

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

January 29, 2019

The Honorable Richard Cortez, 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 Ellie Torres, 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 October 2018
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	Hidalgo County Tax Collected Reports for November 2018
The Hon. Eduardo Cantu, Commissioner Precinct No. 2	Sanitation Program Monthly Fee Report for October 2018
Ms. Yvonne Ramon, Elections Administrator	Monthly Fees Report for November 2018
The Honorable Laura Hinojosa, Hidalgo County District Clerk	Monthly Fees Report for November 2018
The Hon. Marcos Ochoa, Justice of the Peace Pct. 3 Pl. 2	Monthly Fines and Fees Report for October 2018
The Hon. Homero A. Jasso, Justice of the Peace Pct. 4 Pl. 2	Monthly Fines and Fees Report for October 2018
The Hon. Gilberto Saenz, Justice of the Peace Pct. 1 Pl. 1	Monthly Fines and Fees Report for November 2018
The Hon. Jesus E. Morales, Justice of the Peace Pct. 1 Pl. 2	Monthly Fines and Fees Report for November 2018
The Hon. Bobby Contreras, Justice of the Peace Pct. 2 Pl. 1	Monthly Fines and Fees Report for November 2018
The Hon. Jaime J. Munoz, Justice of the Peace Pct. 2 Pl. 2	Monthly Fines and Fees Report for November 2018
The Hon. Luis Garza, Justice of the Peace Pct. 3 Pl. 1	Monthly Fines and Fees Report for November 2018
The Hon. Juan "J.J." Pena, Justice of the Peace Pct 3 Pl. 2	Monthly Fines and Fees Report for November 2018
The Hon. Charlie Espinoza, Justice of the Peace Pct. 4 Pl. 1	Monthly Fines and Fees Report for November 2018
The Hon. Homero A. Jasso, Justice of the Peace Pct. 4 Pl. 2	Monthly Fines and Fees Report for November 2018
The Hon. Jason Pena, Justice of the Peace Pct. 5 Pl. 1	Monthly Fines and Fees Report for November 2018
The Hon. Gilberto Saenz, Justice of the Peace Pct. 1 Pl. 1	Monthly Fines and Fees Report for December 2018
The Hon. Homero A. Jasso, Justice of the Peace Pct. 4 Pl. 2	Monthly Fines and Fees Report for December 2018
The Hon. J.E. "Eddie" Guerra, Hidalgo County Sheriff	Sheriff's Investigation Fund Financial Statements for the months of ended January 31, 2018 through March 31, 2018
The Hon. J.E. "Eddie" Guerra, Hidalgo County Sheriff	Sheriff's Investigation Fund Financial Statements for April 2018 through July 2018
The Hon. J.E. "Eddie" Guerra, Hidalgo County Sheriff	Sheriff's Regular Trust Financial Statements for the months ended January 31, 2018 through March 31, 2018
The Hon. J.E. "Eddie" Guerra, Hidalgo County Sheriff	Sheriff's "B" Account Financial Statements for January 2018 through May 2018
The Hon. Arturo Guajardo, Jr., Hidalgo County Clerk	Fee Monthly Report for October 2018, November 2018 and December 2018
The Honorable Joseph Palacios, Commissioner Precinct No. 4	Commissioner Precinct No. 4 Asset Inventory Listing Audit No. 2018-76
The Honorable Ramon Garcia, Hidalgo County Judge	Hidalgo County Judge's Office Asset Inventory Listing Audit No. 2018-78

