Filed XS-1 9 ✓
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

\$122,713.00 ✓ X2;XS
\$10,552.50 ✓ X2;XS
✓ \$10,440.00 ✓ X;X2;XS-E
✓ \$453.60 ✓ X;X2;XS-E
✓ \$20.13 ✓ X;X2;XS-E
✓ \$112.50 ✓ X;X2;XS-E
\$975.00 ✓ X2;XS
✓ \$10.00 ✓ X;X2;XS
\$13,343.27 ✓ X2;XS-1
\$25.00 ✓ X2;XS-2
✓ \$288.75 ✓ X;X2;X3-SA
\$0.00
\$0.00
✓ \$227,192.25 ✓ X2;XS-1;X3-4b
✓ \$76,500.00 ✓ X;X2;XS-2
✓ \$4,076.16 ✓ X;X2;XS-2
✓ \$77,940.00 ✓ X;X2;XS-2
✓ \$8,142.00 ✓ X;X2;XS-2
✓ \$942.00 ✓ X;X2;XS-2
✓ 10.00 ✓ X;X2;XS-2;X3-4a
✓ \$70,210.00 ✓ X;X2;XS-2
✓ \$170.82 ✓ X;X2;XS-2;X2-3
\$0.00
624,116.98 ✓
\$624,107.98 X2;XS;XS

LESS:
CHARGES ON ACCOUNT

✓ 228,320.16
\$68,629.40 X3-4b

TOTAL DEPOSITED IN BANK

\$666,678.82
395,796.82

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

\$0.00
0.00 \$20.13
0.00 \$288.75
0.00 \$1.00

\$309.88

DUE TO TREASURER

395,796.82
\$666,678.82

DISTRIBUTION:
COUNTY CLERK FEES 1100-341-10-180-002-0-000
EARLY CHILDHOOD DONATION 1100-207-20-000-074-0-000
INTEREST EARNED 1100-361-11-000-006-0-000
RCRDS MGMT & PRESERVATION PRGM/LGC 118.0216 1237-341-10-180-000-0-000
DIGITAL IMAGE FEES 1100-341-10-180-013-0-000
CC RECORDS ARCHIVE FEE LGC 118.025 1100-341-10-180-005-0-000
COURTHOUSE SECURITY FUND/LGC 291.008 1241-341-10-180-001-0-000
COMPT. OF PUBLIC ACCTS-MARR FEES (MONTHLY)/LGC 118.022(a) 1100-207-20-000-040-0-000
COMPT. OF PUBLIC ACCTS-BIRTH/DEATH CERT (QUARTERLY)/LGC 118.015(b) 1100-207-20-000-039-0-000
COMPT. OF PUBLIC ACCTS-DECLARATION OF INFORMAL MARRIAGE/LGC 118.022(a) 1100-207-20-000-041-0-000
NEW COURTHOUSE FEE 1100-341-10-180-019-0-000
PRESERVATION OF VITAL STATISTICS HSC 191.0045(h) 1100-341-10-180-010-0-000

2ndnd - - - - - 1100-202-00-000-022-0-000
DISTRIBUTION TOTAL: Birth DSHS - - - - - 1100-361-11-000-006-0-000
COUNTY AUDITOR'S FORM: ARS-CC-002, PART I 1100-207-20-000-075-0-000
REVISED 2004

✓ 146,480.86
\$316,271.86 ✓ X
✓ \$10.00 ✓ X;X2
✓ \$170.82 ✓ X;X2
✓ \$76,500.00 ✓ X;X2
✓ \$4,076.16 ✓ X;X2
✓ \$77,940.00 ✓ X;X2
✓ \$8,142.00 ✓ X;X2
✓ \$10,440.00 ✓ X;X2
✓ \$453.60 ✓ X;X2
✓ \$112.50 ✓ X;X2
✓ \$70,210.00 ✓ X;X2
✓ \$942.00 ✓ X;X2
✓ 288.75 ✓ X;X2 395,796.82
✓ 10.00 ✓ X;X2 \$666,678.82
✓ 20.13 ✓ X;X2

PREPARED BY:

Berenze Alvarado 10/16/18
BERENZE ALVARADO DEPUTY CLERK DATE

APPROVAL:

Arturo Guajardo, Jr. 10-16-18
ARTURO GUAJARDO, JR. COUNTY CLERK DATE

AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: 10/24/18 10/24/18

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 1	We were not able to verify the receipt sequence issued through Kofile. Kofile creates an order number for every type of activity recorded on Kofile (e.g., receipting, scanning, or searching); however, the Kofile "Order Summary Report" only provides information regarding the issuance of order numbers (receipt) in which a financial transaction occurred; therefore, a gap in the receipt sequence exists.
Recommendation No. 1	Management should continue working with Kofile representatives to create a report that will include every type of activity recorded during the month.
GOAL/ACTION ITEM:	Work with Kofile representatives to create a report that will include every type of activity recorded during the month.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

	STRATEGIES/ACTION STEPS	PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3				

Dept. Head/Elected Official Signature

Date

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 2	As of September 30, 2018, four company accounts (escrow accounts) reflect incorrect balances in the Company Accounts Summary Report. The balances were overstated as follows: • Edward Abstract and Title Co., \$4.00; • Nain Engineering LLC Maps account, \$75.00; • Perdue Brandon Fielder Collins account, \$4.00; and • Spoor Engineering account, \$85.00.
Recommendation No. 2	Management should continue working with Kofile representatives to correct the errors in the escrow accounts listed above.
GOAL/ACTION ITEM:	Work with Kofile representatives to correct the errors.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3.				
4				
5				
6.				

Dept. Head/Elected Official Signature

Date

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

October 26, 2018

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

Re: *Monthly Fines and Fees Report* for September 2018

Dear Judge Saenz:

We conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the month of September 2018 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. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Report* for the month of September 2018. 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.

Methodology:

In conducting our review, 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 Report, 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.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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.

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.

- 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 determine if 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 month of September 2018 were \$46,235.34. Based on the results of our review, we 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.

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.

Observation No. 1:

We noted that 17 of 371 transactions contained errors in the allocation of fines, fees, and court costs. Some of the errors resulted from the disposition date (judgment date) not being entered into *Odyssey*. The Justice of the Peace staff was notified 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), July 2017 (8), August 2017 (8), September 2017 (13), October 2017 (12), November 2017 (3), December 2017 (1), January 2018 (26), February 2018 (33), March 2018 (36), April 2018 (9), May 2018 (91), June 2018 (52), July 2018 (72), and August 2018 (8) are still pending to be completed. According to the Court Coordinator, staff will work on the adjustments on Fridays.

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 notification. Furthermore, the Justice of the Peace is required to enter the disposition date (judgment date) in *Odyssey* to facilitate the collection of statutory fees and denial of registration by the Tax Assessor-Collector.

Failure to ensure that fines, 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 fines, fees, and court costs.

Recommendation:

Management should ensure that all 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.
- 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 disposition date (judgment date) are entered in *Odyssey*.
- Staff should ensure that adjustments are entered into *Odyssey* within three days of notification.

Observation No. 2:

Properly completed copies of the May 2013 and August 2013 through September 2018 Office of Court Administration's "Official Justice of the Peace Monthly Reports" (OCA Reports) have not been submitted to 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; 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*, 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 submitted to the County Auditor's Office may result in improper reporting to the State.

Recommendation:

Management should ensure that a properly completed OCA Report is submitted to 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 2 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 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 from the Information Technology Department has been requested; however, the problem has not been resolved.

Pursuant to Code of Criminal Procedure Article 45.044 (a)(2), "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 defendant being assessed additional court costs and fees, in error.

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 that the September 2018 *Monthly Report* was submitted to the County Auditor's Office 6 days after the fifth day following the end of the month. According to the Court Coordinator, the *Monthly Report* was submitted late since they had a lot of work and the office is under staffed.

HIDALGO COUNTY DISTRICT JUDGES

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. 5:

We noted that 5 of 35 online credit card transactions processed were receipted 2 to 4 days after the date of transaction. Consequently, the applicable case dispositions were not recorded in *Odyssey* in a timely manner. According to the Court Coordinator, the credit card transactions were not receipted timely due to being under staffed and problems logging onto the Hamer Enterprises Credit Card Payment website.

The County Auditor's Office requires that all collections (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.

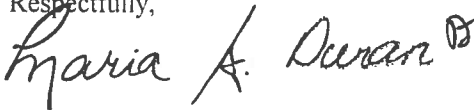
Recommendation:

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

Please provide written management responses to the observations noted above and an action plan for observations 1 through 3 by Friday, November 9, 2018 using the attached Action Plan Forms.

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 at ext. 4649, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosures: Copy of *Monthly Report*, Exhibit A, Exhibit B, and Action Plan Forms

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
JUDGE, 53RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 1	We noted that 17 of 371 transactions in September 2018 contained errors in the allocation of fines, fees, and court costs. Some of the errors resulted from the disposition date (judgment date) not being entered into Odyssey. The Justice of the Peace staff was notified 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), July 2017 (8), August 2017 (8), September 2017 (13), October 2017 (12), November 2017 (3), December 2017 (1), January 2018 (26), February 2018 (33), March 2018 (36), April 2018 (9), May 2018 (91), June 2018 (52), July 2018 (72), and August 2018 (8) are still pending to be completed.
Recommendation No. 1	Management should ensure that all 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. • 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 disposition date (judgment date) are entered when a case is setup in Odyssey. • Staff should ensure that adjustments are entered into Odyssey within three days of notification.
GOAL/ACTION ITEM:	Complete the adjustments for the months listed in the observation above.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2.				
3.				

Dept. Head/Elected Official Signature

Date

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 2	Properly completed copies of the May 2013 and August 2013 through September 2018 Office of Court Administration's "Official Justice of the Peace Monthly Reports" (OCA Reports) have not been submitted to 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.
Recommendation No. 2	Management should ensure that a properly completed OCA Report is submitted to 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.
GOAL/ACTION ITEM:	The OCA Reports listed above are filed with the County Auditor's Office
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3.				
4				
5				
6.				

Dept. Head/Elected Official Signature

Date

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 3	We noted that 2 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 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.
Recommendation No. 3	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.
GOAL/ACTION ITEM:	The 2 cash bonds are liquidated as soon as possible.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3.				
4				
5				
6.				

Dept. Head/Elected Official Signature

Date

Justice of the Peace Gilberto Saenz Schedule of Adjustments For the Month Ending September 30, 2018

What happened to the following birth certificates: 4865, 4867, and 4871? If voided, please provide a copy of the voided certificate to the Auditor's office

What birth certificate number was issued to receipt JP11-2018-04452?

Receipt No.	Case No.	Party	Offense Type	Off Date	Date	CCC	CHS	CHSJ	CO	CON	DPS	IDRF	ICTF	JSF	LTF	MVF	SCOI	SIFC	SIFS	STF	TPD	TPD	TPWFr	TPW	UTF	WAF	TOTAL
JP11-2018-04279	CRNT18-0303-J11	GARCIA	Unplugged Shotgun	9/2/2018	9/12/2018	40	3	1	28.05	-	-	2	4	4	2	-	-	0.6	5.4	-	1	1	4.95	5	-	-	102.00

Parks and Wildlife Code: Sec 12.406. CLASS C PARKS AND WILDLIFE CODE MISDEMEANOR. An individual adjudged guilty of a Class C Parks and Wildlife Code misdemeanor shall be punished by a fine of not less than \$25 nor more than \$500

JP11-2018-04340	CRNT18-0292-J11	OCHOA, ESQUIEL	Mourning Dove:Limit	9/1/2018	9/18/2018	40	3	1	-	-	-	2	4	4	2	-	-	0.6	5.4	-	1	1	-	5	-	-	69.00
JP11-2018-04303	CRNT18-0296-J11	RUIZ, JUAN JOSE	Hunt w Illegal Shotgun	9/1/2018	9/14/2018	40	3	1	-	-	-	2	4	4	2	-	-	0.6	5.4	-	1	1	-	5	-	-	69.00
JP11-2018-04304	CRNT18-0298-J11	AGUIRRE, DAVID J.	Unplugged Shotgun	9/1/2018	9/14/2018	40	3	1	-	-	-	2	4	4	2	-	-	0.6	5.4	-	1	1	-	5	-	-	69.00
JP11-2018-04251	CRNT18-0312-J11	LOPEZ, VICTORIA LYNN	No Hunter Ed Cert	9/1/2018	9/11/2018	40	3	1	-	-	-	2	4	4	2	-	-	0.6	5.4	-	1	1	-	5	-	-	69.00
JP11-2018-04250	CRNT18-0313-J11	CAMPBELL, ERIC	No Hunter Ed Cert	9/1/2018	9/11/2018	40	3	1	-	-	-	2	4	4	2	-	-	0.6	5.4	-	1	1	-	5	-	-	69.00
JP11-2018-04236	CRNT18-0323-J11	SHINE, DUDLY	Mourning Dove:Limit	9/8/2018	9/10/2018	40	3	1	-	-	-	2	4	4	2	-	-	0.6	5.4	-	1	1	-	5	-	-	69.00
JP11-2018-04457	CRNT18-0325-J11	PRADO, SANTIAGO AMBRIZ	Nongame:Hunt Protected	9/9/2018	9/25/2018	40	3	1	-	-	-	2	4	4	2	-	-	0.6	5.4	-	1	1	-	5	-	-	69.00
JP11-2018-04277	CRNT18-0332-J11	GARCIA, OSCAR, JR.	Mourning Dove:Limit	9/8/2018	9/12/2018	40	3	1	-	-	-	2	4	4	2	-	-	0.6	5.4	-	1	1	-	5	-	-	69.00
JP11-2018-04397	CRNT18-0337-J11	TREVINO, GUILLERMO, III	Mourning Dove:Limit	9/8/2018	9/21/2018	40	3	1	-	-	-	2	4	4	2	-	-	0.6	5.4	-	1	1	-	5	-	-	69.00
JP11-2018-04367	CRNT18-0342-J11	CHACON, CHARLES JAMES	Mourning Dove:Limit	9/8/2018	9/20/2018	40	3	1	-	-	-	2	4	4	2	-	-	0.6	5.4	-	1	1	-	5	-	-	69.00

Based on offense type, STF \$30 and UTF \$3 should not have been assessed.

JP11-2018-04503	TR17-0252-J11	SALINAS, MICHAEL	Operate All Terrain Vehicle on Public Rdwy	12/26/2016	9/28/2018	40	3	1	2.90	-	5	2	4	4	2	0.1	20	0.6	5.4	30	1	1	-	-	3	50	175.00
-----------------	---------------	------------------	--	------------	-----------	----	---	---	------	---	---	---	---	---	---	-----	----	-----	-----	----	---	---	---	---	---	----	--------

Based on first payment date, TP \$25 should have been assessed. In addition, based on the number of payments, LTF \$2 was under assessed

JP11-2018-04341	03-68984-TR	VILLANUEVA, ADOLFO TORRES	Speeding	2/21/2003	9/18/2018	-	-	-	33.00	-	-	-	-	-	-	20	-	-	-	-	-	-	-	-	-	-	53.00
-----------------	-------------	---------------------------	----------	-----------	-----------	---	---	---	-------	---	---	---	---	---	---	----	---	---	---	---	---	---	---	---	---	---	-------

Please enter disposition date.

JP11-2018-04246	TR17-6975-J11	GUJARDO, LUIS ALFREDO	Display Expired LP	11/21/2017	9/11/2018	40	3	1	175	-	5	2	4	4	2	-	20	0.6	5.4	-	1	1	-	-	-	50	314.00
JP11-2018-04224	FA18-0068-J11	CASAREZ, MODESTO	Failure to Appear	8/23/2018	9/10/2018	40	3	1	-	5	-	2	4	4	2	-	-	0.6	5.4	-	1	1	-	-	-	-	69.00
JP11-2018-04491	CRNT18-0286-J11	ALEMAN, JAVIER	Speeding	8/30/2018	9/28/2018	40	3	1	45.00	-	5	2	4	4	2	0.1	-	0.6	5.4	30	1	1	-	-	3	-	147.10
JP11-2018-04392	CRNT18-0314-J11	LUCERO, JORGE JR	Hunt Dove Out of Season	9/3/2018	9/21/2018	40	3	1	37.50	-	-	2	4	4	2	-	-	0.6	5.4	-	1	1	212.5	5	-	-	319.00

**Justice of the Peace Gilberto Saenz
Precinct 1, Place 1
Schedule of Bonds on Deposit
As of September 30, 2018**

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		412.00

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-18**

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 TREASURERTOTAL CASH COLLECTED (Receipts #s) JP11-2018-04128 THRU JP11-2018-04514 \$ 46,235.34 X10

LESS: COST ON DEPOSIT

- X7 ✓

ADD: COST ON DEPOSIT LIQUIDATED

- X7 ✓

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

\$ 46,235.34 X3

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

46,647.34 (A)

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

\$ (412.00) - X4-D
PA**Part II: REMITTANCES MADE TO THE COUNTY TREASURER**

Description	AMOUNT	Comment
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ <u>46,235.34</u>	B1
Add: Previous Month's Bond Overtransfer <u>May 2016 + June 2016</u>	<u>412.00</u>	E x B
Add: HCSO Monthly "D" Collections Report		
Total Remittances Made to County Treasurer	<u>46,647.34</u> (A)	
	\$ <u>PA 46,235.34</u>	

PREPARED BY:

Quina Sautate

DATE:

10/5/18

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:

DATE: 10/22/201810/24/18

JUSTICE OF THE PEACE

DATE

10/5/18**RECEIVED**

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

OCT 11 2018

HIDALGO COUNTY

X2

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-18**

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

City: WESLACO, TEXAS
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		1200-351-10-061-000-0-000	\$ 12,819.30
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	220.70
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (j)		1100-207-20-000-028-0-000	24.95
Gross Weight 50% Fine (State Fine)		TRC Sec 621.506 (g)		1100-207-20-000-013-0-000	12.50
School District 50% Fines		Educ. Code § 25.093 (d) 1 (A)		1100-207-30-000-004-0-000	-
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	715.44
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-061-000-0-000	234.47
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	941.89
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	20.75
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 133.103 (e)		1100-341-10-060-002-0-000	5.19
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	490.00
Motor Vehicle Adm. Fee (\$10-\$20) (Disinfectant 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	40.00
Teen Court Program Adm. Fee (Up to \$10.00)		C.C.P. Art. 45.052 (e)		1100-341-10-060-005-0-000	-
Special Fees				1100-341-10-061-000-0-000	781.88
Deferred Disposition		C.C.P. Art. 45.051	781.88		
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	140.67
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-061-000-0-000	433.55
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	25.00
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	1,690.50
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	212.68
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. 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	25.94
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. 102.082		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	15.00
Consolidated Court Costs Fund (\$40)		CCP 102.075 (a) 3/ LGC 133.102		1100-207-20-000-015-0-000	9,469.94
Compensation Victims Of Crime Fund (____\$3, ____\$5, ____\$15, ____\$35)		C.C.P. Art. 56.55 (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)		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	540.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	4,305.38
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	941.89
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	1,260.14
Birth Certificate Fee (\$1.80)		HSC 191.022(f)		1100-207-20-000-039-0-000	36.00
Defensive Driving Record Fee (\$12)		C.C.P. Art. 45.051 (e-1)		1100-207-20-000-057-0-000	-
Indigent Defense Representation Fund (\$2)		LGC 133.107/GC 102.023		1100-207-20-000-059-0-000	462.96
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	15.86
Safety Seat Violation Fee (\$0.15) (on or before September 28, 2011)		TRC 545.412 (b-1)		1100-207-20-000-062-0-000	27.49
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/GC 51.851		1100-207-20-000-070-0-000	400.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	212.68
Texas Home Visiting Program Contribution (\$5)		HSC 191.0048/LGC 118.018 (c)		1100-207-20-000-074-0-000	-
Judicial & Court Personnel Training Fund-Civil (\$5)		GC 51.971 (a)		1100-207-20-000-076-0-000	450.00
ARREST/WARRANT FEES: STATE		C.C.P. Art. 102.011		1100-207-20-000-019-0-000	988.56
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	58.94
P.K.W.L. (____\$3, ____\$5, ____\$35, ____\$50)					
ARREST/WARRANT/SERVICE FEES: COUNTY		LGC 118.131		1100-342-10-060-001-0-000	35.00
Sheriff Fees:					
Constable Fees:					
Precinct #1				1100-342-10-291-000-0-000	4,604.93
Precinct #2				1100-342-10-292-000-0-000	4,404.93
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				1100-341-10-060-007-0-000	20.15
Tax Assessor Fraud Investigators Fees				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 Fees DTO- Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2 (A)		1100-207-30-000-003-0-000	900.00
Refund - Overpayments				1100-202-00-000-007-0-000	153.25
Due to Others				1100-202-00-000-007-0-000	-
Restitution				1100-202-00-000-007-0-000	-
Failure to Appear- OmniBase (\$6)		TRC 706.006/TRC 706.007(d)(2)		1100-202-00-061-019-0-000	-
Delinquent Attorney Fee				1100-202-00-000-004-0-000	-
Justice Fees (Local Fees)				1100-341-10-060-001-0-000	2,299.00
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122			
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122	2,250.00		
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)	10.00		
Autopsy Fees			-		
Writ Filing Fee (\$5 per page)		LGC 118.121/118.123 (d)	35.00		
Issuing other Document (\$1 1st pg., .25 for each add'l pg)		LGC 118.121/118.123 (e)	4.00		
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 (a4)	-		
Birth Certificates (\$22 each)		HSC 191.0045 (3)(d)	-	1100-341-10-060-001-0-000	404.00
Death Certificates (\$20 each, each add'l \$3)		HSC 191.0045 (3)(d)	-	1100-341-10-060-001-0-000	163.00
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045(h)	-	1100-341-10-060-008-0-000	29.00
Jury Fees (Civil \$22, Criminal \$3)		Rules of Civil Proc., Rule 504.1(b)/ CCP 102.004		1100-341-10-060-006-0-000	-

TOTAL AMOUNT DUE TO THE COUNTY TREASURER:

\$ 46,235.34

RECEIVED

OCT 11 2018

HIDALGO COUNTY

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

CLERK

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

October 26, 2018

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

Re: *Monthly Fines and Fees Report* for September 2018

Dear Judge Morales:

We conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the month of September 2018 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. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Report* for the month of September 2018. 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.

Methodology:

In conducting our review, 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 Report, 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.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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.

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.

- Compared the Hamer Enterprises Credit Card Payment Reports to *Odyssey's* Daily Balance Report and *alio's* Undistributed Receipts general ledger account to determine if 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 month of September 2018 were \$31,338.70. Based on the results of our review, we 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.

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.

Observation No. 1:

We noted that 2 of 121 transactions contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was notified of the required adjustments (see Exhibit A); however, 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 fines, fees, 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 notification.

Failure to ensure that fines, 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 fines, fees, and court costs.

Recommendation:

Management should ensure that all 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.
- 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 disposition date (judgment date) are entered in *Odyssey*.
- Staff should ensure that adjustments are entered into *Odyssey* within three days of notification.

Observation No. 2:

Copies of the April 2014 through September 2018 Office of Court Administration's "Official Justice of the Peace Monthly Reports" (OCA Reports) have not been filed with the County Auditor's Office. In addition, incorrect copies of OCA Reports for the months of February 2014 and March 2014 were filed with the County Auditor's Office.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

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* form, copy of the OCA Report, 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 submitted to the County Auditor's Office may result in improper reporting to the State.

Recommendation:

Management should ensure that a properly completed OCA Report is submitted to 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 5 of 30 online credit card transactions were receipted 2 to 22 days after the date of transaction. Consequently, the applicable case disposition was not recorded in *Odyssey* in a timely manner. According to the Court Coordinator, the credit card transactions were not receipted in a timely manner due to an oversight and being understaffed.

The County Auditor's Office requires that all collections (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.

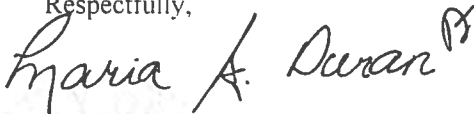
Recommendation:

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

Please provide written management responses to the observations noted above and action plans for observations 1 and 2 by Friday, November 9, 2018 using the attached Action Plan Forms.

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, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA,
Hidalgo County Auditor

Enclosures: Copy of *Monthly Report*, Exhibit A, and Action Plan Forms.

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAMIE E. TIJERINA
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, 376TH 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.

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 1	We noted that 2 of 121 transactions reviewed in September 2018 contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was notified of the required adjustments (see Exhibit A); however, 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.
Recommendation No. 1	Management should ensure that all 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. • 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 disposition date (judgment date) are entered in Odyssey. • Staff should ensure that adjustments are entered into Odyssey within three days of notification.
GOAL/ACTION ITEM:	Complete the adjustments for the months listed in the observation above.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3				

Dept. Head/Elected Official Signature

Date

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 2	Copies of the April 2014 through August 2018 Office of Court Administration's "Official Justice of the Peace Monthly Reports" (OCA Reports) have not been filed with the County Auditor's Office. In addition, incorrect copies of OCA Reports for the months of February 2014 and March 2014 were filed with the County Auditor's Office.
Recommendation No. 2	Management should ensure that a properly completed OCA Report is submitted to 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.
GOAL/ACTION ITEM:	The OCA Reports listed above are filed with the County Auditor's Office
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3.				
4				
5				
6.				