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
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 Honorable Jaime E. Tijerina, 93 rd State District Court	93 rd District Court Asset Inventory Listing Audit No. 2018-89
The Honorable Homero Graza, Judge Probate Court	Probate Court Asset Inventory Listing Audit No. 2018-90
The Hon. Marcos Ochoa, Justice of the Peace Pct. 3 Pl. 2	JP Precinct 3 Place 2 Asset Inventory Listing Audit No. 2018-91
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	November 2018 DTA Payment Request Report No. 2019-12
The Hon. Eduardo Cantu, Commissioner Precinct No. 2	Alamo CRC Sanitation Program Cash Count Report No. 2018-85
The Hon. J.E. "Eddie" Guerra, Hidalgo County Sheriff	Inmate Trust Cash Count Report No. 2018-87
The Hon. Lita Leo, Hidalgo County Treasurer	Cash Count Report No. 2018-88
Mr. Eduardo Olivarez, Chief Administrative Officer Hidalgo County Health and Human Services Department	Pharr Clinic Cash Count Report No. 2018-533
Mr. Eduardo Olivarez, Chief Administrative Officer Hidalgo County Health and Human Services Department	Hidalgo Clinic Cash Count Report No. 2018-537
Mr. Eduardo Olivarez, Chief Administrative Officer Hidalgo County Health and Human Services Department	Pulmonary Clinic Cash Count Report No. 2018-539
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	Mission Tax Office Cash Count Report No. 2018-544
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	Elsa Tax Office Cash Count Report No. 2018-545
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	McAllen Tax Office Cash Count Report No. 2018-546
The Hon. Arturo Guajardo, Jr., Hidalgo County Clerk	Collections Department Cash Count Report No. 2018-548
The Hon. Arturo Guajardo, Jr., Hidalgo County Clerk	McAllen Substation Cash Count Report No. 2018-549
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	Alamo Motor Vehicle Cash Count Report No. 2018-553
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	San Juan Motor Vehicle Cash Count Report No. 2018-554
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	Elsa Motor Vehicle Substation Cash Count Report No. 2018-556
The Hon. Gilberto Saenz, Justice of the Peace Pct. 1 Pl. 1	Cash Count Report No. 2018-562
The Hon. Luis Garza, Justice of the Peace Pct. 3 Pl. 1	Cash Count Report No. 2018-566
The Hon. Homer Jasso, Sr. Justice of the Peace Pct. 4 Pl. 2	Cash Count Report No. 2018-569

Respectfully,

Maria A. Duran

Maria Arcilia Duran, CPA
Hidalgo County Auditor

Attachments

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93rd D.C.

J. R. "BOBBY" FLORES
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ROSE GUERRA REYNA
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JUDGE, 370th D.C.
OVERSEER

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JUDGE, 389th D.C.

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

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

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

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EDINBURG, TEXAS 78539

January 4, 2019

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 October 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 month of October 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 Report* agreed to modifications made to the tax levy per ACT's *Tax Collector Monthly Report* (Report No. TC168) for each entity.
- Compared the *Hamer Enterprise* Online Credit Card Payment Report to the *Hidalgo County Deposit Status Report – All Locations* to ensure all online credit card transactions received within the period in review were timely receipted.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
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JUDGE, 93RD D.C.

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

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JUDGE, 398TH D.C.

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

RENEE R. BETANCOURT
JUDGE, 449TH 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 Report* and County Treasurer receipts to determine whether collections were properly accounted and deposited with the County Treasurer in a timely manner.
- Reviewed deposits that did not agree to the *Hidalgo County Deposit Status Report – All Locations* report to determine if the shortages were replenished and/if overages were deposited to the general fund as miscellaneous revenue.
- Reviewed selected validated deposit slips to determine if the deposit composition (cash, checks, credit card payments) agreed to the total of the applicable payment method listed on the *Hidalgo County Deposit Status Report – All Locations* report.

Conclusion:

Total collections for the month of October 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 \$2,602,203.98. 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 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 total deposits did not agree to the amount collected per the *Deposit Status Report - All Locations* report, as follows:

- Deposits were short a total of \$202.25.
 - Net shortages totaling \$202.25 were replenished with funds in the Cashier Over/Short balance sheet account. Some of the significant shortages are as follows:
 - On October 11, 2018 one cashier was short \$200.05 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 were over a total of \$5.14.
 - Net overages totaling \$5.14 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 October 31, 2018 the Cashier Over/Short balance sheet account has a debit balance of \$799.25.

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.

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

HIDALGO COUNTY DISTRICT JUDGES

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.

Observation No. 2:

We noted that 3 days of collections were transferred to the County Treasurer's Office 6 to 8 business days after the day the money was received.

Pursuant to Local Government Code §113.022, "A county officer or other person who receives money shall deposit the money with the county treasurer on or before the next regular business day after the date on which the money is received. If this deadline cannot be met, the officer or person must deposit the money, without exception, on or before the fifth business day after the day on which the money is received."

Failure to ensure collections are transferred and recorded in accordance with Local Government Code §113.022 will cause revenues to not be recognized in a timely manner and may affect revenue projections.