Dept. Head/Elected Official Signature

Date

JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH ENDED: September-18

Judge: JESUS E. MORALES
Precinct No. 1 Place No. 2

PBC

City: WESLACO, TX
Hidalgo County, Texas

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED	(Receipt #s) <u>JP12-2018-03381</u> through <u>JP12-2018-03668</u>	\$ <u>31,338.70</u> ✓
LESS: COST ON DEPOSIT	<u>0.00</u> -	<u>0.00</u> - ✓
ADD: COST ON DEPOSIT LIQUIDATED	<u>0.00</u> -	<u>0.00</u> - ✓
AMOUNT OWED TO COUNTY (Should Match Amt in Part III)		\$ <u>31,338.70</u> x3 ✓
Less: Total amount of remittances to County Treasurer (From Part II)		\$ <u>31,338.70</u> (A)
Total funds due to County Treasurer (Overtransfer Made to Co Treas.)		\$ <u>0.00</u> x4 - u3

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ <u>31,338.70</u>	B1 ✓
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>31,338.70</u> (A)	

PREPARED BY:

[Signature]

DATE:

10/3/18

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:

10/18/18
10/23/18
10/25/18

[Signature]
JUSTICE OF THE PEACE

10-3-18
DATE

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH ENDED September-18**

Judge: JESUS E. MORALES
Precinct No. 1 Place No. 2

City: WESLACO, TEXAS
Hidalgo County, Texas

Part III: SUMMARY OF COLLECTIONS PAYABLE TO THE COUNTY TREASURER

PAGE 2 OF 2

Name of Fine, Fee, Court Cost	# Issues/ Filed	Statute Reference	Detail of Amt Collected	GL Acct No	Amt. Collected
FINES:					
County Fines (Local Fine)		LGC 113.004, PC 12.23		1200-351-10-062-000-0-000	\$ 4,578.00
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 545.412, 545.413 (j)		1100-207-20-000-028-0-000	74.00
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)		1100-207-30-000-005-0-000	-
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	511.54
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-062-000-0-000	163.53
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	678.07
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.101 (d)		1100-341-10-060-001-0-000	199.84
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 133.103 (e)		1100-341-10-060-002-0-000	49.96
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072-		1100-341-10-060-003-0-000	366.97
Motor Vehicle Adm. Fee (\$10-\$20) (Dismissal Fee for Exp. DL, Exp. Inap. Cert, Exp. Mtr. Reg.)		TRC Sec 548.605, 521.026, 502.407		1100-341-10-060-004-0-000	-
Special Fees				1100-341-10-062-000-0-000	721.70
Deferred Disposition		C.C.P. Art. 45.051	631.70		
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.0511(f)	90.00		
Support of Judiciary Fund (\$60)		LGC 133.105		1100-341-10-060-009-0-000	98.13
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-062-000-0-000	364.60
Child Safety (\$20-\$25)		C.C.P. Art. 102.014		1100-341-10-060-011-0-000	-
Failure to Appear (\$4)		TC 706.006/TC 706.007(d)(2)		1100-341-10-060-012-0-000	80.00
Scofflaw Fee (\$20)		TRC 502.010(a)		1100-341-10-140-049-0-000	1,401.35
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	136.53
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	249.80
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. 102.082		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) 3/LGC 133.102		1100-207-20-000-015-0-000	6,774.64
Compensation Victims Of Crime Fund (____\$3, ____\$5, ____\$15, ____\$35)		C.C.P. Art. 56.55 (2) & (3)		1100-207-20-000-017-0-000	30.00
Judicial & Court Personnel Training Fund (____\$1, ____\$2)		Govt. Code Sec. 56.001 (b)		1100-207-20-000-027-0-000	3.00
Correctional Management Institute of Texas Fund (\$50)		C.C.P. Art. 102.075		1100-207-20-000-029-0-000	0.50
Indigent Legal Services Fee-JP (\$6)	79	Govt. Code Sec. 101.141(2) (B)		1100-207-20-000-004-0-000	473.41
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	3,586.01
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	658.07
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	869.99
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 (e-1)		1100-207-20-000-057-0-000	-
Indigent Defense Representation Fund (\$2)		LGC 133.107/GC 102.023		1100-207-20-000-059-0-000	314.07
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	13.60
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/TC 706.007(d)(2)		1100-207-20-000-066-0-000	400.00
Electronic Filing Fee - Civil (\$10)		GC 101.141/GC 51.851		1100-207-20-000-070-0-000	789.02
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	136.53
Texas Home Visiting Program Contribution (\$5)	79	HSC 191.0048/LGC 118.018 (c)		1100-207-20-000-074-0-000	-
Judicial & Court Personnel Training Fund-Civil (\$5)	79-902	GC 51.971 (a)		1100-207-20-000-076-0-000	394.51
ARREST/WARRANT FEES: STATE		C.C.P. Art. 102.011		1100-207-20-000-019-0-000	789.13
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	-
P.K.W.L. (____\$3, ____\$5, ____\$35, ____\$50)					
ARREST/WARRANT/SERVICE FEES: COUNTY					
Sheriff Fees:		LGC 118.131		1100-342-10-060-001-0-000	2.51
Constable Fees:					4045.63
Precinct #1				1100-342-10-291-000-0-000	3,850.63
Precinct #2				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	5.00
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 Fees D10 Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2 (A)		1100-207-30-000-003-0-000	-
Refund - Overpayments				1100-202-00-000-008-0-000	220.00
Due to Others				1100-202-00-000-008-0-000	-
Restitution				1100-202-00-000-008-0-000	-
Failure to Appear- OmniBase (\$6)		TRC 706.006/TC 706.007(d)(2)		1100-202-00-062-019-0-000	120.00
Delinquent Attorney Fee		C.C.P. Art. 103.003(b)		1100-202-00-000-004-0-000	-
Justice Fees (Local Fees)				1100-341-10-060-001-0-000	2006.31
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122			2,201.31
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122	1,972.55		
Landlord & Tenant Eviction Filing Fee (Forcible Entry and 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 (e)	14.51		
Writ Filing Fee (\$5)		LGC 118.121/118.123 (d)	5,000.00		
Issuing other Document (\$1 1st pg., .25 for each add'l pg)		LGC 118.121/118.123 (e)	14.25		
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)/CCP 102.004		1100-341-10-060-006-0-000	22.00

TOTAL AMOUNT DUE TO THE COUNTY TREASURER: \$ 31,338.70

Justice of the Peace Jesus Morales
Schedule of Adjustments
For the Month Ended September 30, 2018

Receipt Number	Case Number	Date	Offense	Disposition Date	Off date	CCC	CHS	CHSJP	CO	DPS	DPSr	IDRF	JCTF	JSF	LTF	MVF	OMNIC	OMNIS	OMNIV	SCOF	SJFC	SJFS	STF	SV50	TPDC	TPDS	UTFC	WARr	TOTAL	
<u>based on offense, MVF should NOT be assessed.</u>																														
P12-2018- T12- unrestrained																														
13545	1794112	9/19/2018	child under 17	6/8/2012	9/19/2018	40	3	1	50	5	-	2	4	4	2	0.1	4	20	6	20	0.6	5.4	30	50	-	-	3	50	300.1	
<u>based on driver's safety course, county fine should NOT be assessed.</u>																														
P12-2018- TR18-4066.																														
13566	J12	9/20/2018	speeding	8/22/2018		40	3	1	10	-	5	2	4	4	2	0.1	-	-	-	-	0.6	5.4	30		1	1	3	-	112.1	

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

October 29, 2018

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

Re: *Monthly Fines and Fees Report* for September 2018

Dear Judge Contreras:

We conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the month of September 2018 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. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Report* for the month of September 2018. 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.

Methodology:

In conducting our review, 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 of December 1, 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 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 Report, 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.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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.

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.

- Compared the Hamer Enterprises Credit Card Payment Reports to *Odyssey's* Daily Balance Report and *alio's* Undistributed Receipts general ledger account to determine if 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 month of September 2018 were \$98,223.71. Based on the results of our review, we 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.

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.

Observation No. 1:

We noted that 5 of 196 transactions contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was notified of the required adjustments (see Exhibit A); however, adjustments have not been completed. In addition, adjustments for 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), July 2017 (9), August 2017 (2), September 2017 (6), October 2017 (4), November 2017 (6), December 2017 (24), January 2018 (3), February 2018 (9), March 2018 (10), April 2018 (6), May 2018 (8), June 2018 (8), July 2018 (7), and August 2018 (7) 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 notification.

Failure to ensure that fines, 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 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 disposition date (judgment date) are entered in *Odyssey*.
- Staff should ensure that adjustments are entered into *Odyssey* within three days of notification.

HIDALGO COUNTY DISTRICT JUDGES

Observation No. 2:

Copies of the June 2014 through August 2014 and April 2015 through September 2018 Office of Court Administration's "Official Justice of the Peace Monthly Reports" (OCA Reports) have not been filed with the County Auditor's Office. In addition, incorrect copies of 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. According to the 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*, 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 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 payments received through the mail.

Observation No. 4:

We noted that 1 of 82 online credit card transactions was receipted 41 days after the date of transaction. According to the Court Coordinator, the transaction was not receipted timely due to an oversight. Consequently, the applicable case disposition was not recorded in *Odyssey* in a timely manner.

The County Auditor's Office requires that all collections (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.

HIDALGO COUNTY DISTRICT JUDGES

Observation No. 5:

We noted that the September 2018 *Monthly Report* was submitted 7 days after the fifth day following the end of the month. According to the Court Coordinator, the *Monthly Report* was not submitted on time due to heavy workload and limited staff.

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 the County revenues.

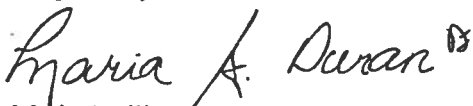
Recommendation:

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

Please provide written management responses to the observations noted above and an action plan for observations 1 and 2 by Friday, November 9, 2018 using the attached Action Plan Forms.

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, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosures: Copy of *Monthly Report*, Exhibit A, and Action Plan Forms

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TJERINA
JUDGE, 83RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

NOE GONZALEZ
JUDGE, 378TH D.C.

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.

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 1	We noted that 5 of 196 transactions tested in September 2018 contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was notified of the required adjustments (see Exhibit A); however, adjustments have not been completed. In addition, adjustments for 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), July 2017 (9), August 2017 (2), September 2017 (6), October 2017 (4), November 2017 (6), December 2017 (24), January 2018 (3), February 2018 (9), March 2018 (10), April 2018 (6), May 2018 (8), June 2018 (8), July 2018 (7), and August 2018 (7) are still pending to be completed.
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 notification.
GOAL/ACTION ITEM:	Complete the adjustments for the months listed in the observation above.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3				

Dept. Head/Elected Official Signature

Date

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 2	Copies of the June 2014 through August 2014 and April 2015 through September 2018 Office of Court Administration's "Official Justice of the Peace Monthly Reports" (OCA Reports) have not been filed with the County Auditor's Office. In addition, incorrect copies of 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.
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.
GOAL/ACTION ITEM:	The OCA Reports listed above are filed with the County Auditor's Office
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3.				
4				
5				
6.				

Dept. Head/Elected Official Signature

Date

JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-18

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) JP21-2018-06225 ^{*} THRU JP21-2018-06833 ^{*} \$ 98,223.71 ✓
 Sheriff's "D" Report (Receipt #s) _____ THRU _____ x1-a,

LESS: COST ON DEPOSIT 0.00 - x7✓

ADD: COST ON DEPOSIT LIQUIDATED 0.00 - x7✓

AMOUNT OWED TO COUNTY (Should Match Amt in Part III) \$ 98,223.71 ✓
98,223.71 (A) ✓
97,919.71
 Less: Total amount of remittances to County Treasurer (From Part II)
 Total funds due to County Treasurer (Overtransfer Made to Co Treas.) \$ 0.00 x4-a7
304.00
2A

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ <u>98,223.71</u> <u>97,919.71</u> B1 ✓	
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>98,223.71</u> (A) ✓ <u>97,919.71</u> <u>2A</u>	

PREPARED BY: OFELIA ORTIZ FLORES OF

DATE: 10/11/18

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: 10/19/2018 PC
10/25/18

Bobby Contreras
JUSTICE OF THE PEACE

10/11/18
DATE

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-18**

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

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		1200-351-10-063-000-0-000	\$ 41,776.53
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	86.70
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (j)		1100-207-20-000-028-0-000	262.50
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)		1100-207-30-000-006-0-000	-
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	1,359.12
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-063-000-0-000	446.07
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	1,804.16
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	32.28
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 133.103 (e)		1100-341-10-060-002-0-000	8.07
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) (Dismissal Fee for Exp. DL; Exp Insp Cert. Exp Ntr Reg.)		TRC Sec 548.605, 521.026, 502.407		1100-341-10-060-004-0-000	100.00
Teen Court Program Adm. Fee (Up to \$10.00)		C.C.P. Art. 45.052 (e)		1100-341-10-060-005-0-000	-
Special Fees				1100-341-10-063-000-0-000	201.44
Deferred Disposition		C.C.P. Art. 45.051	\$ 53.29		
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(f)	\$ 146.15		
Support of Judiciary Fund (\$6.00)		LGC 133.105		1100-341-10-060-009-0-000	267.62
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-063-000-0-000	623.44
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	20.37
Failure to Appear (\$4)		TRC 706.006/TC 706.007(d)(2)		1100-341-10-060-012-0-000	28.00
Scofflaw Fee (\$20)		TRC 502.010(a)		1100-341-10-140-049-0-000	1,940.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	432.04
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. 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	40.36
Juvenile Crime and Delinquency Fund (____\$2.5, ____\$5.0)		C.C.P. Art. 102.075(m)		1100-207-20-000-007-0-000	2.50
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	30.00
Consolidated Court Costs Fund (\$40)		CCP 102.075 (a) 3/ LGC 133.102		1100-207-20-000-015-0-000	17,983.63
Compensation Victims Of Crime Fund (____\$3, ____\$5, ____\$15, ____\$35)		C.C.P. Art. 56.55 (2) & (3)		1100-207-20-000-017-0-000	90.00
Judicial & Court Personnel Training Fund (____\$1, ____\$2)		Govt. Code Sec. 56.001 (b)		1100-207-20-000-027-0-000	11.00
Correctional Management Institute of Texas Fund (\$5.00)		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	660.00
State Traffic Fee-Subtle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	6,144.45
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-033-0-000	1,784.16
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	2,408.62
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 (\$2)		LGC 133.107/GC 102.023		1100-207-20-000-059-0-000	890.08
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	28.88
Safety Seat Violation Fee (\$0.15) (on or before September 28, 2011)		TRC 545.412 (b-1)		1100-207-20-000-062-0-000	-
Failure to Appear (\$20)		TRC 706.006/TC 706.007(d)(2)		1100-207-20-000-066-0-000	140.00
Electronic Filing Fee - Civil (\$10)		GC 101.141/GC 51.851		1100-207-20-000-070-0-000	1,100.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	434.04
Texas Home Visiting Program Contribution (\$5)		HSC 191.004/GC 118.018 (c)		1100-207-20-000-074-0-000	-
Judicial & Court Personnel Training Fund-Civil (\$5)		GC 51.971 (a)		1100-207-20-000-076-0-000	550.00
ARREST /WARRANT FEES: STATE		C.C.P. Art. 102.011		1100-207-20-000-019-0-000	2,184.07
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				1100-207-20-000-060-0-000	-
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	-
Precinct #2				1100-342-10-292-000-0-000	6025.00
Precinct #3				1100-342-10-293-000-0-000	-
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				1100-342-10-060-001-0-000	-
Code Enforcement Precinct #2				1100-342-10-060-004-0-000	-
Due to Others					
Warrant Fees/Out of County Service Fees DTO: Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2 (A)		1100-207-30-000-003-0-000	-
Refund - Overpayments				1100-202-00-000-009-0-000	325.50
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(d)(2)		1100-202-00-063-019-0-000	42.00
Delinquent Attorney Fee		C.C.P. Art. 103.0031(b)		1100-202-00-000-004-0-000	3,958.08
Justice Fees (Local Fees)				1100-341-10-060-001-0-000	2,865.00
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122	\$ -		
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122	2,750.00		
Landlord & Tenant Eviction Filing Fee (Forcible Entry & Detainer Court) (\$25)		LGC 118.121/118.122	-		
Transcript Fees/Appeal Fee (\$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)	-		
Certified Copies of Court Papers (\$2 1st pg. .25 for each addtl' pg)		LGC 118.121	-		
Probable Cause Tow Hearing Fee (\$20)		LCG 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 addtl' \$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)(1) CCP 102.004		1100-341-10-060-006-0-000	22.00

**AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: En 10/19/2018**

TOTAL AMOUNT DUE TO THE COUNTY TREASURER:

\$ 98,238.71

98238.71

Justice of the Peace Bobby Contreras

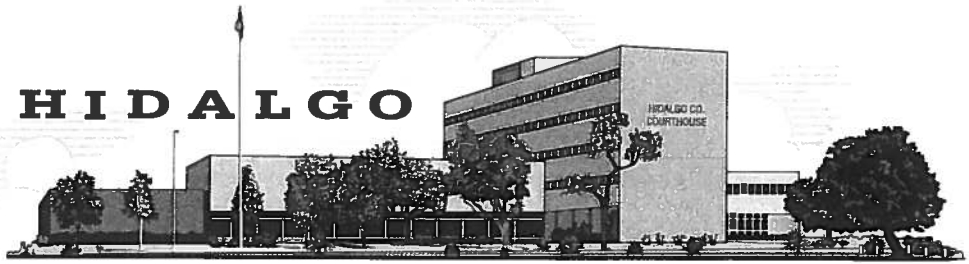
Schedule of Adjustments

For the Month Ended September 30, 2018

Receipt Number	Case Number	Offense	Off date	Date	Disposition Date	CCC	CHS	CHSJP	CO	CRF	CVCA	DEL	DPS	DPSr	FA	IDRF	JCD	JCPT	JCTF	JSF	LTF	MVF	SCOF	SJFC	SJFS	SO	SOF	STF	TPDC	TPDS	UTFC	WARK	TOTAL	
P21-2018-16703	21	CR-0783-14- fail to display txdot cab card	1/30/2014	9/25/2018	9/25/2018	40	3	1	100	-	-	56.7	5	-	-	2	-	-	4	4	2	-	20	0.6	5.4	-	-	-	-	-	2	-	-	245.7
<u>based on offense, UTFC should NOT be assessed.</u>																																		
P21-2018-16530	CR-1633121	driving while license suspended	7/9/2001	9/17/2018	17	3	-	-	-	15	-	-	5	0	5	-	0.25	2	-	-	2	-	20	-	-	-	-	-	-	-	-	3	-	71.25
<u>TF should be assessed.</u>																																		
P21-2018-16227	CR-3477-98	no driver's license	12/6/1998	9/4/2018	17	3	-	-	60	-	15	-	-	-	5	-	0.25	1	-	-	-	-	20	-	-	5	-	-	-	-	-	35	161.25	
<u>based on offense, MVF should be assessed.</u>																																		
P21-2018-16710	TR15-3110- J21	child<8 (545.412) unrestrained	12/2/2015	9/25/2018	40	3	1	25	25	-	-	51.6	-	-	-	2	-	-	4	4	2	-	20	0.6	5.4	-	5	30	1	1	3	-	223.6	
<u>Please enter the disposition date.</u>																																		
P21-2018-16423	TR18-6313- J21	driving under the influence by minor	9/2/2018	9/12/2018	40	3	1	-	-	-	-	-	-	5	-	2	-	-	4	4	2	0.1	-	0.6	5.4	-	-	-	-	1	1	-	-	69.10

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 6, 2018

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: *Monthly Fines and Fees Report* for September 2018

Dear Judge Muñoz:

We conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the month of September 2018 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. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Report* for the month of September 2018. 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.

Methodology:

In conducting our review, 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 Report, 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.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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, 332ND D.C.

NDE GONZALEZ
JUDGE, 370TH D.C.

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

- 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 determine if 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 month of September 2018 were \$100,039.55. Based on the results of our review, we 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.

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.

Observation No. 1:

We noted that 3 of 302 transactions contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was notified of the required adjustments (see Exhibit A); however, adjustments have not been completed. In addition, adjustments for the months of August 2015 (3), May 2016 (17), July 2016 (16), August 2016 (1), September 2016 (2), October 2016 (10), and August 2018 (11) are 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 notification.

Failure to ensure that fines, 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 fines, fees, and court costs.

Recommendation:

Management should ensure that all 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.
- 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 disposition date (judgment date) are entered when a case is setup in *Odyssey*.
- Staff should ensure that adjustments are entered into *Odyssey* within three days of notification.

Observation No. 2:

HIDALGO COUNTY DISTRICT JUDGES

Copies of the Office of Court Administration's "Official Justice of the Peace Monthly Reports" (OCA Reports) for the months of January 2015 through September 2018 have not been submitted to 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*, 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 submitted to the County Auditor's Office may result in improper reporting to the State.

Recommendation:

Management should ensure that a properly completed OCA Report is submitted to 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 1 cash bond (CRNT16-0241-J2) posted on October 4, 2016 (see Exhibit B) by a defendant who failed to appear before the Justice of the Peace was not forfeited (liquidated) by the 10th workday following the date of their release from jail. According to the Court Coordinator, the bond has not been forfeited due to programming errors in *Odyssey*. Assistance from the Information Technology Department has been requested; however, the problem has not been resolved.

Pursuant to Code of Criminal Procedure §45.044 (a)(2), "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 defendant being assessed additional court cost and fees, in error.

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 problem has been resolved.

Observation No. 4:

We noted that collections for 16 of 19 days were deposited at the bank 2 to 4 days after collections were receipted. According to the Court Coordinator, deposits are not made daily due to limited staff and a 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 deposit collections at the bank on a daily basis increases the risk that loss or theft can occur.

Recommendation:

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

HIDALGO COUNTY DISTRICT JUDGES

Observation No. 5:

We noted that 7 of 67 online credit card transactions were receipted 43 to 46 days after the date of transaction. Consequently, the applicable case disposition was not recorded in *Odyssey* in a timely manner. According to the Court Coordinator, five of the credit card transactions were not receipted timely due to an oversight. Furthermore, two of the credit card transactions were receipted late since they had questions on how to receipt the transactions.

The County Auditor's Office requires that all collections (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.

Please provide written management responses to the observations noted above and action plans for observations 1 through 3 by November 23, 2018 using the attached Action Plan forms.

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, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosures: Copies of *Monthly Report*, Exhibit A and B, and Action Plan Forms

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.

LETICIA LOPEZ
JUDGE, 388TH D.C.

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

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

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

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 1	We noted that 3 of 302 transactions reviewed in September 2018 contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was notified of the required adjustments (see Exhibit A); however, adjustments have not been completed. In addition, adjustments for the months of August 2015 (3), May 2016 (17), July 2016 (16), August 2016 (1), September 2016 (2), October 2016 (10), and August 2018 (11) are pending to be completed.
Recommendation No. 1	Management should ensure that all 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. • 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 disposition date (judgment date) are entered when a case is setup in Odyssey. • Staff should ensure that adjustments are entered into Odyssey within three days of notification.
GOAL/ACTION ITEM:	Complete the pending adjustments for the receipts that contained errors in the allocation of fines, fees, and court costs. In addition, staff should be provided with training regarding the proper allocation of fines, fees, and court costs.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

	STRATEGIES/ACTION STEPS	PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3				

Dept. Head/Elected Official Signature

Date

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 2	Copies of the Office of Court Administration's "Official Justice of the Peace Monthly Reports" (OCA Reports) for the months of January 2015 through September 2018 have not been submitted to the County Auditor's Office.
Recommendation No. 2	Management should ensure that a properly completed OCA Report is submitted to 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.
GOAL/ACTION ITEM:	The OCA Reports listed above are filed with the County Auditor's Office.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3.				
4				
5				
6.				

Dept. Head/Elected Official Signature

Date

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 3	We noted that 1 cash bond (CRNT16-0241-J2) posted on October 2016 by a defendant who failed to appear before the Justice of the Peace was not forfeited (liquidated) by the 10th workday following the date of their release from jail. The bond was received on October 4, 2016.
Recommendation No. 3	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 problem has been resolved.
GOAL/ACTION ITEM:	The cash bond should be liquidated.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3.				
4				
5				
6.				

Dept. Head/Elected Official Signature

Date

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: SEPT.-2018**

PBC

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

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

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED	(Receipts #s) <u>JP2-2 2018-06394</u> THRU <u>JP2-2 2018-06</u>	100,039.55 ✓ \$ 99,732.45
LESS: COST ON DEPOSIT		0.00 - x7 ✓
ADD: COST ON DEPOSIT LIQUIDATED		0.00 - x7 ✓
AMOUNT OWED TO COUNTY (Should Match Amt in Part III)		100,039.55 x3 ✓ \$ 99,732.45 102,489.55 (A) \$ 100,264.65
Less: Total amount of remittances to County Treasurer (From Part II)		(532.20) -
Total funds due to County Treasurer (Overtransfer Made to Co Treas.)		(2450.00) x4 -0.4 2A

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ 100,264.65	100,039.55 ✓ B1
Add: Previous Month's Bond Overtransfer <u>0.4 2016</u>	50.00 ✓	
Add: HCSO Monthly "D" Collections Report <u>July 2016</u>	2400.00 - \$0.00 ✓	
Total Remittances Made to the County Treasurer	\$ 100,264.65	102,489.55 (A)

PREPARED BY: [Signature]DATE: 10-2-18

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: 10/26/2018
4/14/19/18

JUSTICE OF THE PEACE

DATE: 10-2-18

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: 01/17

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: SEPT.-2018**

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

City: PHARR, TEXAS
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:					32,095.31
County Fines (Local Fine)		LGC 113.004, PC 12.33		1200-351-10-064-000-0-000	\$ 31,993.51
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	1,173.93
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (j)		1100-207-20-000-028-0-000	438.05
Gross Weight 50% Fine (State Fine)		TRC Sec 621.506 (g)		1100-207-20-000-013-0-000	(260.00)
School District 50% Fines		Educ. Code § 25.093 (d) 1 (A)		1100-207-30-000-007-0-000	50.00
LOCAL COURT COSTS AND FEES:					1157.63
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	1,151.47
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-064-000-0-000	370.97
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	1535.73
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	10.00
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 133.103 (c)		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	777.24
Motor Vehicle Adm. Fee (\$10-\$20) (Domestic Fee for Exp. DL; Exp. Insp. Cert; Exp. Mtr. Reg.)		TRC Sec 348.605, 521.026, 502.407		1100-341-10-060-004-0-000	-
Special Fees				1100-341-10-064-000-0-000	1,113.60
Deferred Disposition		C.C.P. Art. 45.051	1,053.60		
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(f)	60.00		
Support of Judiciary Fund (\$60)		LGC 133.105		1100-341-10-060-009-0-000	224.38
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-064-000-0-000	223.18
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	579.56
Failure to Appear (\$4)		TRC 706.006/TRC 706.007(d)(2)		1100-341-10-060-012-0-000	570.40
Scofflaw Fee (\$20)		TRC 502.010(a)		1100-341-10-060-011-0-000	9.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-140-049-0-000	29.00
Truancy Court Cost (\$50)		Fam. Code 65.107 (a), (b)		1100-341-10-060-013-0-000	43.03
STATE COURT COSTS AND FEES:					1074.10
Criminal Justice Planning Fund C.C.P. (\$5)		C.C.P. Art. 102.051		1100-207-20-000-003-0-000	1074.10
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	12.50
Juvenile Crime and Delinquency Fund (\$25, \$50)		C.C.P. Art. 102.075(m)		1100-207-20-000-007-0-000	3.72
Comprehensive Rehabilitation Fund (\$5)		C.C.P. Art. 102.082		1100-207-20-000-008-0-000	3.70
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	44.54
Compensation Victims Of Crime Fund (\$3, \$5, \$15, \$35)		C.C.P. Art. 56.55 (2) & (3)		1100-207-20-000-017-0-000	15355.40
Judicial & Court Personnel Training Fund (\$1, \$2)		Govt. Code Sec. 56.001 (b)		1100-207-20-000-017-0-000	132.61
Correctional Management Institute of Texas Fund (\$50)		CCP Art. 102.075		1100-207-20-000-027-0-000	131.77
Indigent legal Services Fee-JP (\$6)	209	Govt. Code Sec. 101.141(2) (B)		1100-207-20-000-029-0-000	17.81
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-029-0-000	3.48
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-004-0-000	1,254.00
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-035-0-000	5753.34
Birth Certificate Fee (\$1.80)		HSC 191.022(f)		1100-207-20-000-053-0-000	575.66
Defensive Driving Record Fee (\$12)		C.C.P. Art. 45.0511 (c-1)		1100-207-20-000-054-0-000	1499.89
Indigent Defense Representation Fund (\$2)		LGC 133.107/GC 102.023		1100-207-20-000-054-0-000	2011.39
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.023/GC		1100-207-20-000-039-0-000	1998.59
Safety Seat Violation Fee (\$0.15)		TRC 545.412 (b-1)		1100-207-20-000-057-0-000	-
Failure to Appear (\$20)		TRC 706.006/TRC 706.007(d)(2)		1100-207-20-000-059-0-000	238.94
Electronic Filing Fee - Civil (\$10)		GC 101.141/GC 51.851		1100-207-20-000-061-0-000	232.94
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-061-0-000	24.92
Texas Home Visiting Program Contribution (\$5)		HSC 191.0048/LGC 118.018 (c)		1100-207-20-000-062-0-000	50.00
Judicial & Court Personnel Training Fund-Civil (\$5)	209	GC 51.971 (a)		1100-207-20-000-066-0-000	195.15
ARREST WARRANT FEES: STATE		C.C.P. Art. 102.011		1100-207-20-000-070-0-000	2,090.00
D.P.S. (\$3, \$5, \$35, \$50)				1100-207-20-000-073-0-000	339.21
T.A.B.C. (\$3, \$5, \$35, \$50)				1100-207-20-000-074-0-000	-
P.K.W.L. (\$3, \$5, \$35, \$50)				1100-207-20-000-076-0-000	1,045.00
U.T.P.A. (\$3, \$5, \$35, \$50)				1100-207-20-000-019-0-000	1882.07
ARREST WARRANT/SERVICE FEES: COUNTY		LGC 118.131		1100-207-20-000-020-0-000	10.00
Sheriff Fees:				1100-207-20-000-021-0-000	50.00
Constable Fees:				1100-207-20-000-022-0-000	-
Precinct #1				1100-342-10-060-001-0-000	37.33
Precinct #2				1100-342-10-291-000-0-000	152.05
Precinct #3				1100-342-10-292-000-0-000	150.00
Precinct #4				1100-342-10-293-000-0-000	13401.64
Precinct #5				1100-342-10-294-000-0-000	2,700.00
District Attorney Fees				1100-342-10-295-000-0-000	75.00
Tax Assessor Fraud Investigators				1100-341-10-060-007-0-000	-
School District Arrest Fee				1100-342-10-060-007-0-000	50.00
Fire Marshal Fee				1100-342-10-060-002-0-000	15.00
Due to Others				1100-342-10-060-003-0-000	10.00
Warrant Fees Due to Other Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2 (A)		1100-342-10-060-001-0-000	0.00
Refund - Overpayments				1100-207-30-000-003-0-000	-
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)		1100-202-00-000-010-0-000	-
Delinquent Fee		C.C.P. Art. 103.0031(b)		1100-202-00-064-019-0-000	58.55
Justice Fees (Local Fees)				1100-202-00-000-004-0-000	4,143.72
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122	5,225.00	1100-341-10-060-001-0-000	5,430.00
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122	-		
Landlord & Tenant Eviction Filing Fee (Forcible 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)	150.00		
Writ Filing Fee (\$5)		LGC 118.121/118.123 (d)	55.00		
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	-		
Proable 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(h)		1100-341-10-060-008-0-000	-
Jury Fees (Civil \$22, Criminal \$3)		Rules of Civil Proc., Rule 504.1 (b)1/ CCP 102.004		1100-341-10-060-006-0-000	-
TOTAL AMOUNT DUE TO THE COUNTY TREASURER:					\$ -99,842.45

Justice of the Peace Jaime J. Muñoz
Precinct 2, Place 2
Schedule of Bonds on Deposit

Year	Receipt Date	Docket No.	Bond Amount
2016			
	10/4/2016	CRNT16-0241-J22	50.00
		Total	<u>50.00</u>

Justice of the Peace Jaime Muñoz

Schedule of Adjustments

For the Month Ended September 30, 2018

Receipt Number	Case Number	Offense	Off date	Date	Dispositio n Date																					
CRF and County fine should NOT be assessed. Please adjust them to deferred disposition, due to driver's safety course being taken.																										
JP22-2018-06939	TR18-6173- J22	no safety belt, child	8/16/2018	9/21/2018		40	3	1	0.05	0.05	-	5	10	2	4	4	2	-	-	0.6	5.4	30	1	1	3	112.1
Please assess court costs before the the county fine and the school district fine.																										
Parent contributing to non-attendance																										
JP22-2018-07073	TRU17-0007-J22	attendance	9/22/2016	9/28/2018		-	-	-	25	-	6	-	-	-	-	-	-	20	25	-	-	-	-	-	-	76
Parent contributing to non-attendance																										
JP22-2018-07074	TRU17-0008-J22	attendance	9/22/2016	9/28/2018		-	-	-	25	-	6	-	-	-	-	-	-	20	25	-	-	-	-	-	-	76

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

October 29, 2018

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

Re: *Monthly Fines and Fees Report* for September 2018

Dear Judge Garza:

We conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the month of September 2018 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. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Report* for the month of September 2018. 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.

Methodology:

In conducting our review, 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 Report, 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.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

NOE GONZALEZ
JUDGE, 379TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 385TH D.C.

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

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

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

- Compared the Hamer Enterprises Credit Card Payment Reports to *Odyssey's* Daily Balance Report and *alio's* Undistributed Receipts general ledger account to determine if 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 month of September 2018 were \$142,560.21. Based on the results of our review, we 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.

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.

Observation No. 1:

We noted that 8 of 320 transactions contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was notified of the required adjustments (see Exhibit A); however, adjustments have not been 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.

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 notification.

Failure to ensure that fines, 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 fines, fees, and court costs.

Recommendation:

Management should ensure that all 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.
- 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 disposition date (judgment date) are entered in *Odyssey*.
- Staff should ensure that adjustments are entered into *Odyssey* within three days of notification.

Observation No. 2:

Copies of the Office of Court Administration's "Official Justice of the Peace Monthly Reports" (OCA Reports) for the months of January 2015 through September 2018 have not been submitted to the County Auditor's Office. In addition, incorrect copies of OCA Reports for the months of September 2012, December 2012, September 2013, October 2013, and January 2014 through December 2014 were submitted to the County Auditor's Office. According to 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; however, the problem has not been resolved.

HIDALGO COUNTY DISTRICT JUDGES

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 submitted to the County Auditor's Office may result in improper reporting to the State.

Recommendation:

Management should ensure that a properly completed OCA Report is submitted to 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 the September 2018 *Monthly Report* was submitted to the County Auditor's Office 5 days after the fifth day following the end of the month. According to the Court Coordinator, the *Monthly Report* was not submitted on time because the Justice of the Peace was out of the office and was unable to sign the *Monthly Report*.

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 the County revenues.

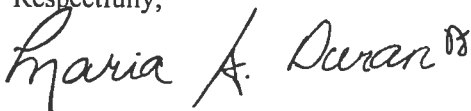
Recommendation:

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

Please provide written management responses for the observations noted above and action plans for observations 1 and 2 by Friday, November 9, 2018 using the attached Action Plan Forms.

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, Letty Chavez, Director of Audit Division, at ext 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosures: Copy of *Monthly Report*, Exhibit A, and Action Plan Forms

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAMES E. TIJERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 200TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 2	Copies of the Office of Court Administration's "Official Justice of the Peace Monthly Reports" (OCA Reports) for the months of January 2015 through July 2018 have not been submitted to the County Auditor's Office. In addition, incorrect copies of OCA Reports for the months of September 2012, December 2012, September 2013, October 2013, and January 2014 through December 2014 were submitted to the County Auditor's Office.
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.
GOAL/ACTION ITEM:	The OCA Reports listed above are filed with the County Auditor's Office.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3.				
4				
5				
6.				

Dept. Head/Elected Official Signature

Date

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 1	We noted that 8 of 320 transactions reviewed in September 2018 contained errors in the allocation of 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. - 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 notification.
GOAL/ACTION ITEM:	Complete the adjustments for the 8 receipts that contained errors in the allocation of fines, fees, and court costs. In addition, staff should be provided with training regarding the proper allocation of fines, fees, and court costs.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

	STRATEGIES/ACTION STEPS	PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3				

Dept. Head/Elected Official Signature

Date

City: MISSION, TX
Hidalgo County, Texas

\$ 142,560.21 ✓
~~142,581.21~~

0.00 - x7 ✓

0.00 - x7^v

142,560.21

\$ -142,581.21 - 43

142,560.21

\$ 142,581.21 (A)

(0.00)

2A 14-2

\$ ~~142,581.21~~

0.00

\$0.00

142560.21 (A)
\$ 142,581.21—

10/5/2018 9:29

DATE: La 10/22/18 J.C

DATE _____

COUNTY AUDITOR'S FORM: RE-JP-004

REVISÉD: 1/17

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		1200-351-10-065-000-0-000	44,316.03
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	1,557.20
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (j)		1100-207-20-000-028-0-000	325.00
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)		1100-207-30-000-008-0-000	-
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	2,070.00
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-065-000-0-000	690.00
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	2,760.00
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	560.00
Time Payment - @ 10% OF \$25.00 (\$2.50)		LGC 133.103 (e)		1100-341-10-060-002-0-000	140.00
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	1,394.00
Motor Vehicle Adm. Fee (\$10-\$20) (Criminal Fee for Exp. DL; Exp. Insp. Cert; Exp. 1st Reg.)		TRC Sec 548.605, 521.026, 502.407		1100-341-10-060-004-0-000	120.00
Special Fees				1100-341-10-065-000-0-000	1,218.00
Deferred Disposition		C.C.P. Art. 45.051	1,018.00		
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(f)	200.00		
Support of Judiciary Fund (\$60)		LGC 133.105		1100-341-10-060-009-0-000	414.00
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-065-000-0-000	1,158.00
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	50.00
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	5,240.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	667.00
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	-
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	700.00
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 133.103		1100-207-20-000-015-0-000	27,600.00
Compensation Victims Of Crime Fund (\$3, \$5, \$15, \$35)		C.C.P. Art. 56.55 (2) & (3)		1100-207-20-000-017-0-000	-
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)		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	1,434.00
State Traffic Fee-Sub Title C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	11,580.00
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	2,760.00
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	3,722.00
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 (e-1)		1100-207-20-000-057-0-000	-
Indigent Defense Representation Fund (\$2)		LGC 133.107/GC 102.023		1100-207-20-000-059-0-000	1,376.00
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	54.00
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/GC 51.851		1100-207-20-000-070-0-000	2,390.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	665.00
Texas Home Visiting Program Contribution (\$5)		HSC 191.0048/LGC 118.018 (c)		1100-207-20-000-074-0-000	-
Judicial & Court Personnel Training Fund-Civil (\$5)		GC 51.971 (a)		1100-207-20-000-076-0-000	1,195.00
ARREST /WARRANT FEES: STATE		C.C.P. Art. 102.011			
D.P.S. (\$3, \$5, \$35, \$50)				1100-207-20-000-019-0-000	3,215.00
T.A.B.C. (\$3, \$5, \$35, \$50)				1100-207-20-000-020-0-000	5.00
P.K.W.L. (\$3, \$5, \$35, \$50)				1100-207-20-000-021-0-000	55.00
Texas Comptrollers Criminal Investigators				1100-207-20-000-060-0-000	-
ARREST /WARRANT/SERVICE FEES: COUNTY		LGC 118.131			
Sheriff Fees:					
Constable Fees:					
Precinct #1				1100-342-10-060-001-0-000	210.00
Precinct #2				1100-342-10-291-000-0-000	-
Precinct #3				1100-342-10-292-000-0-000	75.00
Precinct #4				1100-342-10-293-000-0-000	5,675.00
Precinct #5				1100-342-10-294-000-0-000	75.00
District Attorney Fees				1100-342-10-295-000-0-000	-
Tax Assessor Fraud Investigators				1100-341-10-060-007-0-000	100.00
School District Arrest Fee				1100-342-10-060-002-0-000	-
Fire Marshal Fee				1100-342-10-060-003-0-000	-
Due to Others				1100-342-20-060-001-0-000	-
Warrant Fees Due to Other Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2 (A)		1100-207-30-000-003-0-000	-
Refund - Overpayments				1100-202-00-000-011-0-000	32.00
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)		1100-202-00-065-019-0-000	-
Delinquent Attorney Fee		C.C.P. Art. 103.0031(b)		1100-202-00-000-004-0-000	10,911.23
Justice Fees (Local Fees)				1100-341-10-060-001-0-000	6,068.75
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122			
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122	5,975.00		
Landlord & Tenant Eviction Filing Fee (Forcible 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)	25.00		
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)	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)	-		
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	29.00
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045 (h)		1100-341-10-060-008-0-000	41.00
Jury Fees (Civil \$22, Criminal \$3)		Rules of Civil Proc. Rule 504.1(b); CCP 102.004		1100-341-10-060-006-0-000	-

AUDITED BY: THE HIDALGO
 COUNTY AUDITOR'S OFFICE
 DATE: 10/23/18
 10/24/18

Justice of the Peace Luis Garza

Schedule of Adjustments

For the Month Ended September 30, 2018

Receipt Number	Case Number	Offense	Off date	Date	Disposition Date	CCC	CHS	CHSJP	CO	DEL	DPSr	DSCr	IDRF	JCTF	JSF	LTF	MVF	SCOF	SJFC	SJFS	SO	STF	TPDC	TPDS	UTFC	WARF	TOTAL
Based on disposition date, time payment should be assessed.																											
fail to maintain financial responsibility no drivers license																											
JP31-2018-11246	CR15-1288-J31	fail to maintain financial responsibility no drivers license	1/22/2015	9/25/2018	7/29/2016	40	3	1	66	46.5	-	-	2	4	4	2	-	20	0.6	5.4	5	-	1	1	-	-	201.5
JP31-2018-11294	TR16-8397-J31	no drivers license	7/16/2016	9/26/2018	8/24/2016	40	3	1	65.9	61.5	5	-	2	4	4	2	0.1	20	0.6	5.4	-	-	1	1	-	50	266.5
JP31-2018-10545	TR17-7157-J31	no drivers license	4/8/2017	9/6/2018	5/18/2017	40	3	1	65.9	46.5	5	-	2	4	4	2	0.1	20	0.6	5.4	-	-	1	1	-	-	201.5
Enter the disposition date.																											
JP31-2018-11081	TR17-15272-J31	no safety belt	8/9/2017	9/20/2018		40	3	1	50	-	5	-	2	4	4	2	-	20	0.6	5.4	-	30	1	1	3	-	172
JP31-2018-11136	TR16-11429-J31	no safety belt	9/24/2016	9/21/2018		40	3	1	50	51.6	5	-	2	4	4	2	-	20	0.6	5.4	-	30	1	1	3	-	223.6
JP31-2018-11338	TR18-12016-J31	speeding	8/26/2018	9/27/2018		40	3	1	60	-	5	-	2	4	4	2	0.1	-	0.6	5.4	-	30	1	1	3	-	162.1
Based on the disposition "driver's safety course granted", county fine should NOT be assessed. Please adjust it to deferred disposition or as an overpayment.																											
JP31-2018-10571	TR18-2723-J31	no safety belt	2/10/2018	9/7/2018		40	3	1	0.1	-	5	10	2	4	4	2	-	-	0.6	5.4	-	30	1	1	3	-	112.1
Delinquent was over assessed \$0.08.																											
fail to maintain financial responsibility																											
JP31-2018-10935	TR16-13642-J31	fail to maintain financial responsibility	10/31/2016	9/17/2018	9/17/2018	40	3	1	175	79.3	5	-	2	4	4	2	-	20	0.6	5.4	-	-	1	1	-	-	343.3

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 26, 2018

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

Re: *Monthly Fines and Fees Report* for September 2018

Dear Judge Ochoa:

We conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the month of September 2018 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. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Report* for the month of September 2018. 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.

Methodology:

In conducting our review, 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 Report, 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.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

NOE GONZALEZ
JUDGE, 379TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 386TH D.C.

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

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

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

- 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 determine if 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 month of September 2018 were \$122,307.77. Based on the results of our review, we 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.

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.

Observation No. 1:

We noted that 26 of 1,308 transactions contained errors in the allocation of fines, fees, and court costs. Some of the errors resulted from the disposition date (judgment date) not being entered into *Odyssey*. The Justice of the Peace staff was notified of the required adjustments (see Exhibit A); however, the 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 (10), February 2016 (9), March 2016 (30), 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 (1), February 2017 (2), March 2017 (5), April 2017 (4), May 2017 (3), June 2017 (6), July 2017 (7), August 2017 (8), September 2017 (7), October 2017 (6), November 2017 (7), December 2017 (16), January 2018 (6), February 2018 (12), March 2018 (5), April 2018 (7), May 2018 (7), June 2018 (1), July 2018 (7), and August 2018 (38) are still pending to be completed. The Court Coordinator and other staff are actively working on the 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. In addition, the County Auditor's Office requires that adjustments be made within three days of notification. Furthermore, the Justice of the Peace is required to enter the disposition date (judgment date) in *Odyssey* to facilitate the collection of statutory fees and denial of registration by the Tax Assessor-Collector.

Failure to ensure that fines, 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 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.

JAIME E. TIJERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

- 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 disposition date (judgment date) are entered in *Odyssey*.
- Staff should ensure that adjustments are entered into *Odyssey* within three days of notification.

Observation No. 2:

Copies of the Office of Court Administration's "Official Justice of the Peace Monthly Reports" (OCA Reports) for the months of January 2014 through June 2014 and September 2014 through September 2018 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 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* form, copy of the OCA Report, 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 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 that 7 cash bonds (see Exhibit B) posted in September 2015 and October 2016 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. According to the Court Coordinator, the bonds have not been forfeited due to issues encountered with *Odyssey*. Assistance from the Information Technology Department has been requested; however, the problem has not been resolved.

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

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

JAIME E. TIERNA
JUDGE, 93rd D.C.

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

ROSE GUERRA REYNA
JUDGE, 206th D.C.

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

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

NOE GONZALEZ
JUDGE, 378th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 385th D.C.

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

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

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

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 problem has been resolved.

Observation No. 4:

We noted that collections for 7 of 19 days were deposited at the bank 2 to 6 days after collections were receipted. According to the Court Coordinator, the deposits were not made timely since they were short staffed.

Pursuant to the "Cash Handling Guidelines and Procedures" prescribed by the County Auditor's Office, cash receipts must be deposited intact daily, unless the amount collected is less than \$100.00.

Failure to deposit collections daily increases the risk that loss or theft can occur.

Recommendation:

Management should develop and implement formal monitoring procedures to ensure that collections are deposited at the bank daily. In addition, a back-up employee should be assigned to make deposits when the employee responsible for making deposits is not available.

Observation No. 5:

We noted that 7 of 19 Close-out Reports were submitted to the County Treasurer's Office 2 to 11 days after the bank deposit was made. According to the Court Coordinator, the Close-out Reports were not submitted to the County Treasurer's Office on a daily basis due to oversight and collections not being deposited on a daily basis.

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 daily Close-out Report along with the bank validated deposit slip prevents the County Treasurer's Office from recording the receipts into the accounting system on a timely basis and may increase the risk that an employee could misappropriate 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.

Observation No. 6:

We noted that 25 of 165 online credit card transactions processed during the month of September 2018 were receipted 2 to 4 days after the date of transaction. Consequently, the applicable case dispositions were not recorded in *Odyssey* in a timely manner. According to the Court Coordinator, the credit card transactions were not receipted timely due to being under staffed.

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.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

NDE GONZALEZ
JUDGE, 378TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

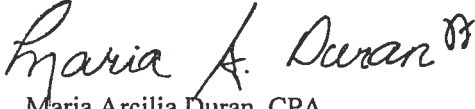
Recommendation:

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.

Please provide written management responses to the observations noted above and an action plan for observations 1 through 3 by December 7, 2018 using the attached Action Plan Forms.

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, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosures: Copy of *Monthly Report*, Exhibits A and B, and Action Plan Forms

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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, 449TH D.C.

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 1	We noted that 26 of 1,308 transactions contained errors in the allocation of fines, fees, and court costs. Some of the errors resulted from the disposition date (judgment date) not being entered into Odyssey. The Justice of the Peace staff was notified of the required adjustments (see Exhibit A); however, the 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 (10), February 2016 (9), March 2016 (30), 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 (1), February 2017 (2), March 2017 (5), April 2017 (4), May 2017 (3), June 2017 (6), July 2017 (7), August 2017 (8), September 2017 (7), October 2017 (6), November 2017 (7), December 2017 (16), January 2018 (6), February 2018 (12), March 2018 (5), April 2018 (7), May 2018 (7), June 2018 (1), July 2018 (7), and August 2018 (38) are still pending to be completed.
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 dates, and disposition dates (judgment dates) are entered in Odyssey. • Staff should ensure that adjustments are entered into Odyssey within three days of notification.
GOAL/ACTION ITEM:	Complete the adjustments for the months listed in the observation above.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2.				
3.				

Dept. Head/Elected Official Signature

Date

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 2	Copies of the Office of Court Administration's "Official Justice of the Peace Monthly Reports" (OCA Reports) for the months of January 2014 through June 2014 and September 2014 through September 2018 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.
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.
GOAL/ACTION ITEM:	The OCA Reports listed above are filed with the County Auditor's Office
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2.				
3.				
4.				
5.				
6.				

Dept. Head/Elected Official Signature

Date

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 3	We noted that 7 cash bonds (see Exhibit B) 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.
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 problem has been resolved.
GOAL/ACTION ITEM:	The 7 cash bonds are liquidated as soon as possible.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3.				
4				
5				
6.				

Dept. Head/Elected Official Signature

Date

Page 1 of 2

Based on the appear by date on the citation, SCOF \$20 should have been assessed.