Recommendation:

Management should ensure collections are transferred and remitted to the Treasurer's Office in accordance with Local Government Code §113.022.

Please provide a written management response to the observations noted above by January 11, 2019.

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

HIDALGO COUNTY DISTRICT JUDGES

COUNTY of HIDALGO

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EDINBURG, TEXAS 78539

January 17, 2019

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 November 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 month of November 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 that the *Hidalgo County Tax Collected 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 Report* agreed to modifications made to the tax levy per ACT's *Tax Collector Monthly Report* (Report No. TC168) for each entity.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY

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J. R. "BOBBY" FLORES

ROSE GUERRA REYNA

MARLA CUELLAR

MARIO E. RAMIREZ, JR.

NOE GONZALEZ

LETICIA LOPEZ

L. KENO VASQUEZ

ISRAEL RAMON, JR.

RENEE R. BETANCOURT

- Compared the *Hamer Enterprise* Online Credit Card Payment Report to the *Hidalgo County Deposit Status Report – All Locations* to determine if online credit card transactions were timely receipted.
- Compared the *Electronic Check BMI 147 Report* to the *Hidalgo County Deposit Status Report – All Locations* to determine if all online e-check transactions were timely receipted.
- Reviewed the *Hidalgo County Tax Collected Report* and County Treasurer receipts to determine whether collections were properly accounted and deposited with the County Treasurer in a timely manner.
- Reviewed deposits that did not agree to the *Hidalgo County Deposit Status Report – All Locations* report to determine if the shortages were replenished and/if overages were deposited to the general fund as miscellaneous revenue.
- Reviewed selected validated deposit slips to determine if the deposit composition (cash, checks, credit card payments) agreed to the total of the applicable payment method listed on the *Hidalgo County Deposit Status Report – All Locations* report.

Conclusion:

Total collections for the month of November 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 \$56,466,863.88. 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* report, as follows:

- Deposits were short a total of \$24.48. The shortage was replenished with funds in the Cashier Over/Short balance sheet account.
- Deposits were over a total of \$29.32. The overage was 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.

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.

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 Friday, January 25, 2019.

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

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EDINBURG, TEXAS 78539

January 10, 2019

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 October 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 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 month of 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 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.

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JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
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.

Conclusion:

Total collections for the month of October 2018 were \$14,800.00. 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, 52ND D.C.

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
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



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

December 27, 2018

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

Re: *Monthly Fees Report* for November 2018

Dear Ms. Ramon:

We conducted a limited scope review of the *Monthly Fees Report (Monthly Report)* and supporting documentation for the month of November 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 November 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. TLJERINA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
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JUAN R. PARTIDA
JUDGE, 275TH D.C.

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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 month of November 2018 were \$130.00. 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 4 of 7 receipts were missing the quantity on the type of service being requested. According to the Accountant, the receipts did not have the quantity on the type of service being requested due to an oversight but will inform staff of the proper way to complete a receipt.

The County Auditor's Office requires that receipts issued 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 of services requested (quantity), and the receipt preparer's signature.

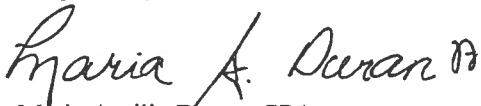
Failure to ensure that receipts are properly completed may result in the improper recording of County funds.

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.

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

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COUNTY of HIDALGO

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EDINBURG, TEXAS 78539

January 2, 2019

The Honorable Laura Hinojosa
Hidalgo County District Clerk
100 N. Closner, 1st Floor
Edinburg, Texas 78540

Re: *Monthly Fees Report* for November 2018

Dear Ms. Hinojosa:

We conducted a limited scope review of the *Monthly Fees Report* and supporting documentation for the month of November 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 November 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.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	FERNANDO MANCINAS JUDGE, 93 RD D.C.	J. R. "BOBBY" FLORES JUDGE, 139 TH D.C.	ROSE GUERRA REYNA JUDGE, 206 TH D.C.	MARLA CUELLAR 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. KEND VASQUEZ JUDGE, 398 TH D.C.	ISRAEL RAMON, JR. JUDGE, 430 TH D.C.	RENEE R. BETANCOURT JUDGE, 449 TH D.C.
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- Reviewed receipts, *Revenue Remittance Reports*, *Monthly Fees Report*, and mail logs to verify proper completion.
- 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 November 2018 were \$382,102.77. Based on the results of our review, we concluded that fines, fees, and court costs collected were generally properly accounted and reported.

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

cc: Mr. Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	FERNANDO MANCIAS JUDGE, 93 RD D.C.	J. R. "BOBBY" FLORES JUDGE, 139 TH D.C.	ROSE GUERRA REYNA JUDGE, 206 TH D.C.	MARLA CUELLAR 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, 448 TH D.C.
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COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

December 14, 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 October 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 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 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 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 100% of receipts with an offense date of December 31, 2007 and prior 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. TJERINA
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
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JUDGE, 430TH D.C.

RENEE R. BETANCOURT
JUDGE, 448TH 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 October 2018 were \$110,400.34. 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 25 of 816 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), August 2018 (38), and September 2018 (26) 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:

- Staff should be provided with training regarding the proper allocation of fines, fees, and court costs.

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 139TH D.C.

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JUDGE, 430TH D.C.

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

- 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 January 2014 through June 2014 and September 2014 through October 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. In addition, incorrect copies of the April 2012, July 2012, October 2012, May 2013 through December 2013, July 2014, and August 2014 OCA reports were 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*, *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.

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.

HIDALGO COUNTY DISTRICT JUDGES

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

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

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

JUAN R. PARTIDA
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JUDGE, 430TH D.C.

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

Observation No. 4:

We noted that collections for 3 of 22 days were deposited at the bank 2 to 4 days after collections were receipted. According to the Court Coordinator, the deposits were not made timely since they were under 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 15 of 21 Close-out Reports were submitted to the County Treasurer's Office 3 to 14 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 being under staffed.

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.

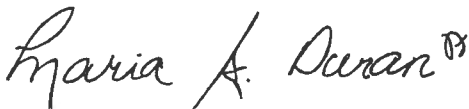
Recommendation:

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.

Please provide written management responses to the observations noted above by Friday, December 28, 2018 using the attached Management Response 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 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
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JUDGE, 430TH D.C.

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

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for October 2018
	We noted that 25 of 816 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), August 2018 (38), and September 2018 (26) are still pending to be completed.
Observation No. 1	
	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.
Recommendation #	
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 October 2018
Observation No. 2	Copies of the January 2014 through June 2014 and September 2014 through October 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. In addition, incorrect copies of the April 2012, July 2012, October 2012, May 2013 through December 2013, July 2014, and August 2014 OCA reports 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 October 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 offense date, LEO5E \$1 should have been assessed, LEAO and LEOCE should not have been assessed.

2018- F95-08- Fictitious

100

JP32.

LINE	QTY	UNIT	DESCRIPTION	DATE	AMOUNT	TOTAL
09470	379	Speedline	5/24/96	10/4/18	5	8.00
					5	51.0
					5	5

Pursuant to Attorney General Opinion GA-147 2004 payments must be allocated to court costs and fees first.

T01: Drive on

1/200M	WIDING WIDE	Q	of Roadway	6/6/01	10/4/18	14 18	25

TPWFr and CN were either incorrectly should be TPWFr (85%) \$180.63 and CN (15%) \$24.87.

JP32-
CAN11 NO HUNTER
8 0103- Education

	T	03	0609H	87/4/1	87/7/5	2F6	EZ650
-	-	-	-	-	-	-	-

Based on offense type, CS\$ 50.15 should not have been assessed.

7527-011 to Hide not

[illegible]

JP32- T10- to Ride not

	Safety Belt	10/31/18	40.00	3.0	1	17.50
10049 O						

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

2018- 11532- Syst, Child

JP32- TR17. Safety Seat

10043	132	Pass <8	9/20/17	10/31/18	40.00	3.0	1	.	.	12.5
10043	132	Pass <8	9/20/17	10/31/18	40.00	3.0	1	.	.	12.5

Based on the offense type, MVF \$0.10 should not have been assessed. In addition, 5V50 should be split CO (50%

2018-	1261M d Under
•	•

JP32-	T14-	Safety Seat
-------	------	-------------

Case	Outcome	Pass	Fail	Pass %	Fail %
09549	0	Pass	2/27/14	10/9/18	40.00
				3.0	1
					12.50