Exhibit A - September 2018

Page 2 of 2

[illegible]

**Justice of the Peace Marcos Ochoa
Precinct 3, Place 2
Schedule of Bonds on Deposit
As of September 31, 2018**

Year	Receipt Date	Receipt No.	Docket No.	Bond Amount
2015				
	9/10/2015	JP32-2015-00790	T10-5062MO	49.00
	9/10/2015	JP32-2015-00792	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
	10/20/2016	JP32-2016-07529	TR16-9466-J32	0.90
Total				232.80

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-18**

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) JP32-2018-08255 ⁴ THRU JP32-2018-09279 ⁰⁹⁶²¹

\$ 122,307.77 ^{122,307.77} X10-K1 ✓

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)

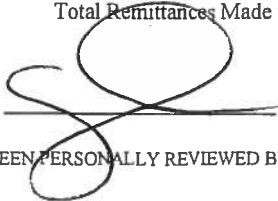
Less: Total amount of remittances to County Treasurer (From Part II)

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

X7 ✓
X7 ✓
122,307.77 X3 ✓
\$ 122,115.67
\$122,540.57 (K)
(1232.80) X4-0 ✓
122,115.67
2A

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$122,307.77	B1 ✓
Add: Previous Month's Bond Overtransfer <i>Unliquidated Bonds</i>	232.80	EXB ✓
<i>Sept. '15 + Oct. '16</i>		
Add: HCSO Monthly "D" Collections Report	\$0.00	
Total Remittances Made to County Treasurer	\$122,540.57 - (K)	

PREPARED BY: 

DATE PREPARED: 10-9-18

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

Marcos Ochoa 10/9/18

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

OCT 10 2018

HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: *[Signature]*
DATE: 10/30/18

HIDALGO COUNTY
AUDITOR'S OFFICE

X2

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-18**

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

City: MISSION, 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		1200-351-10-066-000-0-000	39,552.98
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	247.85
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (f)		1100-207-20-000-028-0-000	143.04
Gross Weight 50% Fine (State Fine)		TRC Sec 621.506 (g)		1100-207-20-000-013-0-000	337.50
School District 50% Fines		Educ. Code § 25.093 (d) 1 (A)		1100-207-30-000-009-0-000	126.00
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	55.00
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-066-000-0-000	2,046.62
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	1,976.31
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	666.11
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 133.103 (e)		1100-341-10-060-002-0-000	2468.40
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	2,627.08
Motor Vehicle Adm. Fee (\$10-\$20) (Domestic 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	276.74
Special Fees					
Deferred Disposition		C.C.P. Art. 45.051		1100-341-10-060-004-0-000	1,411.00
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(f)		1100-341-10-060-004-0-000	60.00
Support of Judiciary Fund (\$ 60)		LGC 133.105		1100-341-10-060-009-0-000	1,564.91
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-060-009-0-000	400.05
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-000-0-000	392.46
Failure to Appear (\$4)		TRC 706.006/706.007(d)(2)		1100-341-10-060-011-0-000	1,313.25
Scofflaw Fee (\$20)		TRC 502.010(a)		1100-341-10-060-012-0-000	1,302.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-012-0-000	256.66
STATE COURT COSTS AND FEES:					
Criminal Justice Planning Fund C.C.P. (\$5)		C.C.P. Art. 102.051		1100-341-10-060-012-0-000	179.57
State General Revenue Fund (\$2.50)		C.C.P. Art. 102.015		1100-341-10-060-012-0-000	384.27
Law Enforcement Education Fund (\$1, \$1.50, \$3.50)		Govt. Code Sec. 415.082		1100-341-10-060-013-0-000	3,320.00
Operators and Chauffeurs License Fund (\$75)		T.R.C. 601.192		1100-341-10-060-013-0-000	694.85
Time Payment - @50% OF \$25.00 (\$12.50)		LGC 133.103 (b)		1100-207-20-000-003-0-000	-
Juvenile Crime and Delinquency Fund (\$25, \$50)		C.C.P. Art. 102.075(m)		1100-207-20-000-010-0-000	-
Comprehensive Rehabilitation Fund (\$5)		C.C.P. Art. 102.082		1100-207-20-000-031-0-000	-
Fugitive Apprehension Fund (\$5)		C.C.P. Art. 102.019 (a) 2		1100-207-20-000-005-0-000	-
Consolidated Court Costs Fund (\$17)		CCP 102.075 (a) 3/ LGC 133.102		1100-207-20-000-007-0-000	-
Compensation Victims Of Crime Fund (\$3, \$5, \$15, \$35)		C.C.P. Art. 56.55 (2) & (3)		1100-207-20-000-008-0-000	-
Judicial & Court Personnel Training Fund (\$1, \$2)		Govt. Code Sec. 56.001 (b)		1100-207-20-000-009-0-000	-
Correctional Management Institute of Texas Fund (\$5.00)		CCP Art. 102.075		1100-207-20-000-015-0-000	-
Indigent legal Services Fee-JP (\$6)		Govt. Code Sec. 101.141(2) (B)		1100-207-20-000-017-0-000	-
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-027-0-000	-
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-029-0-000	-
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-004-0-000	-
Birth Certificate Fee (\$1.80)		HSC 191.022(f)		1100-207-20-000-035-0-000	-
Defensive Driving Record Fee (\$12)		C.C.P. Art. 45.0511 (c-1)		1100-207-20-000-053-0-000	-
Indigent Defense Representation Fund (\$2)		LGC 133.107/GC 102.023		1100-207-20-000-054-0-000	-
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-039-0-000	-
Safety Seat Violation Fee (\$0.15)		TRC 545.412 (b-1)		1100-207-20-000-057-0-000	-
Failure to Appear (\$20)		TRC 706.006/706.007(d)(2)		1100-207-20-000-059-0-000	-
Electronic Filing Fee - Civil (\$10)		GC 101.141/GC 51.851		1100-207-20-000-061-0-000	-
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-062-0-000	-
Texas Home Visiting Program Contribution (\$5)		HSC 191.0048/LGC 118.018 (c)		1100-207-20-000-066-0-000	-
ARREST /WARRANT FEES: STATE		C.C.P. Art. 102.011		1100-207-20-000-070-0-000	-
D.P.S. (\$3, \$5, \$35, \$50)				1100-207-20-000-073-0-000	-
T.A.B.C. (\$3, \$5, \$35, \$50)				1100-207-20-000-074-0-000	-
P.K.W.L. (\$3, \$5, \$35, \$50)				1100-207-20-000-076-0-000	-
ARREST /WARRANT/SERVICE FEES: COUNTY					
Sheriff Fees:					
Constable Fees:					
Precinct #1				1100-342-10-060-001-0-000	69.84
Precinct #2				1100-342-10-291-000-0-000	100.00
Precinct #3				1100-342-10-292-000-0-000	-
Precinct #4				1100-342-10-293-000-0-000	-
Precinct #5				1100-342-10-294-000-0-000	-
District Attorney Fees				1100-342-10-295-000-0-000	-
Tax Assessor Fraud Investigators				1100-341-10-060-007-0-000	-
School District Arrest Fee				1100-342-10-060-002-0-000	-
Fire Marshal Fee				1100-342-10-060-003-0-000	-
Due to Others: Delinquent				1100-342-10-060-003-0-000	500
Warrant Fees/Out of County Service Fees DTO: Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2 (A)		1100-342-10-060-001-0-000	-
Due to Others- Refund-Overpayments				1100-202-00-000-004-0-000	-
Due to Others				1100-202-00-000-003-0-000	6,725.64
Restitution				1100-202-00-000-012-0-000	1,266.95
Failure to Appear- OmniBase (\$6)				1100-202-00-000-012-0-000	158.00
Justice Fees (Local Fees)				1100-202-00-000-012-0-000	-6,758.02
Small Claims Court Filing Fee (\$25)		TRC 706.006/706.007(d)(2)		1100-202-00-000-012-0-000	-
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122		1100-202-00-000-019-0-000	195.35
Landlord & Tenant Eviction Filing Fee (Forcible Entry & Detainer Court) (\$25)		LGC 118.121/118.122		1100-341-10-060-001-0-000	340.00
Transcript Fees (\$10)		LGC 118.121/118.123 (b)		1100-341-10-060-001-0-000	1,765.00
Abstract Fees (\$5)		LGC 118.121/118.123 (c)			
Writ Filing Fee (\$5)		LGC 118.121/118.123 (d)			
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 (h)		1100-341-10-060-008-0-000	-
Jury Fees (Civil \$22, Criminal \$3)		504.1(b)/CCP 102.004		1100-341-10-060-006-0-000	22.00

TOTAL AMOUNT DUE TO THE COUNTY TREASURER:

\$122,090.67

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 5, 2018

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

Re: *Monthly Fines and Fees Report* for September 2018

Dear Judge Espinoza:

We conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the month of September 2018 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. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Report* for the month of September 2018. 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.

Methodology:

In conducting our review, 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 Report, 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.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TJERNA
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.

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.

- 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 determine if 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 month of September 2018 were \$162,955.11. Based on the results of our review, we 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.

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.

Observation No. 1:

We noted that 9 of 415 transactions contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was notified 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), August 2017 (3), April 2018 (7), May 2018 (22), June 2018 (48), July 2018 (28), and August 2018 (16) are still pending to be completed. According to staff, attempts will be made to check the fines, fees, and court costs prior to taking in a payment.

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 notification.

Failure to ensure that fines, 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 fines, fees, and court costs.

Recommendation:

Management should ensure that all 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.
- 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 disposition date (judgment date) are entered in *Odyssey*.
- Staff should ensure that adjustments are entered into *Odyssey* within three days of notification.

HIDALGO COUNTY DISTRICT JUDGES

Observation No. 2:

Copies of the Office of Court Administration's "Official Justice of the Peace Monthly Reports" (OCA Reports) for the months of February 2013, September 2013, May 2014, and September 2014 through September 2018 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 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*, 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 submitted to the County Auditor's Office may result in improper reporting to the State.

Recommendation:

Management should ensure that a properly completed OCA Report is submitted to 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 a \$400.00 appeal bond received on May 3, 2013 for docket number E12-09-880 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.

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. Pursuant to Code of Criminal Procedure §44.16, 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. 4:

We noted that 5 cash bonds (see Exhibit B) 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. 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; however, the problem has not been resolved.

HIDALGO COUNTY DISTRICT JUDGES

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. 5:

We noted that 6 of 126 online credit card transactions were receipted 2 to 4 days after the date of transaction. Consequently, the applicable case disposition was not recorded in *Odyssey* in a timely manner. According to the Court Coordinator, the credit card transactions were not receipted timely since they were short staffed.

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. 6:

We noted that a mail log was not utilized to record payments received through the mail. According to staff, a mail log is not used since the mail is received and opened by the Justice of the Peace. The Justice of the Peace 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:

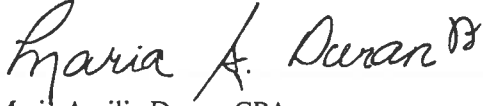
Management should ensure that a daily mail log is maintained to record payments received through the mail. Please refer to the mail log section of the "Cash Handling Guidelines and Procedures" prescribed by the County Auditor's Office for the minimum procedures to be implemented for processing payments received through the mail.

Please provide written management responses to the observations noted above and action plans for observations 1 through 4 by Friday, November 16, 2018 using the attached Action Plan Forms.

HIDALGO COUNTY DISTRICT JUDGES

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, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosures: Copy of *Monthly Report*, Exhibits A and B, and Action Plan Forms

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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.

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.

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 1	We noted that 9 of 415 transactions contained errors in the allocation of fines, fees, and court costs. The Justice of the Peace staff was notified 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), August 2017 (3), April 2018 (7), May 2018 (22), June 2018 (48), July 2018 (28), and August 2018 (16) are still pending to be completed.
Recommendation No. 1	Management should ensure that all 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. • 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 disposition date (judgment date) are entered in Odyssey. • Staff should ensure that adjustments are entered into Odyssey within three days of notification.
GOAL/ACTION ITEM:	Complete the adjustments for the 17 receipts that contained errors in the allocation of fines, fees, and court costs. In addition, staff should be provided with training regarding the proper allocation of fines, fees, and court costs.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3				

Dept. Head/Elected Official Signature

Date

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 2	Copies of the Office of Court Administration's "Official Justice of the Peace Monthly Reports" (OCA Reports) for the months of February 2013, September 2013, May 2014, and September 2014 through September 2018 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.
Recommendation No. 2	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.
GOAL/ACTION ITEM:	The OCA Reports listed above are filed with the County Auditor's Office.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2.				
3.				
4.				
5.				
6.				

Dept. Head/Elected Official Signature

Date

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 3	We noted that a \$400.00 appeal bond received on May 3, 2013 for docket number E12-09-880 has not been forwarded to the County Clerk or refunded to the defendant.
Recommendation No. 3	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.
GOAL/ACTION ITEM:	Forward the appeal bond to the County Clerk's Office or refund the defendant.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

	STRATEGIES/ACTION STEPS	PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2.				
3.				
4.				
5.				
6.				

Dept. Head/Elected Official Signature

Date

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 4	We noted 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.
Recommendation No. 4	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.
GOAL/ACTION ITEM:	Liquidate the 5 cash bonds.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2				
3.				
4				
5				
6.				

Dept. Head/Elected Official Signature

Date

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-18**

PBC

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

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

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED (Receipts #s) JP41-2018-11578 THRU JP41-2018-12814 \$ 162,955.11

x9-a

LESS: COST ON DEPOSIT

0.00 - x7

ADD: COST ON DEPOSIT LIQUIDATED

0.00 - x7

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

\$ 162,955.11

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

\$ 160,951.51

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

\$ 2,003.60**Part II: REMITTANCES MADE TO THE COUNTY TREASURER**

DESCRIPTION	AMOUNT	RECEIPT NO.
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ <u>160,951.51</u>	
Add: Previous Month's Bond Overtransfer (2013, 2015, 2016)	<u>1068.00</u> Ex. B	
Add: HCSO Monthly "D" Collections Report <u>July 2015</u>	<u>1074.00</u>	
Total Remittances Made to County Treasurer	\$ <u>160,951.51</u>	

PREPARED BY:

Alfredo Lopez

DATE:

10/3/18

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: en 10/24/2018

CE
JUSTICE OF THE PEACE

10.3.18
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: 01/17

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-18**

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

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		1200-351-10-067-000-0-000	\$ 48,944.92
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	1,353.40
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (j)		1100-207-20-000-028-0-000	648.00
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)		1100-207-30-000-010-0-000	-
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	2,510.60
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-067-000-0-000	835.88
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	3,347.43
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	40.00
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 133.103 (c)		1100-341-10-060-002-0-000	10.00
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	1,790.00
Motor Vehicle Adm. Fee (\$10-\$20) (Minimal 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	150.00
Special Fees					
Deferred Disposition		C.C.P. Art. 45.051	2,133.70	1100-341-10-067-000-0-000	2,592.04
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.0511(f)	458.34		
Support of Judiciary Fund (\$60)		LGC 133.105		1100-341-10-060-009-0-000	500.32
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-067-000-0-000	1,306.83
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	200.00
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	3,464.38
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	781.69
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	50.00
Juvenile Crime and Delinquency Fund (\$25, \$50)		C.C.P. Art. 102.075(m)		1100-207-20-000-007-0-000	0.50
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	5.00
Consolidated Court Costs Fund (\$17)		CCP 102.075 (a) 3/ LGC 133.102		1100-207-20-000-015-0-000	33,371.33
Compensation Victims Of Crime Fund (\$3, \$5, \$15, \$3)		C.C.P. Art. 56.55 (2) & (3)		1100-207-20-000-017-0-000	15.00
Judicial & Court Personnel Training Fund (\$1, \$2)		Govt. Code Sec. 56.001 (b)		1100-207-20-000-027-0-000	2.00
Correctional Management Institute of Texas Fund (\$50)		CCP Art. 102.075		1100-207-20-000-029-0-000	0.50
Indigent legal Services Fee-JP (\$6)	299	Govt. Code Sec. 101.141(2) (B)		1100-207-20-000-004-0-000	1,794.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	13,038.29
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	3,335.45
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	4,498.84
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	1,663.66
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	62.56
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/GC 51.851		1100-207-20-000-070-0-000	2,990.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	781.69
Texas Home Visiting Program Contribution (\$5)		HSC 191.0048/LGC 118.018 (c)		1100-207-20-000-074-0-000	-
Judicial & Court Personnel Training Fund-Civil (\$5)	299	GC 51.971 (a)		1100-207-20-000-076-0-000	1,495.00
ARREST /WARRANT FEES: STATE		C.C.P. Art. 102.011			
D.P.S. (\$3, \$5, \$35, \$50)				1100-207-20-000-019-0-000	3,748.18
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	100.00
Texas Comptrollers Criminal Investigators				1100-207-20-000-060-0-000	-
ARREST /WARRANT/SERVICE FEES: COUNTY		LGC 118.131			
Sheriff Fees:					
Constable Fees:					
Precinct #1				1100-342-10-060-001-0-000	232.53
Precinct #2				1100-342-10-291-000-0-000	275.00
Precinct #3				1100-342-10-292-000-0-000	75.00
Precinct #4				1100-342-10-293-000-0-000	575.00
Precinct #5				1100-342-10-294-000-0-000	10,231.98
District Attorney Fees				1100-342-10-295-000-0-000	150.00
Tax Assessor Fraud Investigators				1100-341-10-060-007-0-000	-
School District Arrest Fee				1100-342-10-060-002-0-000	-
Fire Marshal Fee				1100-342-10-060-003-0-000	-
Due to Others				1100-342-20-060-001-0-000	-
Warrant Fees/Out of County Service Fee 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	20.40
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)		1100-202-00-067-019-0-000	-
Delinquent Attorney Fee		C.C.P. Art. 103.0031(b)		1100-202-00-000-004-0-000	8,360.71
Justice Fees (Local Fees)				1100-341-10-060-001-0-000	7,586.00
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122			
Debt Claim Fee/Justice Court Filing Fee (\$25)		LGC 118.121/118.122	7,475.00		
Landlord & Tenant Eviction Filing Fee/forcible 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)	55.00		
Writ Filing Fee (\$5)		LGC 118.121/118.123 (d)	35.00		
Issuing other Document (\$1 1st pg, .25 for each add'l pg)		LGC 118.121/118.123 (e)	21.00		
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	20.00
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045 (b)		1100-341-10-060-008-0-000	1.00
Jury Fees (Civil \$22, Criminal \$3)		504.1(b) CCP 102.004		1100-341-10-060-006-0-000	-
TOTAL AMOUNT DUE TO THE COUNTY TREASURER:					\$ 162,955.11

**Justice of the Peace Charlie Espinoza
Precinct 4, Place 1
Schedule of Bonds on Deposit**

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				<u>1,068.00</u>

Schedule of Adjustments

For the Month Ended September 30, 2018

Receipt Number	Case Number	Offense	Off date	Date	Disposition Date	CCC	CHS	CHSJP	CO	CRF	DD	DEL	DPS	DPSr	IDRF	JCTF	J5F	LTF	MVF	SCOF	SJFC	SJFS	STF	TPDC	TPDS	TPWF	TPWf	UTFC	WARr	WPREC41	TOTAL
Based on the deferred disposition, TPWF should NOT be assessed.																															
P41-2018-12619	CRNT18-0420-J41	over bag limit	9/1/2018	9/25/2018		40	3	1	-	-	8.4	-	-	-	2	4	4	2	-	-	0.6	5.4	-	1	1	47.6	5	-	-	-	125
P41-2018-12651	CRNT18-0428-J41	over bag limit	9/1/2018	9/26/2018		40	3	1	-	-	8.4	-	-	-	2	4	4	2	-	-	0.6	5.4	-	1	1	47.6	5	-	-	-	125
RF and County fine should be split 50% each.																															
P41-2018-2479	TR18-10442-J41	no safety belt, child	7/18/2018	9/24/2018	9/24/2018	40	3	1	-	23	-	-	-	5	2	4	4	2	-	-	0.6	5.4	30	1	1	-	-	3	-	-	125
Based on the deferred disposition, CRF should NOT be assessed.																															
P41-2018-2480	TR18-12124-J41	safety seat	8/31/2018	9/24/2018		40	3	1	-	12.5	12.5	-	-	5	2	4	4	2	0.1	-	0.6	5.4	30	1	1	-	-	3	-	-	127.1
P41-2018-2424	TR18-12202-J41	safety seat	9/1/2018	9/21/2018		40	3	1	-	12.5	12.5	-	-	5	2	4	4	2	0.1	-	0.6	5.4	30	1	1	-	-	3	-	-	127.1
elinquent was under assessed \$0.02.																															
P41-2018-1937	E13-05-160	speeding	4/27/2013	9/10/2018	9/10/2018	40	3	1	25.1	-	-	58.53	5	-	2	4	4	2	0.1	20	0.6	5.4	30	-	-	-	-	3	-	50	253.73
elinquent was under assessed \$34.62.																															
P41-2018-2009	E13-10-938	speeding	9/29/2013	9/12/2018	9/12/2018	40	3	1	154.9	-	-	52.5	5	-	2	4	4	2	0.1	20	0.6	5.4	30	-	-	-	-	3	50	-	377.5
P41-2018-2010	E13-10-938A	no driver license	9/29/2013	9/12/2018		40	3	1	190.9	-	-	52.5	-	-	2	4	4	2	0.1	20	0.6	5.4	-	1	1	-	-	-	50	-	377.5
elinquent was over assessed \$0.07. If approved by the Justice of Peace to be refunded, please contact the Auditor's Office for instructions.																															
P41-2018-202	TR16-6579-J41	driving while license invalid	11/9/2016	9/17/2018	9/17/2018	40	3	1	91.6	-	-	69.3	-	5	2	4	4	2	0.1	20	0.6	5.4	-	1	1	-	-	-	50	-	300

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 26, 2018

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

Re: *Monthly Fines and Fees Report* for September 2018

Dear Judge Jasso:

We conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the month of September 2018 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. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Report* for the month of September 2018. 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.

Methodology:

In conducting our review, 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 Report, 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, 52ND D.C.

JAIME E. TIJERINA
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, 376TH D.C.

LETICIA LOPEZ
JUDGE, 388TH D.C.

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

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

RENEE R. BETANCOURT
JUDGE, 449TH 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 determine if 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 month of September 2018 were \$61,293.70. Based on the results of our review, we 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.

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.

Observation No. 1:

We noted that 46 of 411 transactions contained errors in the allocation of fines, fees, and court costs. Some of the errors resulted from the disposition date (judgment date) not being entered into *Odyssey*. The Justice of the Peace staff was notified of the required adjustments (see Exhibit A); however, the 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), July 2017 (50), August 2017 (42), September 2017 (45), October 2017 (41), November 2017 (22), December 2017 (34), January 2018 (46), February 2018 (60), March 2018 (69), April 2018 (61), May 2018 (176), June 2018 (155), July 2018 (123), and August 2018 (59) are still pending to be completed. According to the Court Coordinator, they will contact the Information Technology Department for additional training on completing adjustments in *Odyssey*.

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 notification. Furthermore, the Justice of the Peace is required to enter the disposition date (judgment date) in *Odyssey* to facilitate the collection of statutory fees and denial of registration by the Tax Assessor-Collector.

Failure to ensure that fines, 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 fines, fees, and court costs.

Recommendation:

Management should contact the Information Technology Department to provide the training needed to complete the pending adjustments. 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.
- 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 disposition date (judgment date) are entered in *Odyssey*.
- Staff should ensure that adjustments are entered into *Odyssey* within three days of notification.

Observation No. 2:

Copies of the Office of Court Administration's "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 2018 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. Furthermore, 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*. 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*, 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 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 that 46 cash bonds (see Exhibit B) posted December 2013 through October 2016 by defendants who failed to appear before the Justice of the Peace were not forfeited (liquidated) by the 10th working day following the date of their release from jail. The bonds do not contain an event entered in *Odyssey* regarding the reason the bonds were not liquidated. According to the Justice of the Peace staff, the bonds were not forfeited due to technical issues with *Odyssey*. Assistance from the Information Technology Department has been requested; however, the problem has not been resolved.

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:

We noted that collections for 3 of 19 days were deposited at the bank 2 to 4 days after collections were receipted. According to the Court Coordinator, the collections were not deposited daily due to being understaffed and not having an individual available to make the deposits.

Pursuant to the "Cash Handling Guidelines and Procedures" prescribed by the County Auditor's Office, cash receipts must be deposited intact daily, unless the amount collected is less than \$100.00.

Failure to deposit collections daily increases the risk that loss or theft can occur.

Recommendation:

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

Observation No. 5:

We noted that 2 of 18 Close-out Reports were submitted to the County Treasurer's Office 2 to 6 days after the bank deposit was made. According to the Court Coordinator, the Close-out Reports were not submitted to the County Treasurer's Office on a daily basis due to scanner malfunction. The scanner is utilized to email/fax the Close-out Reports to the County Treasurer's Office.

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 daily Close-out Report along with the bank validated deposit slip prevents the County Treasurer's Office from recording the receipts into the accounting system on a timely basis and may increase the risk that an employee could misappropriate 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.

Observation No. 6:

We noted that the September 28, 2018 collections were not deposited intact. Two money orders totaling \$997.00 were deposited with the October 1, 2018 collections. According to the Court Coordinator, the money orders were not deposited on the day collected since they had concerns with the receipt.

The County Auditor's Office requires that cash receipts be deposited intact on a daily basis, unless the amount collected is less than \$100.00.

Failure to ensure that cash receipts are deposited intact on a daily basis increases the risk that loss or theft can occur.

Recommendation:

Management should ensure that cash receipts are deposited intact on a daily basis.

Please provide written management responses to the observations noted above and an action plan for observations 1 through 3 by December 7, 2018 using the attached Action Plan Forms.

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, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosures: *Monthly Report*, Exhibits A and B, and Management Response Forms

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAMIE E. TIERINA
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.

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.

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 1	We noted that 46 of 411 transactions contained errors in the allocation of fines, fees, and court costs. Some of the errors resulted from the disposition date (judgment date) not being entered into Odyssey. The Justice of the Peace staff was notified of the required adjustments (see Exhibit A); however, the 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), July 2017 (50), August 2017 (42), September 2017 (45), October 2017 (41), November 2017 (22), December 2017 (34), January 2018 (46), February 2018 (60), March 2018 (69), April 2018 (61), May 2018 (176), June 2018 (155), July 2018 (123), and August 2018 (59) are still pending to be completed.
Recommendation #	Management should contact the Information Technology Department to provide the training needed to complete the pending adjustments. 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 notification.
GOAL/ACTION ITEM:	Complete the adjustments for the months listed in the observation above.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2.				
3.				

Dept. Head/Elected Official Signature

Date

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 2	Copies of the Office of Court Administration's "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 2018 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.
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.
GOAL/ACTION ITEM:	The OCA Reports listed above are filed with the County Auditor's Office
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2.				
3.				
4.				
5.				
6.				

Dept. Head/Elected Official Signature

Date

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for September 2018
Observation No. 3	We noted that 46 cash bonds (see Exhibit B) posted December 2013 through October 2016 by defendants who failed to appear before the Justice of the Peace were not forfeited (liquidated) by the 10th working day following the date of their release from jail. The bonds do not contain an event entered in Odyssey regarding the reason the bonds were not liquidated.
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.
GOAL/ACTION ITEM:	The 47 cash bonds are liquidated as soon as possible.
DIV/DIRECTOR'S NAME:	
PERSON RESPONSIBLE FOR AP:	
PLAN DUE DATE:	
TARGET DATE:	
STATUS:	

STRATEGIES/ACTION STEPS		PERSON RESPONSIBLE	TARGET DATE	DATE COMPLETED
1.				
2.				
3.				
4.				
5.				
6.				

Dept. Head/Elected Official Signature

Date

Page 1 of 3

Receipt Number	Case Number	Offense	Typ	Off Date	Date	ABC	CCC	CFF	CHS	CHISP	CO	CON3	CON4	CRF	CSF	DEL	DPS	DPSr	EFF	IDRF	IND	JCTF	J5F	LTF	MVF	SCOF	SDF	SIFC	SIFS	SO	SOR	STF	TPDC	TPDS	UTFC	WARr	WFPREC42	TOTAL				
JP42-2018-04548	SC17-0087-J42			9/4/18		-	-	25	-	-	-	75	-	-	-	-	-	-	10	-	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	116.00				
Based on the first payment, TP \$25 should have been assessed. In addition, please verify disposition date.																																										
Safety Belt,																																										
JP42-2018-04847	TR18-3084-J42	Child<17		5/23/18	9/18/18	15	60	-	1.17	0.39	10	50	-	10	50	-	-	1.95	-	0.78	1.56	1.56	2	-	20	00	-	0.23	2.11	-	-	11.70	0.39	0.39	1.17	-	-	82.00				
JP42-2018-04717	TR18-3774-J42	Speeding		7/14/18	9/11/18	8	83	-	0.66	0.25	59	90	-	-	-	-	-	1.10	-	0.44	0.88	0.88	-	-	-	-	-	0.13	1.19	-	-	6.62	0.22	0.22	0.66	-	-	82.00				
Based on the first payment date, please verify disposition date.																																										
Safety Seat,																																										
JP42-2018-04835	TR17-3619-J42	Child <8		6/24/17	9/17/18	28	31	-	2.12	0.71	12	50	-	12	50	-	31	23	-	3	54	-	2	83	2	0	07	14	15	-	0.42	3	82	-	21	23	0.71	0.71	2.12	-	143.23	
Based on the first payment date, TP \$25 should have been assessed. In addition, please verify disposition date.																																										
Safety Seat,																																										
JP42-2018-04987	TR18-0540-J42	Child <8		1/10/18	9/25/18	37	00	-	2.78	0.93	12	50	-	12	50	-	-	4	63	-	1	85	3	70	2	0	09	18	50	-	0.53	5	00	-	27	75	0.93	0.93	2.78	-	138.10	
Based on the first payment date, please verify disposition date.																																										
Safety Seat,																																										
JP42-2018-04613	TR18-3940-J42	Child <8		7/11/18	9/5/18	-	-	-	-	-	11	05	-	11	05	-	-	-	-	-	-	-	-	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26.10			
Based on the first payment date, TP \$25 should have been assessed. Del was under assessed, should have been \$47.10. Please call Auditor's office for instructions. In addition, please verify disposition date.																																										
JP42-2018-04908	TR17-5650-J42	No DL (Unit)		8/23/17	9/11/18	10	66	-	0.80	0.27	65	90	-	-	-	12	39	-	1	33	-	1	07	1	05	2	0	03	5	33	-	0.16	1	44	-	0	27	0	27	-	103.50	
Based on the first payment date, TP \$25 should have been assessed. Based on the number of payments, LTF was under assessed by \$2. In addition, please verify disposition date.																																										
No DL (Unit)																																										
JP42-2018-04607	TR18-3899-J42	No DL (Unit)		7/11/18	9/5/18	13	77	-	1.03	0.34	24	90	-	-	-	-	-	-	1	72	-	0	69	1	38	1	38	2	0	03	-	0.22	1	86	-	0	22	0	34	-	50.00	
Based on the number of payments, LTF was under assessed by \$2. In addition, please verify disposition date.																																										
JP42-2018-04941	TR18-4915-J42	Speeding		9/14/18	9/24/18	5	19	-	0.39	0.13	-	-	-	-	-	-	-	0	65	-	0	26	0	52	0	52	2	0	01	-	0.08	0	70	-	3	90	0.13	0.13	0.39	-	15.00	
Based on the first payment date, please verify disposition date.																																										
Display																																										
JP42-2018-04884	TR15-0479-J42	Expired LP		9/7/15	9/20/18	8	55	-	0.64	0.21	-	-	-	-	-	18	72	-	-	0	43	0	85	0	87	2	4	27	-	0.13	1	15	-	1	07	0	21	10	69	50.00		
Based on disposition date, TP \$25 should have been assessed. DEL was over assessed, should be \$32.10. If approved by the Justice of the Peace, refund amount. If not, please call the Auditor's office for instructions																																										
JP42-2018-04584	JP05-07-185	Speeding		6/22/05	9/4/18	40	00	-	3	00	-	-	-	-	-	87	00	5	00	-	-	4	00	-	2	-	20	00	-	-	-	-	30	00	-	-	3	00	-	194.00		
Based on disposition date, TP \$25 should have been assessed. DEL was over assessed, should be \$22.20. If approved by the Justice of the Peace, refund amount. If not, please call the Auditor's office for instructions																																										
No DL (Unit)																																										
JP42-2018-04587	JP05-07-186	No DL (Unit)		6/22/05	9/4/18	40	00	-	3	00	-	-	-	-	-	87	00	5	00	-	-	4	00	-	2	-	20	00	-	-	-	-	-	-	-	-	-	161.00				
Based on disposition date, TP \$25 should have been assessed.																																										
Minor in Possession of Alc Bev																																										
JP42-2018-04673	JP07-02-041			1/26/07	9/7/18	5	40	-	3	00	1	00	237	00	-	-	111	00	-	-	-	-	4	00	4	00	2	20	00	-	0.60	3	40	-	-	-	-	-	50.00	481.00		
Based on the first payment, TP \$25 should have been assessed. DEL was over assessed, should be \$42.30. If approved by the Justice of the Peace, refund amount. If not, please call the Auditor's office for instructions																																										
JP42-2018-04863	JP08-03-123	No DL (Unit)		1/26/08	9/19/18	17	35	-	1	30	0	43	-	-	-	-	39	43	2	17	-	0	87	1	74	1	74	2	8	68	-	0.26	2	34	-	-	-	-	21.69	100.00		
TPDS was not split correctiv, should be TPDS \$1 and TPDC \$1.																																										
No Safety Belt																																										
JP42-2018-04687	JP14-03-006	Belt		2/10/14	9/10/18	40	00	-	3	00	1	00	50	00	-	-	51	60	5	00	-	2	00	4	00	2	20	00	-	0.60	5	40	-	30	00	-	2	00	3	00	-	223.60
DEL was over assessed, should be \$27.90. If approved by the Justice of the Peace, refund amount. If not, please call Auditor's office for instructions. In addition, please verify disposition date																																										
JP42-2018-04637	CRN17-0145-J4 Asault			8/3/17	9/4/18	25	06	-	1	88	0	62	-	-	-	28	00	-	-	1	25	2	50	2	50	-	12	53	-	0.38	3	38	-	3	14	-	0.63	0.63	-	82.50		
DEL was over assessed, should be \$26.73. If approved by the Justice of the Peace, refund amount. If not, please call Auditor's office for instructions																																										
Driving While Lic																																										
JP42-2018-04775	TR16-0259-J42	Invalid		1/26/16	9/13/18	40	00	-	3	00	1	00	-	-	-	46	50	-	5	00	-	2	00	4	00	2	0	10	20	00	-	0.60	5	40	-	-	1	00	1	00	-	135.60

Justice of the Peace Homero Jasso
Schedule of Adjustments
For the Month Ended September 30, 2018

Receipt Number	Case Number	Offense Typ	Off Date	Date	ABC	CCC	CFF	CHS	CHSP	CO	CON53	CONST4	CRF	CSF	DEL	DPS	DPSr	EFF	IDRF	IND	JCTF	JSF	LTF	MVF	SCOF	SDF	SJFC	SJFS	SO	SOR	STF	TPDC	TPDS	UTC	WAR	WPREC42	TOTAL		
JP42-2018-04662	JP15-02-005	Motor Veh Insp	1/22/15	9/7/18	-	40.00	-	3.00	1.00	155.00	-	-	-	-	97.50	-	-	-	1.00	-	4.00	4.00	2	-	20.00	-	0.60	5.40	5	-	30.00	-	1.00	3.00	50.00	-	422.50		
Based on first payment date, TP \$25 should have been assessed. In addition, please enter disposition date.																																							
JP42-2018-04945	JP15-06-257	Motor Veh Insp	5/26/15	9/24/18	-	-	-	-	-	-	-	-	-	-	9.00	-	-	-	-	-	-	-	16	-	-	-	-	-	-	-	-	-	-	-	-	-	25.00		
DEL was over assessed, should be \$41.70. If approved by the Justice of the Peace, refund amount. If not, please call Auditor's office for instructions																																							
JP42-2018-05065	JP15-01-137	No Liability Ins	1/1/15	9/28/18	-	40.00	-	3.00	1.00	-	-	-	-	-	124.20	5.00	-	-	2.00	-	4.00	4.00	2	-	20.00	-	0.60	5.40	-	-	-	-	1.00	1.00	-	-	50.00	263.20	
JP42-2018-04802	JP15-01-312	No Liability Ins	1/5/15	9/14/18	-	40.00	-	3.00	1.00	-	-	-	-	-	124.20	5.00	-	-	2.00	-	4.00	4.00	2	-	20.00	-	0.60	5.40	-	-	-	-	1.00	1.00	-	-	50.00	263.20	
DEL was over assessed, should be \$42.90. If approved by the Justice of the Peace, refund amount. If not, please call Auditor's office for instructions																																							
JP42-2018-04803	JP15-03-522	No Liability Ins	2/6/15	9/14/18	-	11.95	-	0.90	0.30	-	-	-	-	-	37.09	1.49	-	-	0.60	-	1.19	1.19	2	-	5.97	-	0.18	1.61	-	-	-	-	0.30	0.30	-	14.93	80.00		
DEL was over assessed, should be \$42.30. If approved by the Justice of the Peace, refund amount. If not, please call Auditor's office for instructions																																							
JP42-2018-04969	TR15-0375-42	Financial Resp	5/5/15	9/25/18	-	32.65	-	2.45	0.82	-	-	-	-	-	101.38	-	-	-	1.63	-	3.26	3.26	2	-	16.32	-	0.49	4.41	-	4.08	-	-	0.82	0.82	-	40.81	215.20		
Based on first payment, TP \$25 should have been assessed. DEL was under assessed, should be \$80.40. Please call Auditor's office for instructions. In addition, please enter disposition date																																							
JP42-2018-04625	TR17-4322-42	Financial Resp	7/22/17	9/5/18	-	31.72	-	2.38	0.79	157.00	-	-	-	-	73.80	-	-	-	1.59	-	3.17	3.17	2	-	15.86	-	0.48	4.28	-	-	-	-	0.79	0.79	-	-	301.80		
DEL was over assessed, should be \$27.30. If approved by the Justice of the Peace, amount should be refunded. If not, please call Auditor's office for instructions. In addition, please enter disposition date																																							
JP42-2018-04751	TR17-4603-42	Financial Resp	7/31/17	9/12/18	-	11.55	-	0.87	0.29	-	-	-	-	-	22.87	-	-	-	0.58	-	1.16	1.16	2	-	5.78	-	0.17	1.56	-	-	-	-	0.29	0.29	-	-	52.55		
DEL was under assessed, should be \$92.13. Please call Auditor's office for instructions																																							
JP42-2018-05046	JP14-08-234	No DL (Unl)	8/8/14	9/27/18	-	8.86	-	0.66	0.22	166.00	-	-	-	-	20.27	1.11	-	-	0.44	-	0.89	0.89	2	0.02	4.43	-	0.13	1.20	-	-	-	-	0.22	0.22	-	-	11.07	218.63	
DEL was under assessed, should be \$47.10. Please call Auditor's office for instructions																																							
JP42-2018-04908	TR17-5650-42	No DL (Unl)	8/23/17	9/21/18	-	10.66	-	0.80	0.27	65.90	-	-	-	-	12.39	-	-	-	0.53	-	1.07	1.05	2	0.03	5.33	-	0.16	1.44	-	-	-	-	0.27	0.27	-	-	103.50		
DEL was over assessed, should be \$26.73. If approved by the Justice of the Peace, amount should be refunded. If not, please call Auditor's office for instructions																																							
JP42-2018-04996	TR17-5727-42	No DL (Unl)	9/22/17	9/26/18	-	40.00	-	3.00	1.00	-	-	-	-	-	46.50	-	-	-	2.00	-	4.00	4.00	2	0.10	20.00	-	0.60	5.40	-	-	-	-	1.00	1.00	-	-	135.60		
DEL was over assessed, should be \$26.70. If approved by the Justice of the Peace, amount should be refunded. If not, please call Auditor's office for instructions																																							
JP42-2018-05023	TR17-1912-42	Open Burning	4/4/17	9/27/18	-	40.00	-	3.00	1.00	-	-	-	-	-	176.70	-	-	-	2.00	-	4.00	4.00	2	-	20.00	-	0.60	5.40	-	5.00	-	-	1.00	1.00	-	-	265.70		
DEL was over assessed, should be \$36.63. If approved by the Justice of the Peace, amount should be refunded. If not, please call Auditor's office for instructions. In addition, please enter disposition date																																							
JP42-2018-04753	TR17-2352-42	Speeding	5/2/17	9/12/18	-	40.00	-	3.00	1.00	-	-	-	-	-	53.73	-	-	-	2.00	-	4.00	4.00	2	0.10	20.00	-	0.60	5.40	-	-	30.00	1.00	1.00	3.00	-	175.83			
DEL was over assessed, should be \$36.63. If approved by the Justice of the Peace, amount should be refunded. If not, please call Auditor's office for instructions																																							
JP42-2018-04877	TR17-5726-42	Speeding	9/22/17	9/19/18	-	40.00	-	3.00	1.00	-	-	-	-	-	58.23	-	-	-	2.00	-	4.00	4.00	2	0.10	20.00	-	0.60	5.40	-	-	30.00	1.00	1.00	3.00	-	180.33			

Justice of the Peace Homero Jasso
Schedule of Adjustments
For the Month Ended September 30, 2018

Receipt Number	Case Number	Offense Type	Off Date	ABC	CCC	CFF	CHS	CHSIP	CO	CON53	CON54	CRF	CSF	DEL	DPS	DPSr	EFF	IDRF	IND	JCTF	JSF	LTF	MVF	SCOF	SDF	SJFC	SIFS	SO	SOY	STF	TPDC	TPDS	UTFC	WARR	WFPREC42	TOTAL
DEL was under assessed, should be \$50.73. Based on the first payment date, TP \$25 should have been assessed. In addition, please enter disposition date																																				
JP42-2018-04824	TR17-3848-J42	Speeding	7/5/17	9/17/18	-	11.28	-	0.85	0.28	-	-	-	1.41	-	14.14	-	-	0.55	-	1.13	1.13	2	0.03	5.64	-	0.17	1.52	-	-	8.46	0.28	0.28	0.85	-	-	50.00
Please enter disposition date.																																				
JP42-2018-05081	TR18-4706-J42	No DL (Unit)	9/1/18	9/28/18	-	28.60	-	2.15	0.72	-	-	-	-	-	-	3.58	-	1.43	-	2.86	2.86	2	0.07	-	-	0.43	3.86	-	-	-	0.72	0.72	-	-	-	50.00
Parent Contributing to Non-																																				
JP42-2018-04666	TR18-0090-J42	Att	5/4/18	9/7/18	-	40.00	-	3.00	1.00	8.00	-	-	2.0	-	-	-	-	2.00	-	4.00	4.00	2	-	-	8	0.60	5.40	-	-	-	1.00	1.00	-	-	-	100.00
JP42-2018-05044	TR18-3241-J42	Speeding	6/1/18	9/7/18	-	40.00	-	3.00	1.00	90.00	-	-	-	-	-	5.00	-	2.00	-	4.00	4.00	2	0.10	20.00	-	0.60	5.40	-	-	30.00	1.00	1.00	3.00	-	-	212.10
JP42-2018-04657	TR18-4125-J42	Speeding	7/23/18	9/7/18	-	40.00	-	3.00	1.00	90.00	-	-	-	-	-	5.00	-	2.00	-	4.00	4.00	2	0.10	-	-	0.60	5.40	-	-	30.00	1.00	1.00	3.00	-	-	192.10
JP42-2018-04756	TR18-4350-J42	Speeding	8/4/18	9/12/18	-	40.00	-	3.00	1.00	-	-	-	-	-	-	5.00	-	2.00	-	4.00	4.00	2	0.10	-	-	0.60	5.40	-	-	30.00	1.00	1.00	3.00	-	-	102.10
JP42-2018-04658	TR18-4590-J42	Speeding	8/24/18	9/7/18	-	40.00	-	3.00	1.00	48.00	-	-	-	-	-	5.00	-	2.00	-	4.00	4.00	2	0.10	-	-	0.60	5.40	-	-	30.00	1.00	1.00	3.00	-	-	150.10
JP42-2018-04755	TR18-4623-J42	Speeding	8/26/18	9/12/18	-	40.00	-	3.00	1.00	-	-	-	-	-	-	5.00	-	2.00	-	4.00	4.00	2	0.10	-	-	0.60	5.40	-	-	30.00	1.00	1.00	3.00	-	-	102.10
JP42-2018-04735	TR18-4704-J42	Speeding	9/1/18	9/12/18	-	40.00	-	3.00	1.00	42.00	-	-	-	-	-	5.00	-	2.00	-	4.00	4.00	2	0.10	-	-	0.60	5.40	-	-	30.00	1.00	1.00	3.00	-	-	144.10
JP42-2018-04971	TR18-4868-J42	Speeding	9/12/18	9/25/18	-	40.00	-	3.00	1.00	39.00	-	-	-	-	-	5.00	-	2.00	-	4.00	4.00	2	0.10	-	-	0.60	5.40	-	-	30.00	1.00	1.00	3.00	-	-	141.10
JP42-2018-05069	TR18-4947-J42	Speeding	9/12/18	9/28/18	-	40.00	-	3.00	1.00	54.00	-	-	-	-	-	5.00	-	2.00	-	4.00	4.00	2	0.10	-	-	0.60	5.40	-	-	30.00	1.00	1.00	3.00	-	-	156.10
JP42-2018-04574	TR18-4126-J42	Speeding	7/23/18	9/4/18	-	19.16	-	1.44	0.48	-	-	-	-	-	-	2.40	-	0.56	-	1.92	1.92	2	0.05	-	-	0.29	2.59	-	-	14.39	0.48	0.48	1.44	-	-	50.00
JP42-2018-04626	TR17-2280-J42	No DL (Unit)	5/6/17	9/6/18	-	29.34	-	2.20	0.73	-	-	-	-	34.11	-	3.67	-	1.47	-	2.93	2.95	2	0.07	14.67	-	0.44	3.96	-	-	-	0.73	0.73	-	-	-	100.00
JP42-2018-04991	TR16-4173-J42	Speeding	11/22/16	9/25/18	-	40.00	-	3.00	1.00	39.00	-	-	-	48.33	-	5.00	-	2.00	-	4.00	4.00	2	0.10	20.00	-	0.60	5.40	-	-	30.00	1.00	1.00	3.00	-	-	209.43
JP42-2018-04930	TR17-5717-J42	Speeding	9/27/17	9/21/18	-	40.00	-	3.00	1.00	30.00	-	5.00	-	45.63	-	-	-	2.00	-	4.00	4.00	2	0.10	20.00	-	0.60	5.40	-	-	30.00	1.00	1.00	3.00	-	-	197.73

Justice of the Peace Homero A. Jasso
Precinct 4, Place 2
Schedule of Bonds on Deposit
As of September 30, 2018

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	6/30/2016	JP42-2016-02567		50.00
	34	6/30/2016	JP42-2016-02568	TR16-2308-J42	50.00
	35	6/30/2016	JP42-2016-02570	TR16-2278-J42	50.00
	36	7/6/2016	JP42-2016-02643	JP15-07-399	138.10
	37	7/6/2016	JP42-2016-02644	JP15-07-398	105.10
	38	7/6/2016	JP42-2016-02647	JP15-03-440	5.00

39	7/11/2016	JP42-2016-02697	JP14-08-283	100.00
40	7/19/2016	JP42-2016-02779	JP09-10-723	93.90
41	7/19/2016	JP42-2016-02781	JP09-10-724	119.90
42	7/29/2016	JP42-2016-02900		299.00
43	8/26/2016	JP42-2016-03191	CRNT16-0166-J42	129.00
44	10/20/2016	JP42-2016-03603	JP08-12-833	283.00
45	10/21/2016	JP42-2016-03609	CRNT16-0181-J42	129.00
2017				
46	6/20/2017	JP42-2017-02537	CRNT17-0109-J42	167.00
Total				<u>\$ 7,283.85</u>

JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-18

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) JP42-2018-04532 0 THRU JP42-2018-05082 \$61,293.70 X10

LESS: COST ON DEPOSIT - ✓

ADD: COST ON DEPOSIT LIQUIDATED 5.10 ✓ X10

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

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

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

\$61,298.80 ✓ X3
68,582.65 (A) ✓
\$ 68,419.49
(7,283.85) X4 -G
68,419.49 ✓
PA

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	<u>\$61,293.70</u> <u>B1</u> <u>60807.70</u>	
Add: Previous Month's Bond Overtransfer <u>Unliquidated Bonds</u>	<u>7,288.95</u> <u>\$0.00</u> <u>EXB</u>	
<u>Dec '13, May '16 through Aug. '16, Oct. '16</u>		
Add: HCSO Monthly "D" Collections Report <u>April & June</u>	<u>486.00</u> <u>\$0.00</u> <u>X4-G</u>	
Total Remittances Made to County Treasurer	<u>68,582.65</u> <u>(A)</u> <u>✓</u> <u>\$</u> <u>68,419.49</u>	

PREPARED BY: [Signature]

DATE PREPARED: 10/4/2018

RECEIVED

OCT - 4 2018

HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: [Signature]
DATE: 10/24/2018

JUSTICE OF THE PEACE

DATE

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-18**

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

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		1200-351-10-068-000-0-000	\$ 18,033.40
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	179.35
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (j)		1100-207-20-000-028-0-000	134.05
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)		1100-207-30-000-011-0-000	159.00
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	914.27
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-068-000-0-000	302.65
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	1,219.01
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	-
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 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	773.50
Motor Vehicle Adm. Fee (\$10-\$20) (Criminal Fee for Exp. DL, Exp. Insp. Cert, Exp. Mr. Reg. Special Fees)		TRC Sec 348.605, 321.026, 502.407		1100-341-10-060-004-0-000	-
Deferred Disposition		C.C.P. Art. 45.051		1100-341-10-068-000-0-000	-
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	181.43
Traffic Fee (\$3)		T.R.C. 342.403		1100-341-10-068-000-0-000	495.67
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	105.00
Failure to Appear (\$4)		TRC 706.006/TRC 706.007(d)(2)		1100-341-10-060-012-0-000	80.00
Scofflaw Fee (\$20)		TRC 502.010(a)		1100-341-10-140-049-0-000	2,368.28
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	291.27
Truancy 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	-
Juvenile Crime and Delinquency Fund (\$25, \$50)		C.C.P. Art. 102.075(m)		1100-207-20-000-007-0-000	0.18
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	1.76
Consolidated Court Costs Fund (\$17)		CCP 102.075 (a) 3/ LGC 133.102		1100-207-20-000-015-0-000	12,182.39
Compensation Victims Of Crime Fund (\$3, \$5, \$15, \$35)		C.C.P. Art. 56.55 (2) & (3)		1100-207-20-000-017-0-000	5.28
Judicial & Court Personnel Training Fund (\$1, \$2)		Govt. Code Sec. 56.001 (b)		1100-207-20-000-027-0-000	0.70
Correctional Management Institute of Texas Fund (\$50)		CCP Art. 102.075		1100-207-20-000-029-0-000	(0.32)
Indigent Legal Services Fee-JP (\$6)	136	Govt. Code Sec. 101.141(2) (B)		1100-207-20-000-004-0-000	816.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 342.4031		1100-207-20-000-035-0-000	4,946.04
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	1,209.59
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	1,625.63
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 (\$2)		LGC 133.107/GC 102.023		1100-207-20-000-059-0-000	596.46
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	22.87
Safety Seat Violation Fee (\$0.15)		TRC 545.412 (b-1)		1100-207-20-000-062-0-000	25.00
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 101.1411/GC 51.851		1100-207-20-000-070-0-000	1,360.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	294.27
Texas Home Visiting Program Contribution (\$5)		HSC 191.0045/LGC 118.018 (c)		1100-207-20-000-074-0-000	-
ARREST /WARRANT FEES: STATE					
D.P.S. (\$3, \$5, \$35, \$50)	135	C.C.P. Art. 102.011		1100-207-20-000-019-0-000	1,326.01
T.A.B.C. (\$3, \$5, \$35, \$50)				1100-207-20-000-020-0-000	5.00
P.K.W.L. (\$3, \$5, \$35, \$50)				1100-207-20-000-021-0-000	25.00
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	84.91
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	75.00
Precinct #3				1100-342-10-294-000-0-000	2,315.55
Precinct #4				1100-342-10-295-000-0-000	-
Precinct #5				1100-341-10-060-007-0-000	-
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				1100-342-20-060-001-0-000	-
Fire Marshal Fee				-	-
Due to Others					
Warrant Fees/Out of County Service Fees DFO Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2 (A)		1100-207-30-000-003-0-000	-
Refund - Overpayments				1100-202-00-000-014-0-000	51.20
Due to Others				1100-202-00-000-014-0-000	-
Restitution				1100-202-00-000-014-0-000	-
Failure to Appear- OmniBase (\$6)		TRC 706.006/TRC 706.007(d)(2)		1100-202-00-000-019-0-000	-
Delinquent Fees				1100-202-00-000-004-0-000	4,983.40
Justice Fees (Local Fees)				1100-341-10-060-001-0-000	3,465.00
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122	3,400.00	-	-
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122	-	-	-
Landlord & Tenant Eviction Filing Fee (Forecible Entry & Detainer Court) (\$25)		LGC 118.121/118.122	-	-	-
Transcript Fees (\$10)		LGC 118.121/118.123 (b)	-	-	-
Appeal Fees (\$10)			10.00	-	-
Abstract Fees (\$5)		LGC 118.121/118.123 (c)	55.00	-	-
Writ Filing Fee (\$5)		LGC 118.121/118.123 (d)	-	-	-
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 11.141(a)	-	-	-
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 (h)	-	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	-

TOTAL AMOUNT DUE TO THE COUNTY TREASURER:

\$ 61,298.80

THIS REPORT IS DUE IN THE OFFICE OF THE COUNTY AUDITOR BEFORE THE FIFTH STRIP DAY OF THE FOLLOWING MONTH LGC § 114.061

OCT - 4 2018

HIDALGO COUNTY
AUDITOR'S OFFICE

HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: [Signature]
DATE: 10/24/18

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

October 26, 2018

The Honorable Jason Peña
Hidalgo County Justice of the Peace Pct. 5, Pl. 1
P.O. Box 238
Elsa, Texas 78543

Re: *Monthly Fines and Fees Report* for September 2018

Dear Judge Peña:

We conducted a limited scope review of the *Monthly Fines and Fees Report (Monthly Report)* and supporting documentation for the month of September 2018 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. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Report* for the month of September 2018. 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.