2018-138M Mainsta'n

Case	Time	Age	Sex	Weight	Height	Temperature	Pulse	Respiration	Blood Pressure	Heart	Lungs	Abdomen	Genitals	Neurology	Other
1032-	10/10/24	24	F	100.00	5.0	100.0	100	20	100/60	Normal	Clear	Normal	Normal	Normal	Normal
1033-	10/10/24	24	F	100.00	5.0	100.0	100	20	100/60	Normal	Clear	Normal	Normal	Normal	Normal
1034-	10/10/24	24	F	100.00	5.0	100.0	100	20	100/60	Normal	Clear	Normal	Normal	Normal	Normal

INFLU	Q	Time	10/11/18	30	60
1010	0	175/14	10/11/18	4000	30

Rated on offense June STE \$30 and IITEC \$3 should not have been assessed

1033	T819	Q 999/cade Au	DISC 810

2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034	2034-2035	2035-2036	2036-2037	2037-2038	2038-2039	2039-2040	2040-2041	2041-2042	2042-2043	2043-2044	2044-2045	2045-2046	2046-2047	2047-2048	2048-2049	2049-2050	2050-2051	2051-2052	2052-2053	2053-2054	2054-2055	2055-2056	2056-2057	2057-2058	2058-2059	2059-2060	2060-2061	2061-2062	2062-2063	2063-2064	2064-2065	2065-2066	2066-2067	2067-2068	2068-2069	2069-2070	2070-2071	2071-2072	2072-2073	2073-2074	2074-2075	2075-2076	2076-2077	2077-2078	2078-2079	2079-2080	2080-2081	2081-2082	2082-2083	2083-2084	2084-2085	2085-2086	2086-2087	2087-2088	2088-2089	2089-2090	2090-2091	2091-2092	2092-2093	2093-2094	2094-2095	2095-2096	2096-2097	2097-2098	2098-2099	2099-2100	2100-2101	2101-2102	2102-2103	2103-2104	2104-2105	2105-2106	2106-2107	2107-2108	2108-2109	2109-2110	2110-2111	2111-2112	2112-2113	2113-2114	2114-2115	2115-2116	2116-2117	2117-2118	2118-2119	2119-2120	2120-2121	2121-2122	2122-2123	2123-2124	2124-2125	2125-2126	2126-2127	2127-2128	2128-2129	2129-2130	2130-2131	2131-2132	2132-2133	2133-2134	2134-2135	2135-2136	2136-2137	2137-2138	2138-2139	2139-2140	2140-2141	2141-2142	2142-2143	2143-2144	2144-2145	2145-2146	2146-2147	2147-2148	2148-2149	2149-2150	2150-2151	2151-2152	2152-2153	2153-2154	2154-2155	2155-2156	2156-2157	2157-2158	2158-2159	2159-2160	2160-2161	2161-2162	2162-2163	2163-2164	2164-2165	2165-2166	2166-2167	2167-2168	2168-2169	2169-2170	2170-2171	2171-2172	2172-2173	2173-2174	2174-2175	2175-2176	2176-2177	2177-2178	2178-2179	2179-2180	2180-2181	2181-2182	2182-2183	2183-2184	2184-2185	2185-2186	2186-2187	2187-2188	2188-2189	2189-2190	2190-2191	2191-2192	2192-2193	2193-2194	2194-2195	2195-2196	2196-2197	2197-2198	2198-2199	2199-2200	2200-2201	2201-2202	2202-2203	2203-2204	2204-2205	2205-2206	2206-2207	2207-2208	2208-2209	2209-2210	2210-2211	2211-2212	2212-2213	2213-2214	2214-2215	2215-2216	2216-2217	2217-2218	2218-2219	2219-2220	2220-2221	2221-2222	2222-2223	2223-2224	2224-2225	2225-2226	2226-2227	2227-2228	2228-2229	2229-2230	2230-2231	2231-2232	2232-2233	2233-2234	2234-2235	2235-2236	2236-2237	2237-2238	2238-2239	2239-2240	2240-2241	2241-2242	2242-2243	2243-2244	2244-2245	2245-2246	2246-2247	2247-2248	2248-2249	2249-2250	2250-2251	2251-2252	2252-2253	2253-2254	2254-2255	2255-2256	2256-2257	2257-2258	2258-2259	2259-2260	2260-2261	2261-2262	2262-2263	2263-2264	2264-2265	2265-2266	2266-2267	2267-2268	2268-2269	2269-2270	2270-2271	2271-2272	2272-2273	2273-2274	2274-2275	2275-2276	2276-2277	2277-2278	2278-2279	2279-2280	2280-2281	2281-2282	2282-2283	2283-2284	2284-2285	2285-2286	2286-2287	2287-2288	2288-2289	2289-2290	22
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Year	Total	Driving
1997	14,111	10,000
1998	14,111	10,000