Methodology:

In conducting our review, 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 Report, 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.

HIDALGO COUNTY DISTRICT JUDGES

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

JAMIE E. TIERINA
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.
DIVISION

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.

- 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 month of August 2018 were \$8,556.90. Based on the results of our review, we 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 observation.

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.

Observation No. 1:

We noted that 1 of 6 online credit card transactions was receipted 20 days after the date of transaction. Consequently, the applicable case disposition was not recorded in *Odyssey* in a timely manner. According to the Court Coordinator, the credit card transaction was receipted late since they had questions on how to receipt the transaction.

The County Auditor's Office requires that all collections (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.

Please provide a written management response to the observation noted above by Friday, November 9, 2018.

If you have any questions, please contact Edgar Alan Escobedo, Internal Auditor I, at 318-2511 ext. 4655, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIERNA
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.
CIVIL JUSTICE

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
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-18**

Judge: **JASON PEÑA**
Precinct No. **5** Place No. **1**

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

PBC

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED	(Receipts #s) <u>JP51-2018-00248</u> THRU <u>JP51-2018-00318</u>	\$	8,556.90 ✓ x9-a,
LESS: COST ON DEPOSIT			0.00 - x7 ✓
ADD: COST ON DEPOSIT LIQUIDATED			0.00 - x7 ✓
AMOUNT OWED TO COUNTY (Should Match Amt in Part III)		\$	8,556.90 x3 ✓
Less: Total amount of remittances to County Treasurer (From Part II)		\$	8,556.90 (A)
Total funds due to County Treasurer (Overtransfer Made to Co Treas.)			(0.00) x4-a, 2A

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	RECEIPT NO.
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ 8,556.90 B1 ✓	
Add: Previous Month's Bond Overtransfer	0.00	
Add: HCSO Monthly "D" Collections Report	\$0.00	
Total Remittances Made to County Treasurer	\$ 8,556.90 (A) 2A	

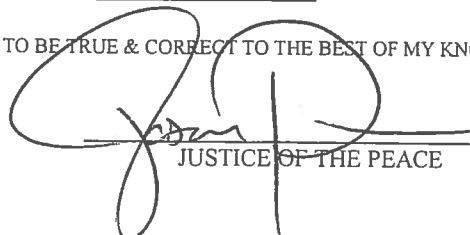
PREPARED BY: M. Hopper

DATE: 10/1/18

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: en 10/17/2018
10/22/18 10/24/18


JUSTICE OF THE PEACE

10/1/18
DATE

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: September-18**

Judge: JASON PEÑA
Precinct No. 5 Place No. 1

PBC

City: ELSA, TX
Hidalgo County, Texas

Part III SUMMARY OF COLLECTIONS PAYABLE TO THE COUNTY TREASURER

PAGE 2 OF 2

Name of Fine, Fee, Court Cost	# Issues/ Filed	Statute Reference	Detail of Amt Collected	GL Acct No	Amt. Collected
FINES:					
County Fines (Local Fine)		LGC 113.004, PC 12.23		1200-351-10-069-000-0-000	\$ 2,472.20
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 13.107		1100-207-20-000-012-0-000	175.10
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (j)		1100-207-20-000-028-0-000	-
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)		1100-207-30-000-012-0-000	-
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	144.00
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-069-000-0-000	48.00
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	192.00
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	-
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 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	96.00
Motor Vehicle Adm. Fee (\$10-\$20) (Diminutal 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	20.00
Special Fees					
Deferred Disposition		C.C.P. Art. 45.051	234.70	1100-341-10-069-000-0-000	244.70
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051 (f)	10.00		
Support of Judiciary Fund (\$60)		LGC 133.105		1100-341-10-060-009-0-000	28.80
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-069-000-0-000	87.00
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (e)		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	-
Scofflaw Fee (\$20)		TRC 502.010(a)		1100-341-10-140-049-0-000	80.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	48.00
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	-
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	-
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	1,920.00
Compensation Victims Of Crime Fund (\$3, \$5, \$15, \$35)		C.C.P. Art. 56.53 (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)		CCP Art. 102.075		1100-207-20-000-029-0-000	-
Indigent legal Services Fee-JP (\$6)	17	Govt. Code Sec. 101.141(2) (B)		1100-207-20-000-004-0-000	102.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	870.00
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	192.00
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	259.20
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. 45.0511 (e-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	96.00
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	3.90
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/GC 51.851		1100-207-20-000-070-0-000	170.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	48.00
Texas Home Visiting Program Contribution (\$5)		HSC 191.0048/GC 118.018 (e)		1100-207-20-000-074-0-000	-
Judicial & Court Personnel Training Fund-Civil (\$5)	17	GC 51.971 (a)		1100-207-20-000-076-0-000	85.00
ARREST / WARRANT FEES: STATE		C.C.P. Art. 102.011			
D.P.S. (\$3, \$5, \$35, \$50)				1100-207-20-000-019-0-000	190.00
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	30.00
Texas Comptrollers Criminal Investigators				1100-207-20-000-060-0-000	-
ARREST / WARRANT / SERVICE FEES: COUNTY		LGC 118.131			
Sheriff Fees:					
Constable Fees:					
Precinct #1				1100-342-10-060-001-0-000	15.00
Precinct #2				1100-342-10-291-000-0-000	-
Precinct #3				1100-342-10-292-000-0-000	-
Precinct #4				1100-342-10-293-000-0-000	-
Precinct #5				1100-342-10-294-000-0-000	-
District Attorney Fees				1100-342-10-295-000-0-000	380.00
Tax Assessor Fraud Investigators				1100-341-10-060-007-0-000	-
School District Arrest Fee				1100-342-10-060-002-0-000	-
Fire Marshal Fee				1100-342-10-060-003-0-000	-
Due to Others				1100-342-20-060-001-0-000	-
Warrant Fees/Out of County Service Fees DTO Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2 (A)		1100-207-30-000-003-0-000	-
Refund - Overpayments				1100-202-00-000-015-0-000	135.00
Restitution				1100-202-00-000-015-0-000	-
Failure to Appear- OmniBase (\$6)		TRC 706.006/TRC 706.007(d)(2)		1100-202-00-000-019-0-000	-
Delinquent Attorney Fee		C.C.P. Art. 103.0031 (b)		1100-202-00-000-004-0-000	-
Justice Fees (Local Fees)				1100-341-10-060-001-0-000	425.00
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122	100.00		
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122	150.00		
Landlord & Tenant Eviction Filing Fee (Forcible Entry & Detainer Court) (\$25)		LGC 118.121/118.122	175.00		
Transcript Fees (\$10)		LGC 118.121/118.123 (b)	-		
Abstract Fees (\$5)		LGC 118.121/118.123 (c)	-		
Writ Filing Fee (\$5)		LGC 118.121/118.123 (d)	-		
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)	-		
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)		1100-341-10-060-008-0-000	-
Jury Fees (Civil \$22, Criminal \$3)		504.1(b) CCP 102.004		1100-341-10-060-006-0-000	-
TOTAL AMOUNT DUE TO THE COUNTY TREASURER:					\$ 8,556.90

AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE

DATE: 10/17/2018

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 5, 2018

The Honorable Laura Hinojosa
Hidalgo County District Clerk
100 N. Closner, 1st Floor
Edinburg, Texas 78540

Re: *Monthly Fees Report* for September 2018

Dear Ms. Hinojosa:

We conducted a limited scope review of the *Monthly Fees Report* and supporting documentation for the month of September 2018 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. 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.

Scope:

The scope of our review was limited to collections reported by your office on the *Monthly Fees Report* for the month of September 2018. Our review was not intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

Methodology:

In conducting our review, the following procedures were performed:

- Reviewed the submittal date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report and supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Fees Report* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fees Report* by footing and cross-footing the report.
- Verified that collections per the *Monthly Fees 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.
- Verified that the jail time ordered to be served by the defendant as stated on the Judgment Order agreed to the jail time reported on the Sheriff's "D" Monthly Report.
- Verified the sequence of receipts per the *Monthly Fees Report* agreed to *Odyssey's* Receipt Journal Report for civil and criminal collections. In addition, verified that receipts followed sequential order.
- Reviewed randomly selected receipts to determine if fines, 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 Fees Report*, and mail logs to verify proper completion.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TJERINA
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, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

- Reviewed and verified randomly selected receipts per method of payment for 5 days to determine if money orders, checks, credit cards, E-files, and cash were properly receipted and deposited.
- Reviewed and verified that the number of cases and motions for civil filing fees were correctly reported on the *Monthly Fees Report*.

Conclusion:

Total collections for the month of September 2018 were \$377,554.20. Based on the results of our review, we have concluded that fines, fees, and court costs collected 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 observation.

The responsibility for sound internal controls 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.

Observation No. 1:

We noted that 37 of 1,114 receipts contained errors in the allocation of fines, fees, and court costs. The District Clerk's Office was notified of the errors (See Exhibit A) and all adjustments have been completed. According to staff, staff has been properly trained; however, the required adjustments are for fines, fees, and court costs assessed prior to January 21, 2016, the date the fee schedule was revised. In addition, since payments for these cases are collected at the County Clerk's Collections Office, the District Clerk staff is not able to verify that the fines, fees, and court costs were correct prior to taking in a payment.

There are numerous statutes that require the District Clerk to collect 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.

Failure to ensure that fines, 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 fines, fees, and court costs.

Recommendation:

Management should coordinate with the County Clerk's Collections Office to ensure that the fines, fees, and court costs for cases prior to January 21, 2016 are properly allocated before the official County receipt is issued.

Please provide a written management response to the observation noted above by November 16, 2018.

If you have any questions, please contact Marissa Castillo, Internal Auditor II, at 318-2511 ext. 4650, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Letty Chavez, Director of Audit Division, Linda Fong, First Assistant Auditor, at ext. 4668 or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosures: Copy of *Monthly Fees Report* and Exhibit A

cc: Mr. Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 268TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

HIDALGO COUNTY DISTRICT CLERK MONTHLY FEE REPORT

PAGE 1 OF 3

FOR THE MONTH OF SEPTEMBER 2018

		# OF CASES		
DISTRICT COURT FEES (LGC 133.151(a)(1)&(a)(2))				
DIVORCE & FAMILY LAW CASES				
PARTIAL PAYMENT	# 241	X12	Cases To Report	= \$ 10,635.78
OTHER THAN DIVORCE/FAMILY	# 368	X12	Cases To Report	= \$ 18,015.05
PARTIAL PAYMENT				
INDIGENT LEGAL SERVICES (LGC 133.152 (a)(1)-(2))				
DIVORCE & FAMILY LAW CASES	# 285	X12	Actions To Report	= \$ 1,421.38
PARTIAL PAYMENT				
OTHER THAN DIVORCE/FAMILY	# 443	X12	Actions To Report	= \$ 4,340.04
PARTIAL PAYMENT				
JUDICIAL SUPPORT FEE (LGC 133.154) @37.00AFTER 12/1/05	# 0	X12	Cases To Report	= \$ 26.43
PARTIAL PAYMENT				
JUDICIAL SUPPORT FEE (LGC 133.154) @542.00AFTER 1/1/08	# 606	X12	Cases To Report	= \$ 24,940.28
PARTIAL PAYMENT				
FAMILY PROTECTION FEE (GC 51.961) AFTER 6/15/07@15.00				
CLERK COST (GC 51.317(b)(1)&(b-1)) \$ 30,048.35				
OTHER CLERK COST (GC51.317-319) \$ 23,723.86				
TIME PAYMENT (LGC 133.103) @10.00				
PHOTO & CERTIFIED COPIES (GC 51.318(b)(7)-(8))				
OTHER FEES:				
REGISTRY ADMINISTRATION FEE (LGC 117.055)				
REGISTRY ADMINISTRATION INTEREST (LGC 117.054)				
NSF CHECK FEE (LGC 118.141)				
STOP PAYMENT CHARGE (LGC 118.141 (b)(1)-(2))				
INTEREST EARNED FOR THE MONTH OF AUG/2018				
COURT FEES:				
DISTRICT ATTORNEY (CCP 102.008)				
DISTRICT ATTORNEY BOND FORFEITURES COMMISSIONS (GC 41.005)				
PROTECTIVE ORDER (D.A. FEES, FC 71.04) @150.00				
TIME PAYMENT ADMINISTRATION OF JUSTICE (LGC 133.103) @2.50				
TIME PAYMENT (LGC 133.103) @12.50				
LOCAL (CRIMINAL) TRANSACTION FEE (CCP 102.072) @2.00				
APPELLATE JUD. SYS. FUND (GC 22.2141) @5.00				
STATEWIDE E-FILE FEE (GC 51.851) 9/1/15 @30.00				
JUDICIAL AND COURT PERSONAL TRAINING FEE - CIVIL (GC 51.971(a) 9/1/17 @5.00				
JURY FEES (CCP 102.004) 1/1/16 @40.00				
PASSPORT EXECUTION FEE @25.00				
PASSPORT PHOTO FEE @15.00				
RECORDS ARCHIVE AND PRESERVATION FEE (GC 51.305) 8/01/09 @5.00				
DOMESTIC RELATIONS OFFICE FEE (FC 203.005)				
E-FILE TRANSACTION FEE (GC 72.031) 1/1/14 @2.00				
TAX A/C SCOFFLAW FEE (TC 502.010 (f)) @20.00				
SHERIFF FEES (CCP 102.011) \$ 20,561.80				
SHERIFF FEES (HCSO) \$ 1,110.77				
CONSTABLE FEES(CCP 102.011)				
PUBLIC DEFENSE ATTY'S FEES (CCP 26.05)				
FINES (LGC 113.004)				
BOND FORFEITURES (CCP 22.16)				
PRE-TRIAL DIVERSION PROGRAM FEES (CCP 102.0121 (a))				
COURTHOUSE SECURITY FUND (291.008 LGC/102.017 CCP)				
# CIVIL FILINGS X \$5.00 = \$ 2,971.70				
# FELON. CONV. X \$5.00 = \$ 574.69				
# MISD. CONV. X \$3.00 = \$ -				
COUNTY RECORDS PRESERVATION (GC 51.708)				
COUNTY RECORDS MANAGEMENT & PRESERVATION (GC 51.317/ CCP 102.005)				
# CIVIL FILINGS X \$5.00 = \$ 3,658.91				
# CRIM. CONV. X \$22.50 = \$ 2,726.68				
DISTRICT CLERK RECORDS MANAGEMENT & PRESERVATION (GC 51.317 (b)(4))				
# CIVIL FILINGS X \$5.00 = \$ 3,657.64				
# CRIM. FILINGS X \$2.50 = \$ 198.29				
COURT REPORTER SERVICE FEE (GC 51.601) @15.00				
JUVENILE DELINQUENCY PREVENTION FUND (CCP 102.0171) @5.00				
LAW LIBRARY FEES (LGC 323.023) @30.00				
OTHER COURT FEES:				
CRIMINAL CLERK FEE (CCP ART. 102.005)				
LAW ENFORCEMENT LAB COSTS(CCP ART 42.12 SEC 11)				
CRIME STOPPERS - ADULT PROBATION DEPT.				
MOTHERS AGAINST DRUNK DRIVING				
WOMEN TOGETHER EMERGENCY SHELTER				
ESTRELLA'S HOUSE				
ATTORNEY AD-LITEM				
SUBTOTAL				
LESS: LAW ENFORCEMENT LAB COSTS				
LESS: CRIME STOPPERS				
LESS: MOTHERS AGAINST DRUNK DRIVING				
LESS: WOMEN TOGETHER EMERGENCY SHELTER				
LESS: ESTRELLA'S HOUSE				
LESS: ATTORNEY AD-LITEM				
TOTAL OTHER COURT FEES				

HIDALGO COUNTY DISTRICT CLERK MONTHLY FEE REPORT

PAGE 3 OF 3

FOR THE MONTH OF SEPTEMBER 2018

REMITTANCES TO COUNTY TREASURER:

	DATE	CHECK NUMBER	DATES OF REPORTS	AMOUNT	TREASURER REC #
CIVIL1)	09/11/18	49625	09/03/18 - 09/07/18	\$ 55,943.81	227115
CIVIL2)	09/24/18	49728	09/10/18 - 09/14/18	\$ 59,771.30	227585
CIVIL3)	10/05/18	49736	09/17/18 - 09/21/18	\$ 62,598.00	228054
CIVIL4)	10/11/18	49744	09/24/18 - 09/28/18	\$ 79,321.27	228052
CIVIL5)		0	00/00/00 - 00/00/00	\$ -	0
CIVIL6)		0	00/00/00 - 00/00/00	\$ -	0
CIVIL7)		0	00/00/00 - 00/00/00	\$ -	0
CIVIL8)		0	00/00/00 - 00/00/00	\$ -	0
CIVIL9)		0	00/00/00 - 00/00/00	\$ -	0
CRM1)		0	09/03/18 - 09/05/18	\$ 16,945.05	226943
CRM2)	09/11/18	49624	09/06/18 - 09/07/18	\$ 8,232.70	227117
CRM3)	09/24/18	49727	09/10/18 - 09/12/18	\$ 21,334.65	227583
CRM4)	09/19/18	49708	09/13/18 - 09/14/18	\$ 18,270.93	227580
CRM5)	09/20/18	49716	09/17/18 - 09/19/18	\$ 12,551.30	227582
CRM6)	09/24/18	49729	09/20/18 - 09/21/18	\$ 8,794.55	227579
CRM7)	10/05/18	49734	09/24/18 - 09/26/18	\$ 16,949.07	228048
CRM8)	10/05/18	49735	09/27/18 - 09/28/18	\$ 7,246.80	228051
CRM9)		0	00/00/00 - 00/00/00	\$ -	0
CRM10)		0	00/00/00 - 00/00/00	\$ -	0

TOTAL AMOUNT OF REMITTANCES

\$ 367,959.43

p x2-a; x4v

31

PREPARED BY

BOOKKEEPER

DATE

REVIEWED BY

ACCOUNTANT

DATE

INTERNAL AUDITOR

DATE

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

DISTRICT CLERK OR DESIGNEE SIGNATURE

DATE

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

AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE

DATE: 10/19/18

10/23/18

10/24/18

HIDALGO COUNTY DISTRICT CLERK
Schedule of Adjustments
For the Month Ending September 30, 2018

Receipt Number	Case Number	Party	Date	DDCF	DPS	HCSO	JUFR	RMP	RMPPr
For the case listed below, based on type of offense and judgment date, Drug Court Cost (\$60) should have been assessed. Please confirm.									
COL-2018-17280	CR-0693-17-I	Rocha, Jaime	9/18/2018			5.00		22.50	2.50

Records Management & Preservation Fee needs to be split accordingly (RMP=\$22.50 and RMP-DC=\$2.50).									
COL-2018-16443	CR-4144-15-B	GONZALEZ, JUAN JOSE S	9/5/2018					0.73	6.52
COL-2018-17827	CR-4265-15-H	MARES, ORLANDO FARIAS	9/26/2018					2.23	19.79

Receipt Number	Case Number	Party	Date	DDCF	DPS	HCSO	JUFR	RMP	RMPPr
Arrest fee should be no more than \$5 (refer to CCP art. 102.011(a)(1)).									
COL-2018-16843	CR-2527-05-G	YEACK, JAIME EDUARDO BARAHONA	9/11/2018			35.00	20.00	20.00	
COL-2018-17484	CR-3999-11-E	CARRIZALES, JOEL CANO	9/21/2018		8.25		-		
COL-2018-16844	CR-1987-04-G	YEACK, JAIME EDUARDO BARAHONA	9/11/2018		35.00		20.00		
DC-2018-075012	CR-1499-02-C	RODRIGUEZ, GUADALUPE, II	9/21/2018		25.26		14.43		
COL-2018-16940	CR-2484-02-I	VIERA, RAFAEL DE LA FUENTE	9/12/2018			35.00	20.00		
COL-2018-17036	CR-0395-01-H	RODRIGUEZ, ARMANDO VASQUEZ	9/13/2018			23.61	13.48		
COL-2018-17053	CR-1253-08-G	CHARLES, JOSE DARIO PEREZ	9/13/2018			35.00	20.00		
COL-2018-17060	CR-0978-13-I	VASQUEZ, GONZALO SALAZAR	9/13/2018			35.00	20.00		
COL-2018-17551	CR-1092-05-C	YBARRA, CASIMIRO	9/21/2018			16.19	9.25		
COL-2018-17658	CR-0159-05-F	MEDINA, DAVID GARCIA	9/24/2018			9.20	5.26		

Receipt Number	Case Number	Party	Date	DDCF	DPS	HCSO	JUFR	RMP	RMPPr
Arrest fee should be no more than \$5 (refer to CCP art. 102.011(a)(1)). In addition, Jury Fee should NOT have been assessed based on judgment order.									
DC-2018-075380	CR-2686-01-B	LONGORIA, THOMAS JASON	9/24/2018		(35.00)	35.00	20.00	20.00	
DC-2018-076828	CR-3796-13-I	BAZAN, CRISTOBAL MARTINEZ	9/28/2018	60.00		35.00	20.00	22.50	2.50
COL-2018-16434	CR-306-07-A	GOMEZ, JAIME ISAAC	9/5/2018		15.61		8.92		
COL-2018-16310	CR-4015-13-C	Cavazos, Eduardo Gael	9/4/2018			7.00	4.00		
COL-2018-16319	CR-849-12-H	GARZA, ANNA MARIA	9/4/2018			10.38	5.96		
COL-2018-16344	CR-0436-13-E	REYNOSO, ARTURO TORRES	9/4/2018			14.34	8.20		
COL-2018-16345	CR-0465-13-E	REYNOSO, ARTURO TORRES	9/4/2018			12.74	7.28		
COL-2018-16378	CR-0144-15-F	CABALLERO, ACE AVILA	9/4/2018			5.19	2.96		
COL-2018-16475	CR-5200-09-E	SEPULVEDA, JUAN MANUEL ZARATE	9/5/2018			7.95	4.54		
COL-2018-16561	CR-043-11-I	ROMO, LUIS FERNANDO, Jr.	9/6/2018			35.00	20.00		
COL-2018-16564	CR-584-12-I	ROMO, LUIS FERNANDO, Jr.	9/6/2018			35.00	20.00		
COL-2018-16642	CR-2065-09-H	COY, ANTHONY NONE	9/7/2018			35.00	20.00		
COL-2018-16902	CR-4633-07-E	MENDOZA, RAFAEL	9/11/2018			31.85	18.20		
COL-2018-16924	CR-4126-13-D	DE LA GARZA, SAUL	9/12/2018			8.29	4.74		
COL-2018-17021	CR-3629-14-A	RODRIGUEZ, ARMANDO	9/13/2018			35.00	20.00		
COL-2018-17045	CR-3329-08-J	HINOJOSA, ANTHONY BARRERA	9/13/2018			35.00	20.00		
COL-2018-17050	CR-2018-13-G	CHARLES, JOSE DARIO PEREZ	9/13/2018			35.00	20.00		
COL-2018-17164	CR-1584-09-E	ARSINIEJA, ANTONIO JR. FLORES	9/17/2018			35.00	20.00		
COL-2018-17165	CR-2337-11-A	BOMERSBACH, WARREN JOSEPH	9/17/2018			10.20	4.08		
COL-2018-17167	CR-2341-09-E	ARSINIEJA, ANTONIO JR. FLORES	9/17/2018			17.20	9.84		

HIDALGO COUNTY DISTRICT CLERK
Schedule of Adjustments
For the Month Ending September 30, 2018

Receipt Number	Case Number	Party	Date	DDCF	DPS	HCSO	JUFR	RMP	RMPPr
Arrest fee should be no more than \$5 (refer to CCP art. 102.011(a)(1)). In addition, Jury Fee should NOT have been assessed based on judgment order.									
COL-2018-17528	CR-4057-10-E	LAMAS, JUAN REYES, III	9/21/2018			35.00	20.00		
COL-2018-17616	CR-1136-07-D	TREVINO, ERNESTO JR	9/24/2018			34.79	19.88		
COL-2018-17759	CR-1850-09-F	HERNANDEZ, ROQUE PEREZ	9/25/2018			35.00	20.00		
COL-2018-17765	CR-2466-07-E	YANEZ, JOSE RAMON DELEON	9/26/2018			26.53	15.16		

NOTE: Please ensure Time Payment, OMNI, Scofflaw, and Delinquent fees are assessed accordingly on all cases when applicable.