	2018.	2369.	License
2018.	2369.	License	

JP32- TR18-

09505	J32	Speeding	5/10/18	10/5/18	40.00	30	1	-	-	-
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Justice of the Peace Marcos Ochoa
Precinct 3, Place 2
Schedule of Bonds on Deposit
As of October 31, 2018

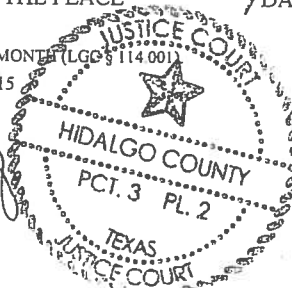
Year	Receipt Date	Receipt No.	Docket No.	Bond Amount
2015				
	9/10/2015	JP32-2015-00790	T10-5062MO	49.00
	9/10/2015	JP32-2015-00792	T12-0778MO	49.00
	9/10/2015	JP32-2015-00794	T12-0719MO	49.00
	9/10/2015	JP32-2015-00795	T12-3863MO	15.90
	9/10/2015	JP32-2015-00796	T12-3889MO	20.00
	9/10/2015	JP32-2015-00797	T12-3864MO	49.00
	10/20/2016	JP32-2016-07529	TR16-9466-J32	0.90
Total				<u>232.80</u>

City: MISSION, TX
Hidalgo County, Texas

110,400.34 X10-A1✓
\$ ~~110,107.22~~

$$\begin{array}{r} \text{---} \quad - \quad x7 \checkmark \\ \\ \text{---} \quad - \quad x7 \checkmark \\ 110,400.34 \quad x3 \checkmark \\ \hline \$ \quad 110,107.22 \quad - \\ \hline \hline \$110,633.14 \\ (1232.80) \\ +10,107.22 \\ \hline \hline 28 \end{array}$$