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 28, 2018

The Honorable Judge Juan R. Partida
275th State District Court
100 N. Closner
Edinburg, Texas 78539

Re: 275th District Court Asset Inventory Listing Audit No. 2018-77

Dear Judge Partida:

It is the practice of the County Auditor's Office to conduct an asset inventory audit when a change in administration occurs; therefore, we conducted an audit of the 275th District Court asset inventory listing pursuant to Local Government Code §115.001 and our annual audit plan. The objective of the audit was to evaluate the accuracy and completeness of the asset inventory listing maintained by the Purchasing Department on behalf of the 275th District Court.

BACKGROUND:

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

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

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

As of November 14, 2018, the 275th District Court asset inventory listing consisted of 31 assets with a total acquisition cost of \$36,029.04.

SCOPE AND METHODOLOGY:

The scope of our audit was limited to the asset inventory listing as of November 14, 2018. 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.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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.

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 conduction our audit, the following procedures were performed:

- Selected all 31 assets on the asset inventory listing for physical identification to determine whether the assets were properly tagged; and
- Compared assets located at the 275th District Court premises to the asset inventory listing to determine whether the asset inventory listing was complete.

CONCLUSION:

Based on the results of our review, we have concluded that the 275th District Court's inventory listing *per alio* was generally accurate and complete. More specifically, the following was noted:

- All 31 (100%) assets were physically located. Of the 31 assets:
 - 29 contained an asset tag.
 - 2 (Dell 1610 HD projector and a walnut end table) did not contain an asset tag. The assets were traced to the asset inventory listing utilizing the physical description.
- We physically located 1 asset (Dell Wyse Thin Client- asset tag number 61242) that was on the inventory listing of the Information Technology Department.

RECOMMENDATION:

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

1. Purchasing Department should affix an asset tag on the assets (Dell 1610 HD projector and a walnut end table) that did not contain an asset tag.
2. An asset transfer form should be prepared to transfer the Dell Wyse Thin Client from the Information Technology inventory listing to the 275th District Court asset inventory listing. Please contact the Purchasing Department for assistance.

Please ensure that corrective action is finalized and an updated asset inventory listing is submitted to the County Auditor's Office by Tuesday, December 13, 2018. Your prompt response is greatly appreciated.

If you have any questions, please contact Corina Martinez, Internal Auditor, at 318-2511, ext. 4624, Reynaldo Cantu III, Compliance Audit Supervisor, at ext. 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,


Maria Arcilia Duran, CPA
Hidalgo County Auditor

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

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIERNA
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, 385TH 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

October 22, 2018

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

Ref: September 2018 DTA Payment Request Report No. 2018-84

Dear Mr. Villarreal:

We completed a limited scope review of the September 2018 payment request prepared by your office for delinquent tax attorney (DTA) fees due to Linebarger, Goggan, Blair, and Sampson LLP ("LGBS") and related supporting documentation. The objective of the review was to determine if the payment request was accurate and properly authorized.

The scope of our review was limited to a review of the DTA fees collected by your office on behalf of the following entities: Hidalgo County (GHD), Road District 2 (RD2), Road District 5 (RD5), Road District 7 (RD7), Road District 12 (RD12), Road District 14 (RD14), Road District 15 (RD15), State of Texas (TEX); and the payment request prepared by your office for the month ended September 30, 2018. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. The responsibility for sound internal controls rests with management.

In conducting our review, the following procedures were performed:

- Verified that the payment request was signed and included a certification by the Hidalgo County Tax Assessor/Collector that the "payment represents 15% of the delinquent taxes and penalty and interest collections for the month of September 2018."
- Reviewed the "Hidalgo County Tax Office Current Collection Report" and "Hidalgo County Tax Office Prior Collection Report" to determine if the DTA fees were collected at the 15% rate specified in the contract.
- Reviewed the "Hidalgo County Tax Office Current Collection Report" and "Hidalgo County Tax Office Prior Collection Report" to determine if the total amount of DTA fees collected agreed to the amount transferred to the Hidalgo County Treasurer's Office.

The results of our review revealed that the payment request was generally accurate and properly authorized. More specifically, the following was noted:

- The payment request was signed and included a certification by the Hidalgo County Tax Assessor/Collector that the "payment represents 15% of the delinquent taxes and penalty and interest collections for the month of September 2018."
- Although DTA fees for 199 tax accounts were not collected at the 15% rate specified in the contract; we concluded that the differences in rates were attributed to tax deferrals (195 tax

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
JUDGE, 33RD 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.

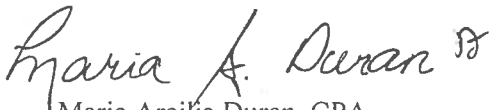
RENEE R. BETANCOURT
JUDGE, 449TH D.C.

accounts), small amounts collected (3 tax accounts), and multiple payments (1 tax account) that needed to be added to calculate the 15% (see Exhibit A). The small amounts collected on the tax accounts resulted in a net shortage of \$0.01.

We will proceed to process the September 2018 DTA payment request in the amount of \$171,871.80 to LGBS.

If you have any questions, please contact Reynaldo Cantu III, Compliance Audit Supervisor, at 318-2511 ext. 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosures

cc: Ms. Lucy Canales, Linebarger Goggan Blair & Sampson, LLP

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

Exhibit A

	Tax Unit	Year	Account No.	Levy Paid	Penalty/Interest Paid	Subtotal Paid	Attorney Paid
1	1	2017	M224099000000312	0.89	0.18	1.07	0.17
2	1	2017	E660000004002400	0.9	0.07	0.97	0.14
3	1	2017	S690000008001100	0.3	0.06	0.36	0.06
4	1	2017	K275000000002500	-0.42	-0.08	-0.5	-0.07
5	1	2017	E817681000305300	-17.92	-7.69	-25.61	-7.24
6	1	2016	W465097001008102	130.6	34.07	164.67	23.7
7	1	2016	W731000000009000	42.27	10.6	52.87	7.48
8	1	2016	R026300000000300	22.23	5.72	27.95	4
9	1	2015	W465097001008102	134.46	51.2	185.66	26.82
10	1	2015	B465000000001601	64.12	23.34	87.46	12.31
11	1	2015	C290000000000900	59.43	21.05	80.48	11.14
12	1	2015	E650000006001000	34.39	12.99	47.38	6.81
13	1	2015	E650000006001000	34.39	12.99	47.38	6.81
14	1	2015	C290000000000900	25.36	8.98	34.34	4.76
15	1	2015	M374801000003700	0.49	0.22	0.71	0.10
16	1	2014	B496502000020000	354.68	157.53	512.21	68.1
17	1	2014	S359302000005300	14.3	6.15	20.45	2.66
18	1	2013	L255002012000400	290.04	131.73	421.77	49.16
19	1	2013	R418000000000500	122.49	68.3	190.79	25.36
20	1	2013	R418000000000500	122.49	68.3	190.79	25.36
21	1	2013	T210000239001530	33.69	18.77	52.46	6.97
22	1	2013	C290000000000900	28.34	16.84	45.18	6.33
23	1	2013	J522000000002700	15.28	8.11	23.39	2.98
24	1	2013	P320002006001200	3.53	1.78	5.31	0.65
25	1	2013	C465000000000500	0.81	0.41	1.22	0.15
26	1	2013	R418000000000500	-122.49	-68.3	-190.79	-25.36
27	1	2012	L255002012000400	293.8	177.5	471.3	56.41
28	1	2012	R418000000000500	58.07	39.35	97.42	13.07
29	1	2012	R418000000000500	58.07	39.35	97.42	13.07
30	1	2012	S295098000052316	53.79	37.17	90.96	12.42
31	1	2012	S367500007001200	55.34	33.99	89.33	10.87
32	1	2012	C21100000002900	45.17	27.44	72.61	8.74
33	1	2012	C21100000002900	30.79	18.7	49.49	5.96
34	1	2012	A180000029000525	20.46	12.63	33.09	4.05
35	1	2012	T260000000000402	22.24	12.7	34.94	3.94
36	1	2012	A210000032001000	14.85	8.87	23.72	2.81
37	1	2012	A210000048001001	5.67	3.62	9.29	1.17
38	1	2012	R418000000000500	-58.07	-39.35	-97.42	-13.07
39	1	2011	B496502000020000	427.05	343.41	770.46	105.05
40	1	2011	L255002012000400	285.35	206.64	491.99	59.92
41	1	2011	N130000000000300	286.43	186.42	472.85	50.7
42	1	2011	P776500000002500	213.1	154.32	367.42	44.75
43	1	2011	F585001001000400	157.89	106.97	264.86	29.84
44	1	2011	L334000000002000	96.15	79.55	175.7	24.66
45	1	2011	O210000005000035	114.11	83.78	197.89	24.48
46	1	2011	P925501000006000	88.35	58.67	147.02	16.17
47	1	2011	L106902000005300	69.03	47.45	116.48	13.36
48	1	2011	W010000052000216	58.64	39.34	97.98	10.91

49	1	2011	W380000174000016	27.72	21.92	49.64	6.65
50	1	2011	E330000384001000	11.67	9.69	21.36	3.01
51	1	2011	C211000000002900	13.37	9.72	23.09	2.83
52	1	2011	E330000359001000	13.68	9.18	22.86	2.55
53	1	2011	S295098000052316	3.23	2.62	5.85	0.8
54	1	2011	G400000000002000	0.63	0.45	1.08	0.13
55	1	2010	B496502000020000	427.05	394.66	821.71	112.74
56	1	2010	L255002012000400	285.54	241.04	526.58	65.1
57	1	2010	N130000000000300	291.88	224.99	516.87	56.92
58	1	2010	H045000086000400	144.98	111.27	256.25	28.05
59	1	2010	M593000000002700	101.25	76.02	177.27	18.83
60	1	2010	A210000050001500	68.88	51.94	120.82	12.91
61	1	2010	N340000000303513	52.71	43.78	96.49	11.7
62	1	2010	I223000001010800	26.38	22.28	48.66	6.01
63	1	2010	K240000000007305	23.63	18.59	42.22	4.78
64	1	2010	N480000004000203	18.21	15.99	34.2	4.43
65	1	2010	G400000000002000	16.22	13.26	29.48	3.5
66	1	2010	H302000000000700	6.9	5.16	12.06	1.27
67	1	2009	B496502000020000	427.05	445.9	872.95	120.43
68	1	2009	L255002012000400	259.58	250.27	509.85	63.86
69	1	2009	F065000000002500	117.13	102	219.13	23.9
70	1	2009	S350000000001405	40.36	42.69	83.05	11.63
71	1	2009	L502500000005520	40.85	36.92	77.77	8.94
72	1	2009	W310000001001200	20.88	17.15	38.03	3.79
73	1	2009	C750002001002000	9.46	9.4	18.86	2.46
74	1	2009	W010000052000216	9.3	8.45	17.75	2.06
75	1	2008	N130000000000300	310.98	314.35	625.33	71.84
76	1	2008	C980000003001030	222.3	233.61	455.91	55.35
77	1	2008	O510000004000800	115.16	104.51	219.67	21.25
78	1	2008	M520000050000100	32.2	35.55	67.75	8.79
79	1	2008	M520000050000100	32.2	35.56	67.76	8.79
80	1	2008	L502500000005520	31	31.75	62.75	7.35
81	1	2008	P696500000000700	22.72	20.61	43.33	4.19
82	1	2008	M520000050000100	8.04	8.89	16.93	2.2
83	1	2008	N580000004001500	5.85	5.79	11.64	1.3
84	1	2007	B496502000020000	427.05	548.4	975.45	135.8
85	1	2007	O510000004000800	148.85	152.94	301.79	30.14
86	1	2007	T475002000001700	32.55	40.18	72.73	9.62
87	1	2007	T570002000001400	33.31	32.91	66.22	6.15
88	1	2007	C211000000005100	18.94	20.66	39.6	4.38
89	1	2007	L6725000000014000	14.12	16.93	31.05	3.98
90	1	2007	A555000000000300	11.8	13.66	25.46	3.08
91	1	2007	B156007000004400	11.29	11.55	22.84	2.27
92	1	2007	S735000004000600	7.37	8.01	15.38	1.69
93	1	2007	B505000015001100	6.74	7.1	13.84	1.44
94	1	2007	G450000000000900	5.46	5.42	10.88	1.02
95	1	2006	C980000003001030	347.05	447.98	795.03	98.91
96	1	2006	O510000004000800	148.85	170.8	319.65	32.82
97	1	2006	G403000000001100	163.01	174.01	337.02	30.08
98	1	2006	N120003000001025	39.25	48.55	87.8	10.24
99	1	2006	G450000000000900	36.4	40.56	76.96	7.48
100	1	2006	S100000005001800	31.79	37.52	69.31	7.48

101	1	2006	S735000004000600	28.6	34.53	63.13	7.08
102	1	2006	R065000003000100	21.72	28.02	49.74	6.19
103	1	2006	S735000004000600	22.09	26.68	48.77	5.47
104	1	2006	S359302000004600	17.35	20.21	37.56	3.96
105	1	2006	E720000016001200	1.75	1.87	3.62	0.32
106	1	2005	B496502000020000	427.05	650.89	1,077.94	151.18
107	1	2005	C980000003001030	214.03	301.96	515.99	64.85
108	1	2005	O510000004000800	148.85	188.66	337.51	35.5
109	1	2005	C733000003000900	94.69	138.95	233.64	31.1
110	1	2005	B156007000005400	75.76	104.85	180.61	22.04
111	1	2005	B050000001001600	62.25	73.92	136.17	12.61
112	1	2005	D600901000000100	36.05	49.19	85.24	10.17
113	1	2005	A570000000000400	30.08	40.23	70.31	8.12
114	1	2005	S477000000040600	24.35	34.59	58.94	7.49
115	1	2005	S100000005001800	28.86	37.54	66.4	7.32
116	1	2005	V382000000006900	9.89	14.17	24.06	3.09
117	1	2005	C21100000002600	13.67	16.23	29.9	2.77
118	1	2005	L187000002001500	11.68	13.86	25.54	2.36
119	1	2005	L187000002001500	11.67	13.86	25.53	2.36
120	1	2005	M355000064000800	8.04	10.91	18.95	2.24
121	1	2005	S245000000001200	7.4	9.97	17.37	2.03
122	1	2005	M475000002001600	5.96	7.72	13.68	1.5
123	1	2005	C730000021000800	4.1	5.45	9.55	1.09
124	1	2005	T490002001001900	4.89	5.65	10.54	0.92
125	1	2004	B496502000020000	427.05	702.13	1,129.18	158.86
126	1	2004	B156007000005400	143.59	215.98	359.57	44.37
127	1	2004	O510000004000800	112.39	155.94	268.33	28.83
128	1	2004	S395000002000401	47.4	61.97	109.37	10.45
129	1	2004	T210000250001521	24.9	31.56	56.46	5.04
130	1	2004	S110000002002400	13.55	20.41	33.96	4.2
131	1	2004	W380000238000005	11.38	18.27	29.65	4.03
132	1	2004	A180000036000408	17.95	22.39	40.34	3.47
133	1	2004	R470000013000100	13.94	18.22	32.16	3.07
134	1	2004	D81000000002000	11.52	14.15	25.67	2.13
135	1	2004	S080000016000100	6.78	9.45	16.23	1.76
136	1	2004	S725002008000200	4.71	6.85	11.56	1.35
137	1	2004	M355000150002100	4.15	6.31	10.46	1.31
138	1	2004	E330000123000100	4.05	5.46	9.51	0.97
139	1	2003	B496502000020000	400.67	706.85	1,107.52	156.26
140	1	2003	B156007000005400	131.55	213.66	345.21	43.02
141	1	2003	B050000001001600	48.58	69.34	117.92	11.59
142	1	2003	B203500000001800	36.52	49.22	85.74	7.4
143	1	2003	M515000000004700	26.87	40.53	67.4	7.38
144	1	2003	H265000010000500	28.81	37.67	66.48	5.32
145	1	2003	A180000044001205	18.45	25.59	44.04	4.07
146	1	2003	H345003000002000	14.66	19.76	34.42	2.97
147	1	2003	W230000052000300	8.1	13.58	21.68	2.84
148	1	2003	V382000000000100	12.41	16.73	29.14	2.52
149	1	2003	V382000000000100	12.42	16.73	29.15	2.51
150	1	2003	B505000015000600	6.61	8.89	15.5	1.34
151	1	2002	B496502000020000	323.08	608.74	931.82	131.82
152	1	2002	B156007000005400	126.9	221.34	348.24	43.78

153	1	2002	H345003000002000	50.41	73.97	124.38	11.12
154	1	2002	S240000000013600	42.99	61.38	104.37	8.71
155	1	2002	L190000001001100	20.14	36.26	56.4	7.46
156	1	2002	W010000044001052	8.26	12.12	20.38	1.82
157	1	2002	C690000001000700	2.63	4.08	6.71	0.67
158	1	2001	B156007000005400	107.82	200.99	308.81	39.14
159	1	2001	W010000049001055	14.03	24.78	38.81	4.48
160	1	2001	R026300000001100	8.73	16.16	24.89	3.12
161	1	2001	M040000003001900	8.01	12.41	20.42	1.77
162	1	2001	T706000000000200	6.22	9.54	15.76	1.33
163	1	2000	B156007000005400	42.56	84.45	127.01	16.22
164	1	2000	W010000049001055	14.05	26.52	40.57	4.74
165	1	2000	R026300000001100	6.57	12.96	19.53	2.46
166	1	2000	M687000000002600	2.35	4.12	6.47	0.65
167	1	1999	T685000000005800	6.54	12.98	19.52	2.26
168	1	1998	B225000000002000	48.16	86.08	134.24	10.62
169	1	1998	O330000024001500	3.85	8.12	11.97	1.41
170	1	1998	S165000000001600	0.54	1.03	1.57	0.14
171	1	1997	B010000003000300	15.35	33.05	48.4	5.36
172	1	1997	M490000000009302	12.32	28.09	40.41	5.01
173	1	1997	E140000001000600	10.08	22.06	32.14	3.68
174	1	1997	N845000000000400	7.68	16.51	24.19	2.67
175	1	1997	S735000006000700	6.55	14.06	20.61	2.27
176	1	1996	E400000002000900	18.63	48.05	66.68	9.4
177	1	1996	A210000051001900	25.34	55.42	80.76	8.32
178	1	1996	M290000005000700	12.45	31.29	43.74	5.92
179	1	1996	M368000000004100	5.44	14.12	19.56	2.79
180	1	1996	R265000000000602	5.9	14.11	20.01	2.48
181	1	1995	E810000007000800	10.53	25.11	35.64	4.02
182	1	1994	C955000002003500	6.39	14.57	20.96	1.92
183	1	1994	C120002000002600	4.35	11.07	15.42	1.82
184	1	1994	W010000030000728	3.45	9.52	12.97	1.78
185	1	1991	C005000000002302	38.37	118.97	157.34	21.47
186	1	1990	C005000000002302	1.34	4.32	5.66	0.77
187	12	1997	M490000000009302	0.6	1.35	1.95	0.24
188	1	2006	L473500004000100	63.35	91.49	154.84	22.43
189	1	2006	L473500004000100	0.57	0.83	1.4	0.2
190	1	2000	W010000023000416	14.06	29.39	43.45	6.03
191	1	2014	D520003003000300	248.95	117.21	366.16	50.78
192	1	2013	H385000000001113	256.47	127.59	384.06	46.16
193	1	2011	L250000000000300	16.95	11.55	28.5	3.23
194	1	2009	H284000000013400	23.54	20.57	44.11	4.84
195	1	2004	E540000045000300	3.79	6.08	9.87	1.34
196	1	2000	L319000006001700	15.87	31.17	47.04	5.9
197	1	1999	L319000006001700	21.59	44.99	66.58	8.42
198	1	1998	L319000006001700	21.59	47.58	69.17	8.81
199	1	1997	L319000006001700	2.99	6.95	9.94	1.27

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

October 15, 2018

The Honorable Ricardo Rodriguez, Jr., Criminal District Attorney
Hidalgo County Office of Criminal District Attorney
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

Re: HIDTA Financial Statements for January 2018 through August 2018

Dear Mr. Rodriguez:

We conducted a limited scope review of the HIDTA financial statements for the months ended January 31, 2018 through August 31, 2018 pursuant to Local Government Code §112.006 (b), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for the preparation of the financial statements including the design, implementation, and maintenance of internal controls relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that the financial statements are free from material misstatements.

Based on our review, nothing came to our attention that caused us to believe that the financial statements contained any material misstatement.

If you have any questions, please contact Reynaldo Cantu III, Compliance Audit Supervisor, at 318-2511 ext. 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,

A handwritten signature in cursive script that reads 'Maria A. Duran'.

Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Rosalinda Cantu, Director of Administration, District Attorney's Office

HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 92ND D.C.

JAIME E. TIJERINA
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, 378TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

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

October 15, 2018

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

Re: Inmate Trust Financial Statements for January 2018 through March 2018

Dear Sheriff Guerra:

We conducted a limited scope review of the Inmate Trust financial statements and supporting documentation for the months ended January 31, 2018 through March 31, 2018 pursuant to Local Government Code §115.001. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for the preparation of the financial statements and for designing, implementing, and maintaining internal control relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that the financial statements are free from material misstatement.

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

Observation No. 1:

As of March 31, 2018, the "Held in Trust" account had a cash balance of \$68,024.86. However, the balance on the "Inmate Accounts with Balances Report," a report generated from *Odyssey* (the County's law enforcement system) that lists the names of inmates and the amount of funds held in trust for each inmate, was only \$63,266.84, resulting in an unidentified variance of \$4,758.02. According to staff, the Sheriff's Office will continue to conduct research to identify owners of the unidentified variance and the reason for the fluctuation of this ongoing variance. IT Department and Tyler Technologies have also been made aware of this variance so that reports generated by *Odyssey* can be further reviewed as a possible cause of this fluctuation.

Recommendation:

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

Observation No. 2:

The total amounts on the "Inmate Account Journal" generated from *Odyssey* for the months ended January 31, 2018 through March 31, 2018 were \$134,064.29, \$128,569.57, and \$154,984.95, respectively. However, the total amounts on the "Commissary Sales" report generated from *Odyssey* for the months ended January 31, 2018 through March 31, 2018 were \$133,956.93, \$128,553.35, and \$154,931.66, respectively.

The total amounts on the "Inmate Account Journal" and the "Commissary Sales" reports should agree; however, for the months ended January 2018 through March 2018 there were variances of \$107.36, \$16.22, and \$53.29, respectively. The Sheriff's Office could not provide a reason for the variance other than errors in reports

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
JUDGE, 99TH 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, 388TH D.C.

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

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

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

generated by *Odyssey*. Tyler Technologies has been made aware of the issue and is in the process of determining the reason for the difference.

Recommendation:

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

Observation No. 3:

We noted that check numbers 305150, 305183, 305480, and 305691 issued in January 2018, were missing the Department Head's signature. According to staff, the checks were issued without the signature, in error.

The County Auditor's Office requires that proper procedures be implemented for issuing checks. At a minimum, a supervisor should verify that all checks are made for the proper amount, contain the payee name, date, and include the department head's signature.

Failure to verify that checks are properly completed prior to issuing may result in the loss or misuse of County funds.

Recommendation:

Management should train staff regarding the proper procedures for issuing check disbursements. At a minimum, the procedures listed above should be implemented.

Please provide a management response to the observations noted above by October 26, 2018 using the attached Management Response Forms.

If you have any questions, please contact Reynaldo Cantu III, Compliance Audit Supervisor, at 318-2511, ext 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosure: Management Response Forms

Cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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.



AUDITEE:	<u>Sheriff's Office</u>	AUDIT NO.:	<u></u>
AUDIT:	<u>Inmate Trust Financial Statements for January 2018 through March 2018</u>	MANAGEMENT RESPONSE DUE:	<u>October 26, 2018</u>
FINDING No.:	<u>1</u>	RECOMMENDATION:	<u>1</u>

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

Management Response (Choose One):

_____ AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)

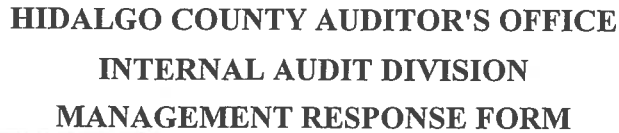
_____ AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION

_____ DISAGREE THAT RISK EXISTS (Specify below)

Management Comments (Attach additional page(s) if necessary):

Specify Target Date of Remedial Action (if any):

Signature: _____ **Date:** _____



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

Signature: _____ **Date:** _____



Management should train staff regarding the proper procedures for issuing check disbursements. At a minimum, the procedures listed above should be implemented.

Signature: _____ **Date:** _____

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 26, 2018

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

Re: Inmate Trust Financial Statements for April 2018 through June 2018

Dear Sheriff Guerra:

We conducted a limited scope review of the Inmate Trust financial statements and supporting documentation for the months ended April 30, 2018 through June 30, 2018 pursuant to Local Government Code §115.001. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for the preparation of the financial statements and for designing, implementing, and maintaining internal control relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that the financial statements are free from material misstatement.

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

Observation No. 1:

As of June 30, 2018, the "Held in Trust" account had a cash balance of \$54,078.91. However, the balance on the "Inmate Accounts with Balances Report," a report generated from *Odyssey* (the County's law enforcement system) that lists the names of inmates and the amount of funds held in trust for each inmate, was only \$49,654.16, resulting in an unidentified variance of \$4,424.75. According to staff, the Sheriff's Office will continue to conduct research to identify owners of the unidentified variance and the reason for the fluctuation of this ongoing variance. IT Department and Tyler Technologies have also been made aware of this variance so that reports generated by *Odyssey* can be further reviewed as a possible cause of this fluctuation.