HIDALGO COUNTY
AUDITOR'S OFFICE



V2

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: October-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:					37,222.14
County Fines (Local Fine)		LGC 113.004, PC 12.23		1200-351-10-066-000-0-000	37,222.14
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	212.50
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (f)		1100-207-20-000-028-0-000	412.08
Gross Weight 50% Fine (State Fine)		TRC Sec 621.506 (a)		1100-207-20-000-013-0-000	350.00
School District 50% Fines		Educ. Code § 25.093 (d) 1 (A)		1100-207-20-000-009-0-000	120.00
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	1,800.71
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-066-000-0-000	599.40
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	2,397.61
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	1,222.00
Motor Vehicle Adm. Fee (\$10-\$20) (Dismissal 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	120.00
Special Fees					
Deferred Disposition		C.C.P. Art. 45.051		1100-341-10-066-000-0-000	781.46
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(f)			741.50
Support of Judiciary Fund (\$ 60)		LGC 133.105		1100-341-10-060-009-0-000	359.64
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-066-000-0-000	1,182.67
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	450.00
Failure to Appear (\$4)		TRC 706.006/706.007(d)(2)		1100-341-10-060-012-0-000	89.00
Scofflaw Fee (\$20)		TRC 502.010(a)		1100-341-10-140-049-0-000	3,516.42
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	582.40
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	14.93
State General Revenue Fund (\$2.50)		C.C.P. Art. 102.015		1100-207-20-000-010-0-000	(0.03)
Law Enforcement Education Fund (\$1, \$1.50, \$3.50)		Govt. Code Sec. 415.082		1100-207-20-000-011-0-000	10.45
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 (\$2.5, \$5.0)		C.C.P. Art. 102.075(m)		1100-207-20-000-007-0-000	1.71
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	19.17
Consolidated Court Costs Fund (\$17)		CCP 102.075 (a) 3/LGC 133.102		1100-207-20-000-015-0-000	2,397.61
Compensation Victims Of Crime Fund (\$3, \$5, \$15, \$35)		C.C.P. Art. 56.55 (2) & (3)		1100-207-20-000-017-0-000	57.31
Judicial & Court Personnel Training Fund (\$1, \$2)		Govt. Code Sec. 56.001 (b)		1100-207-20-000-027-0-000	7.66
Correctional Management Institute of Texas Fund (\$5.00)		CCP Art. 102.075		1100-207-20-000-029-0-000	1.50
Indigent legal Services Fee-JP (\$6)	40	Govt. Code Sec. 101.141 (2) (B)		1100-207-20-000-004-0-000	240.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	11,802.10
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	2,397.61
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	3,230.78
Birth Certificate Fee (\$1.80)	0	HSC 191.022(f)		1100-207-20-000-039-0-000	-
Defensive Driving Record Fee (\$12)		C.C.P. Art. 45.051 (c-1)		1100-207-20-000-057-0-000	0
Indigent Defense Representation Fund (\$2)		LGC 133.107/GC 102.023		1100-207-20-000-059-0-000	1,193.81
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	49.24
Safety Seat Violation Fee (\$0.15)		TRC 545.412 (b-1)		1100-207-20-000-062-0-000	0.30
Failure to Appear (\$20)		TRC 706.006/706.007(d)(2)		1100-207-20-000-066-0-000	440.00
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	577.40
Texas Home Visiting Program Contribution (\$5)		HSC 191.0048/LGC 118.018 (c)		1100-207-20-000-074-0-000	0
ARREST /WARRANT FEES: STATE	401	C.C.P. Art. 102.011		1100-207-20-000-076-0-000	87.50
D.P.S. (\$3, \$5, \$35, \$50)				1100-207-20-000-019-0-000	2,000.00
T.A.B.C. (\$3, \$5, \$35, \$50)				1100-207-20-000-020-0-000	3,010.46
P.K.W.L. (\$3, \$5, \$35, \$50)				1100-207-20-000-021-0-000	5.00
ARREST /WARRANT/SERVICE FEES: COUNTY					
Sheriff Fees: HIDALGO COUNTY AUDITOR'S OFFICE		LGC 118.131		1100-342-10-060-001-0-000	(30.00)
Constable Fees:					
Precinct #1				1100-342-10-291-000-0-000	-
Precinct #2				1100-342-10-292-000-0-000	-
Precinct #3				1100-342-10-293-000-0-000	4,606.70
Precinct #4				1100-342-10-294-000-0-000	75.00
Precinct #5				1100-342-10-295-000-0-000	-
District Attorney Fees				1100-341-10-060-007-0-000	-
Tax Assessor Fraud Investigators				1100-342-10-060-002-0-000	0.00
School District Arrest Fee				1100-342-10-060-003-0-000	-
Fire Marshal Fee				1100-342-20-060-001-0-000	-
Due to Others Delinquent Fees				1100-202-00-000-004-0-000	5,294.20
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	-
Due to Others- Refund-Overpayments				1100-202-00-000-012-0-000	240.20
Due to Others				1100-202-00-000-012-0-000	0.00
Restitution				1100-202-00-000-012-0-000	5,282.89
Failure to Appear- OmniBase (\$6)		TRC 706.006/706.007(d)(2)		1100-202-00-000-012-0-000	132.00
Justice Fees (Local Fees)				1100-202-00-000-019-0-000	1,160.50
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122			1,694.75
Small 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			1,000.00
Transcript Fees (\$10)		LGC 118.121/118.123 (b)			-
Contract Fees (\$5)		LGC 118.121/118.123 (c)			-
Not Filing Fee (\$5)		LGC 118.121/118.123 (d)			130.00
Not Filing Fee (\$5)		LGC 118.121/118.123 (e)			25.00
Not Filing Fee (\$5)		LGC 118.121/118.123 (e)			460.00
Not Filing Fee (\$5)		LGC 118.121			550.75
Not Filing Fee (\$5)		LGC 101.141 (a)			88.00
Not Filing Fee (\$5)		HSC 191.0045 (3)(d)			-
Not Filing Fee (\$5)		HSC 191.0045 (3)(d)			0
Not Filing Fee (\$5)		HSC 191.0045 (h)			375
Not Filing Fee (\$5)		Rules of Civil Proc., Rule 504.1(b)/CCP 102.004			440.00
Jury Fees (Civil \$22, Criminal \$3)				1100-341-10-060-006-0-000	-

TOTAL AMOUNT DUE TO THE COUNTY TREASURER:

\$ 110,400.34

RECEIVED

NOV - 6 2018

X1, X2, B1

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



December 14, 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 October 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 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 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 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 100% of receipts with an offense date of December 31, 2007 and prior 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

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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 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 October 2018 were \$59,839.53. 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 47 of 514 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), August 2018 (59), September 2018 (46) 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.