Recommendation:

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

Observation No. 2:

The total amounts on the "Inmate Account Journal" generated from *Odyssey* for the months ended April 30, 2018 through June 30, 2018 were \$155,704.53, \$169,019.02, and \$154,415.10, respectively. However, the total amounts on the "Commissary Sales" report generated from *Odyssey* for the months ended April 30, 2018 through June 30, 2018 were \$155,601.71, \$169,164.64, and \$154,383.16, respectively.

The total amounts on the "Inmate Account Journal" and the "Commissary Sales" reports should agree; however, for the months ended April 2018 through June 2018 there were variances of \$102.82, \$145.62, and \$31.94,

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	JAIME E. TIJERINA 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, 399 TH D.C.	ISRAEL RAMON, JR. JUDGE, 430 TH D.C.	RENEE R. BETANCOURT JUDGE, 449 TH D.C.
---	---	---	--	--	--	---	--	--	--	--

respectively. The Sheriff's Office could not provide a reason for the variance other than errors in reports generated by *Odyssey*. Tyler Technologies has been made aware of the issue.

Recommendation:

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

Observation No. 3:

We noted that check numbers 307901 and 310825 issued in April and June, were missing the Department Head's signature. According to staff, the checks were issued without the signature, in error.

The County Auditor's Office requires that proper procedures be implemented for issuing checks. At a minimum, a supervisor should verify that all checks are made for the proper amount, contain the payee name, date, and include the department head's signature.

Failure to verify that checks are properly completed prior to issuing may result in the loss or misuse of County funds.

Recommendation:

Management should train staff regarding the proper procedures for issuing check disbursements. At a minimum, the procedures listed above should be implemented.

Observation No. 4:

During the months of April and June, voided check numbers 308533, 308827, and 310899 were not properly voided. The voided checks did not contain the cashier's signature, an explanation for the void, the date the check was void, and the supervisor's signature of approval. In addition, during the month of June voided receipt 18147 was not provided by the Sheriff's Office.

The County Auditor's Office requires that approval of a void receipt/check be obtained prior to voiding a receipt/check. Approval of void receipts/checks should be limited to supervisors. The supervisors should ensure the original and all copies of the void receipt/check contain on the face of the receipt/check the word "void", an explanation for the void, the date receipt/check was voided, and the supervisor's signature of approval. In addition, the supervisor should ensure that the original and all the other copies of the voided receipt are securely attached together and submitted to the County Auditor's Office.

Failure to ensure proper procedures for voiding receipts/checks are followed may result in the loss of County funds.

Recommendation:

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

Please provide a management response to the observations noted above by December 7, 2018 using the attached Management Response Forms.

If you have any questions, please contact Reynaldo Cantu III, Compliance Audit Supervisor, at 318-2511, ext 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosure: Management Response Forms

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES



**HIDALGO COUNTY AUDITOR'S OFFICE
INTERNAL AUDIT DIVISION
MANAGEMENT RESPONSE FORM**

AUDITEE: Sheriff's Office AUDIT NO.: _____
Inmate Trust Financial
AUDIT: Statements for April 2018 MANAGEMENT
through June 2018 RESPONSE DUE: December 7, 2018
FINDING No.: 1 RECOMMENDATION: 1

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

Management Response (Choose One):

_____ AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)
_____ AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION
_____ DISAGREE THAT RISK EXISTS (Specify below)

Management Comments (Attach additional page(s) if necessary):

Specify Target Date of Remedial Action (if any):

Signature: _____ **Date:** _____



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

_____ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**
 _____ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**
 _____ **DISAGREE THAT RISK EXISTS (Specify below)**

Specify Target Date of Remedial Action (if any):

Signature: _____ **Date:** _____



Management should train staff regarding the proper procedures for issuing check disbursements. At a minimum, the procedures listed above should be implemented.

Signature: _____ **Date:** _____



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

Signature: _____ **Date:** _____

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 26, 2018

The Honorable Norma G. Garcia
Hidalgo County Treasurer
2810 South Business Highway 281
Edinburg, TX 78539-6243

Re: Cash Count Report No. 2018-82

Dear Ms. Garcia:

We conducted a surprise cash count of the cash held at the County Treasurer's Office on September 20, 2018 pursuant to Local Government Code §115.003 and §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. We also conducted a follow-up review of the internal control weaknesses identified in the cash count conducted on June 27, 2018. 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.

Conclusion:

Cash on hand at the time of the cash count totaled \$504,462.66. Based on the results of our review, we concluded that total cash on hand reconciled to the total receipts issued 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.

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.

Observation No. 1:

A notice stating "Gifts, gratuities, and/or tips will not be accepted" was not posted in a conspicuous location for the public's view. According to the Chief Deputy, a notice will be posted once the approval is obtained from the County Treasurer.

The County Auditor's Office requires that a notice stating "Gifts, gratuities, and/or tips will not be accepted" be posted in a conspicuous location for the public's view.

Failure to post the required notice increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that a notice stating "Gifts, gratuities, and/or tips will not be accepted" is posted in a conspicuous location for the public's view.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	JAIME E. TJERINA 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.	NOE GONZALEZ JUDGE, 370 TH D.C. OVERSEER	LETICIA LOPEZ JUDGE, 388 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.
---	--	---	--	--	--	---	--	--	--	--

Observation No. 2:

We noted that segregation of duties over the handling of collections requires improvement. The Accountant II performs the following incompatible duties:

- Custody: Opens and lists mail, balances copies of receipts against the cash drawer, and prepares bank deposits
- Recording: Accounts for numerical sequence of receipts, reconciles bank statements, and prepares reports of cash received
- Authorization: Compares listed mail receipts to recorded cash receipts and verifies that voided original receipts are kept and reviewed

According to staff, due to limited number of staff, proper segregation of duties over the handling of collections has not been feasible.

Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for opening and listing mail, balancing copies of receipts against the cash drawer, and preparing bank deposits should be different from the individual responsible for the accounting of the numerical sequence of receipts, reconciling bank statements, and preparing reports of cash received. In addition, the individuals previously noted should be different from the individual responsible for comparing listed mail receipts to recorded cash receipts and verifying that voided original receipts are kept and reviewed.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to ensure that incompatible duties are adequately segregated or that compensating controls are implemented increases the risk of loss or misuse of County funds.

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:

The username and password to gain access to the EJuror System, the electronic juror system, is shared between two employees. According to the Chief Deputy, only one username and password was granted to the County Treasurer's Office. The County Treasurer's Office has contacted the District Clerk's Office staff directly to obtain unique passwords; however, according to the District Clerk's Office, the EJuror System is only limited to one user name for the Treasurer's Office based on the license agreement.

The Information Technologies (IT) Securities Policy prohibits sharing of usernames and passwords. Failure to ensure that usernames and passwords are not shared may increase the risk of unauthorized access to the EJuror System.

Recommendation:

Management should ensure passwords are not shared. As a compensating control, the Treasurer's Office should create a log to document access to the EJuror System. At a minimum, the log should document the employee name, time, date, and supervisor approval.

Observation No. 4:

We noted that cashiers have access to modify receipts (i.e., receipt amount, payer name, payment description, and general ledger account number) that have been printed and issued to the payor, but have not been posted to *alio*.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	JAIME E. TIJERINA 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.	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.
---	---	---	--	--	--	---	--	--	--	--

Access controls provide management with reasonable assurance that data files and application programs are protected against unauthorized modification, disclosure, loss, or impairment. Access controls require users to authenticate themselves (through the use of unique user IDs and passwords) and limit the files and other resources that they can access and the actions that they can execute. For access controls to be effective, management must analyze the responsibilities of individual users and determine the type of access needed for the users to effectively fulfill their responsibilities. Access granted must be restricted to those authorized functions alone. Access authorizations and related controls should be monitored, maintained, and adjusted on an ongoing basis to accommodate for changes in a user's responsibilities (i.e. new hire, promotions, termination, and/or transfer of employees).

Failure to ensure that access to modify receipts is not available to staff may result in the loss or misuse of County funds.

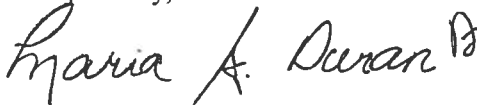
Recommendation:

Management should ensure that access to modify receipts is removed from the individuals who have cashiering responsibilities. The assistance of the County Auditor's Office System Support Specialist should be requested. Receipts should only be modified upon obtaining supervisory approval. The erroneous receipt should be reprinted and the following information should be noted on the face of the receipt: marked "MODIFIED", an explanation for the modification, and the date the receipt was modified, along with the initials of both the supervisor and cashier.

Please provide written management responses to the observations noted above by December 7, 2018 using the attached Management Response Forms.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions or would like to schedule a meeting to discuss this cash count, please contact Michael Ramos, Internal Auditor I, at (956) 318-2511, ext. 4644, Reynaldo Cantu III, Compliance Audit Supervisor, at ext. 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosure: Management Response Forms

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	JAIME E. TIJERINA JUDGE, 97 TH 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.
---	---	---	--	--	--	---	--	--	--	--



**HIDALGO COUNTY AUDITOR'S OFFICE
INTERNAL AUDIT DIVISION
MANAGEMENT RESPONSE FORM**

AUDITEE: Hidalgo County Treasurer AUDIT NO.: 2018-82

AUDIT: Cash Count MANAGEMENT RESPONSE DUE: December 7, 2018

FINDING No.: 1 RECOMMENDATION: 1

Management should ensure that a notice stating "Gifts, gratuities, and/or tips will not be accepted" is posted in a conspicuous location for the public's view.

Management Response (Choose One):

_____ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**

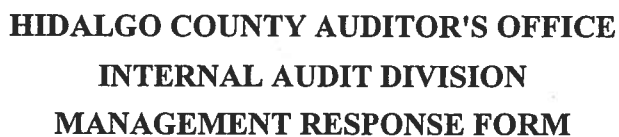
_____ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**

_____ **DISAGREE THAT RISK EXISTS (Specify below)**

Management Comments (Attach additional page(s) if necessary):

Specify Target Date of Remedial Action (if any):

Signature: _____ **Date:** _____



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.

Signature: _____ **Date:** _____



Management should ensure passwords are not shared. As a compensating control, the Treasurer's Office should create a log to document access to the Juror System. At a minimum, the log should document the employee name, time, date, and supervisor approval.

Signature: _____ **Date:** _____



Management should ensure that access to modify receipts is removed from the individuals who have cashiering responsibilities. Receipts should only be modified upon obtaining supervisory approval. The erroneous receipt should be reprinted and the following information should be noted on the face of the receipt: marked “MODIFIED”, an explanation for the modification, and the date the receipt was modified, along with the initials of both the supervisor and cashier.

Signature: _____ **Date:** _____

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 5, 2018

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

Re: Cash Count Report No. 2018-83

Dear Commissioner Palacios:

We conducted a surprise cash count of the cash held at the Edinburg Sanitation Office on September 27, 2018 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. We also conducted a follow-up review of the internal control weaknesses identified in the cash count conducted on December 5, 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.

Conclusion:

Total cash on hand at the time of the cash count was \$1,575.00. Based on the results of our review, we concluded that total cash on hand did reconcile to the total receipts issued up to the time of the cash count including the prior day's receipts and approved change fund of \$200.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

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.

Observation No. 1:

We noted during our review that security cameras were not utilized in areas where cash was receipted and safeguarded. According to staff, since the privatization of the sanitation program has been proposed to Commissioners Court, the Precinct 4 Office will not be moving forward with the purchase of surveillance cameras. It would not be prudent to purchase cameras for short term use.

The use of security cameras act as a crime deterrent; therefore, the County Auditor's Office recommends that security alarms and/or security cameras be installed in areas where cash collections are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency. Furthermore, a notice stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIERNA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

Failure to utilize security cameras in areas where cash is receipted and safeguarded increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that security cameras are utilized in areas where cash is receipted and safeguarded.

Observation No. 2:

We noted that each cashier does not reconcile their cash drawer against receipts issued and the change fund using the *Cashier's Daily Close-out Report*. According to staff, the collections are reconciled; however, the reconciliation is not documented separately by each cashier on a *Cashier's Daily Close-out Report*.

The County Auditor's Office requires that each day, each cashier reconcile the cash drawer against receipts issued and the change fund using the *Cashier's Daily Close-out Report*. The reconciliation must be witnessed by another person.

Daily close-out procedures documented on the *Cashier's Daily Close-out Report* help to uncover discrepancies between actual cash collected and recorded amounts in a timely manner.

Recommendation:

Management should ensure that each cashier reconciles the cash drawer against receipts issued and the change fund using the *Cashier's Daily Close-out Report*.

Please provide written management responses to the observations noted above by November 23, 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 have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Rocio Quiroga, Internal Auditor I, at 318-2511 ext. 4604, Reynaldo Cantu III, Compliance Audit Supervisor, at ext. 4654, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Mr. Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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, 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 27, 2018

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. 2018-552

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the Edinburg Motor Vehicle Main Office on July 19, 2018, 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. We also conducted a follow-up review of the internal control weaknesses identified in the cash count conducted on October 18, 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.

Conclusion:

Cash on hand at the time of the cash count totaled \$384,431.07. 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), web dealer reports, and the approved change fund of \$6,900.00 (see Observation No. 1). In addition, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

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.

Observation No. 1:

Total cash on hand at the time of the cash count exceeded receipts issued by \$168,781.00 due to the following:

- 367 checks consisting of mail-in payments and checks that the department received via UPS and FedEx that had not been receipted. Of the 367 checks:
 - 268 checks totaling \$81,778.89 were pending to be receipted after July 19, 2018.
 - 53 checks totaling \$58,746.85 were classified as rejected or on hold for various reasons.
 - 39 checks totaling \$28,258.16 were subsequently receipted after the cash count.
 - 7 checks did not have the lines for the numeric and dollar amounts filled out at the time of the cash count (see Observation No. 2).

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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, 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.

- A cash overage for collections received on July 18, 2018 and July 19, 2018 in the amount of \$2.10. The overage was recorded on the Short/Over – General Account balance sheet account instead of being remitted to the County Treasurer's Office as miscellaneous revenue.

The County Auditor's Office requires that all payments, including dealer drop-off checks, payments received via UPS and FedEx, and 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. In addition, 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. Furthermore, overages should be remitted to the County Treasurer's Office as miscellaneous revenue. 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 and overages are remitted to the County Treasurer's Office as miscellaneous revenue may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that all payments are promptly receipted and deposited and overages are remitted to the County Treasurer's Office as miscellaneous revenue. In addition, payments that were pending to be processed as of July 19, 2018 should be immediately receipted or returned to the sender. If payments cannot be processed, they should be mailed back to the sender in a timely manner. Furthermore, 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:

We noted that the department receives checks via UPS and FedEx 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 send a blank check along with the recording documents. According to the mail clerk, 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. Checks that are not properly completed (do not contain the numerical and written dollar amount) should not be accepted.

Failure to ensure that cashiers do not accept checks that are not properly completed may result in the or for the loss or misuse of County funds due to the county being liable for checks prepared by the cashier in error or a blank check misplaced by the department.

Recommendation:

Management should ensure that cashiers do not accept checks that are not properly completed. 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:

We noted that staff does not verify that funds collected by web dealers have been transferred into the Motor Vehicle General bank account prior to receipting the collections in RTS. The funds are received from the web dealers approximately 1 to 3 days after the receipts are receipted in RTS.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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.

The County Auditor's Office requires that a receipt be issued once funds have been transferred into the Motor Vehicle General bank account. The document used to verify that the funds have been received should be attached to the receipts.

Failure to ensure that receipts are issued only after funds have been deposited in the Motor Vehicle General bank account may result in incorrect accounting of receipts and deposits and the loss of County funds.

Recommendation:

Management should ensure that receipts are issued only after funds have been deposited in the Motor Vehicle General bank account. In addition, the documentation used to verify that the funds were received should be attached to the receipts.

Observation No. 4:

We noted that security cameras were not installed in the call center where dealer checks are processed and safeguarded. According to staff, the purchase of additional video equipment would be considered; however, the purchase would not be made in the near future due to budgetary constraints.

Security cameras serve as a crime deterrent; therefore, the County Auditor's Office recommends that security cameras be installed in areas where cash collections and receipts are reconciled and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency.

Failure to utilize security cameras increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that security cameras are installed in the call center where dealer checks are processed and safeguarded. Management should contact the Department of Budget and Management to request funding assistance to purchase security cameras.

Observation No. 5:

Passwords to gain access to EZ Justice are not changed at least every 90 days. According to staff, the site does not prompt them to change their password. In addition, the Motor Vehicle Main Office has contacted Hamer Enterprises to request the password change notification to be prompted every 90 days and is pending further action from Hamer Enterprises.

The Information Technology (IT) Securities Policy requires that usernames and passwords not be shared and be changed at least every 90 days.

Failure to change passwords at least every 90 days may increase the risk of unauthorized access to EZ Justice.

Recommendation:

Management should contact the IT Department to ensure that passwords are changed at least every 90 days. In addition, the continued assistance of Hamer Enterprises should be requested until the problem has been resolved.

Observation No. 6:

We noted that a stale-dated check (dated July 3, 2015) was accepted as payment. According to the Head Cashier, the check was accepted due to an oversight by the cashiers. Additionally, she mentioned that the Substation Supervisor decides whether the receipt should be voided or have the date changed on the stale dated check after an attempt to contact the sender is made.

The County Auditor's Office requires that prior to accepting a check as payment, the cashier must verify that the date on the check is the date payment is presented and that the check is not stale-dated or post-dated. Stale-dated or post-dated checks may not be accepted.

Failure to ensure that the date on the check is the date of payment and that checks are not stale-dated or post dated may result in the loss of County funds.

HIDALGO COUNTY DISTRICT JUDGES

Recommendation:

Management should ensure that cashiers verify that the date on the check is the date payment is presented and that the check is not stale-dated or post-dated.

Observation No. 7:

We noted that checks received for payment were made payable to either Hidalgo County Tax Assessor Pablo "Paul" Villarreal Jr.; Pablo (Paul) Villarreal Jr. Assessor & Collector; or Pablo (Paul) Villarreal Jr. In addition, signs were posted for the public's view instructing them to make checks payable to "Pablo (Paul) Villarreal Jr. Tax Assessor & Collector."

On March 7, 2016, the County Auditor issued a letter to the Tax Assessor requiring cashiers to verify that checks are made payable to the Elected or Public Official's title (i.e. Hidalgo County Tax Assessor/Collector) prior to accepting a check as payment. Pursuant to Local Government Code Sections 112.002 and 112.006, the county auditor has financial oversight for all county offices and may dictate the accounting procedures and internal controls to be implemented by each county office.

Failure to ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector) increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector).

Please provide written management responses to the observations noted above by December 7, 2018 using the attached Management Response Forms.

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, at (956) 318-2511, ext. 4647, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosure: Management Response Forms

cc: Valde Guerra, County Executive Officer
Eva Mireles, Chief of Operations
Santos Castilleja, Motor Vehicle Division Manager

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
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.

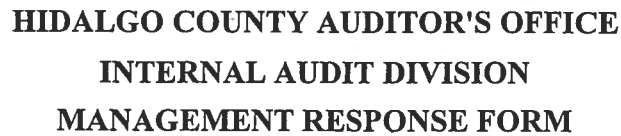
NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

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.



Management should ensure that all payments are promptly receipted and deposited and overages are remitted to the County Treasurer's Office as miscellaneous revenue. In addition, payments that were pending to be processed as of July 19, 2018 should be immediately receipted or returned to the sender. If payments cannot be processed, they should be mailed back to the sender in a timely manner. Furthermore, 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.

_____ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**
 _____ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**
 _____ **DISAGREE THAT RISK EXISTS (Specify below)**

Specify Target Date of Remedial Action (if any):

Signature: _____ **Date:** _____



Management should ensure that cashiers do not accept checks that are not properly completed. 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.

Signature: _____ **Date:** _____



Management should ensure that receipts are issued only after funds have been deposited in the Motor Vehicle General bank account. In addition, the documentation used to verify that the funds were received should be attached to the receipts.

Signature: _____ **Date:** _____



Management should ensure that security cameras are installed in the call center where dealer checks are processed and safeguarded. Management should contact the Department of Budget and Management to request funding assistance to purchase security cameras.

Signature: _____ **Date:** _____



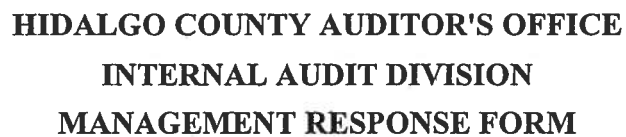
Management should contact the IT Department to ensure that passwords are changed at least every 90 days. In addition, the continued assistance of Hamer Enterprises should be requested until the problem has been resolved.

Signature: _____ **Date:** _____



Management should ensure that cashiers verify that the date on the check is the date payment is presented and that the check is not stale-dated or post-dated.

Signature: _____ **Date:** _____



AUDITEE:	<u>Edinburg Motor Vehicle Office</u>	AUDIT NO.:	<u>2018-552</u>
AUDIT:	<u>Cash Count</u>	MANAGEMENT RESPONSE DUE:	<u>December 7, 2018</u>
FINDING No.:	<u>7</u>	RECOMMENDATION:	<u>7</u>

Management should ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector).

Management Response (Choose One):

_____ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**
 _____ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**
 _____ **DISAGREE THAT RISK EXISTS (Specify below)**

Management Comments (Attach additional page(s) if necessary):

Specify Target Date of Remedial Action (if any):

Signature: _____ **Date:** _____

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 28, 2018

Mr. Arnold K. Patrick, Director
Community Supervision and Corrections Department
3100 South Business Highway 281
Edinburg, TX 78539

Re: Cash Count Report No. 2018-558

Dear Mr. Patrick:

We conducted a surprise cash count of the cash held at the Community Supervision and Corrections Department (CSCD) on August 20, 2018 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. We also conducted a follow-up review of the internal control weaknesses identified in the cash count conducted on September 27, 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.

Conclusion:

Total cash on hand at the time of the cash count was \$30,795.06. Based on the results of our review, we concluded that total cash on hand did reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$200.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

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.

Observation No. 1:

We noted that manual receipt book orders are not delivered by the vendor to the County Auditor's Office for proper safeguarding. According to staff, receipt books have always been delivered to the Community Supervision and Corrections Department for safeguarding. They are kept under lock and key and a log of books used and issued for the court service location is maintained by the clerk. In addition, receipt books are easily accessible in the event that the computer system goes down.

The County Auditor's Office requires that manual receipt books ordered by departments be delivered by the vendor to the County Auditor's Office for proper safeguarding. The manual receipt books will be issued to the departments by the County Auditor's Office, as needed.

Failure to ensure that manual receipt books are delivered by the vendor to the County Auditor's Office for proper safeguarding may increase the risk of loss or misuse of County funds.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	JAIME E. TIJERNA 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.	NOE GONZALEZ JUDGE, 370 TH D.C. OVERSEER	LETICIA LOPEZ JUDGE, 388 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.
---	--	---	--	--	--	---	--	--	--	--

Recommendation:

Management should ensure that manual receipt books are delivered by the vendor to the County Auditor's Office for proper safeguarding.

Observation No. 2:

Passwords to gain access to *FinTrak*, the CSCD's financial accounting system, are not changed at least every 90 days. According to the Accountant, a compensating control has been established by the department that limits access to the number of users allowed to have access to the accounting module.

The Hidalgo County Information Technology (IT) Securities Policy requires that passwords be changed at least every 90 days.

Failure to change passwords may increase the risk of unauthorized access to *FinTrak*.

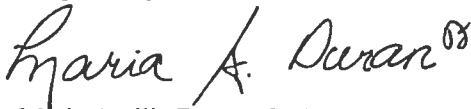
Recommendation:

Management should contact the software provider to inquire whether *FinTrak* may be programmed to prompt and require users to change passwords at least every 90 days.

Please provide written management responses to the observations noted above by December 10, 2018 using the attached Management Response Forms.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions or would like to meet regarding this cash count, please contact Araceli A. Guillen, Internal Auditor I, at ext. 4649, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



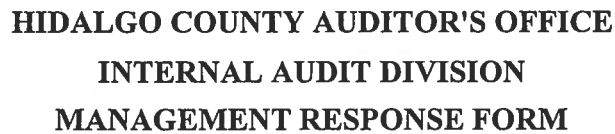
Maria Arcilia Duran, CPA
Hidalgo County Auditor

Enclosure: Management Response Forms

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	JAME E. TIJERINA 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.	NOE GONZALEZ JUDGE, 370 TH D.C. OVERSEER	LETICIA LOPEZ JUDGE, 385 TH D.C.	L. KENO VASQUEZ JUDGE, 398 TH D.C.	ISRAEL RAMON, JR. JUDGE, 430 TH D.C.	RENEE R. BETANCOURT JUDGE, 448 TH D.C.
---	--	---	--	--	--	---	--	--	--	--



Management should ensure that manual receipt books are delivered by the vendor to the County Auditor's Office for proper safeguarding.

Signature: _____ **Date:** _____



**HIDALGO COUNTY AUDITOR'S OFFICE
INTERNAL AUDIT DIVISION
MANAGEMENT RESPONSE FORM**

AUDITEE:	<u>Community Supervision and Corrections Department</u>	AUDIT NO.:	<u>2018-558</u>
AUDIT:	<u>Cash Count</u>	MANAGEMENT RESPONSE DUE:	<u>December 10, 2018</u>
FINDING No.:	<u>2</u>	RECOMMENDATION:	<u>2</u>

Management should contact the software provider to inquire whether FinTrak may be programmed to prompt and require users to change passwords at least every 90 days.

Management Response (Choose One):

☐ **AGREE TO TAKE REMEDIAL ACTION (Action Plan attached)**
☐ **AGREE TO ACCEPT RISK OF NOT TAKING REMEDIAL ACTION**
☐ **DISAGREE THAT RISK EXISTS (Specify below)**

Management Comments (Attach additional page(s) if necessary):

Specify Target Date of Remedial Action (if any):

Signature: _____ **Date:** _____