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JUDGE, 398TH D.C.

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JUDGE, 430TH D.C.

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JUDGE, 449TH D.C.

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 November 2013 through February 2014, June 2014 through July 2015, and September 2015 through October 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. In addition, incorrect copies of the April 2012 through June 2012, September 2012 through October 2013, March 2014 through May 2014, and August 2015 OCA Reports were 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. In addition, the County Auditor's Office has determined that the OCA Reports are incorrect since the jail time activity and pending adjustments were not entered 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

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JUDGE, 449TH D.C.

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 1 of 22 days was deposited at the bank 2 days after collections were receipted. According to the Court Coordinator, the collections were not deposited timely since they were under 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.

Observation No. 5:

We noted that 1 of 22 Close-out Reports was submitted to the County Treasurer's Office 2 days after the bank deposit was made. According to the Court Coordinator, the Close-out Report were not submitted to the County Treasurer's Office timely since they were under staffed.

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 1 of 1 kiosk credit card transaction was receipted 62 days after the date of transaction. Consequently, the applicable case disposition was not recorded in *Odyssey* in a timely manner. According to the Assistant Court Coordinator, they do not have access to kiosk payments and will be contacting the Information Technology Department for access.

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.

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Recommendation:

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

Observation No. 7:

A mail log was not consistently utilized to record payments received through the mail. According to the Assistant Court Coordinator, a mail log is not prepared when there is no mail; however, they will make sure to prepare a mail log every day.

The County Auditor's Office requires that mail-in payments be listed on a daily mail log. The mail log should include the following information for each mail-in payment received: date received, the name of the payer, the amount of the remittance, the form of the remittance (e.g., cash or check), and, if applicable, the check number.

Failure to ensure that a daily mail log is prepared to record payments received through the mail may result in the loss or misuse of County funds.

Recommendation:

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

Observation No. 8:

We noted that the October 2018 *Monthly Report* was submitted 1 day after the fifth day following the end of the month. According to the Court Coordinator, the *Monthly Report* was not submitted on a timely basis due to the Justice of the Peace being out of the office and unable to sign the 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 that 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 action plans for observations 1 through 3 by Friday, December 28, 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*, Exhibit A and Exhibit B, and Action Plan Forms

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for October 2018
Observation No. 1	We noted that 47 of 514 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), August 2018 (59), September 2018 (46) 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 October 2018
Observation No. 2	Copies of the November 2013 through February 2014, June 2014 through July 2015, and September 2015 through October 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. In addition, incorrect copies of the April 2012 through June 2012, September 2012 through October 2013, March 2014 through May 2014, and August 2015 OCA Reports 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 October 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

Justice of the Peace Homero Jasso
Schedule of Adjustments
For the Month Ended October 31, 2018

Receipt Number	Case Number	Offense Type	Off Date	Date	ARRI CCC	CHSIF CO	CONS CRF	CVCI DEL	DPSr	FA	IDRF	JCD	JCTF	JSF	LTF	MVF	OVER	SCOF	SHC	SIFS	SO	SOT	TPDC	TPDS	TPWVr	UTFC	WARr	WPRE TOTAL	
01-2018-05429	038 C 382	Operate Unreg Mtr Veh	6/2/98	10/12/18	5	17.00	3.00	30.00	-	-	5	0.25	1	-	2	-	-	20.00	-	-	-	-	-	-	-	-	-	50.00	148.25
Based on offense date, JCTF was over assessed by \$1.																													
01-2018-05461	199-3418842	No DL (Unl)	6/16/99	10/30/18	-	17.00	3.00	67.75	-	-	5	0.25	2	-	2	-	-	20.00	-	-	-	-	-	-	-	-	-	50.00	187.00
Based on offense date, JCTF was over assessed by \$1. In addition, based on offense type, UTFC \$3 should have been assessed.																													
01-2018-05460	199-3417442	No Safety Belt	6/16/99	10/30/18	-	17.00	3.00	53.00	-	-	5	0.25	2	-	2	-	-	20.00	-	-	-	-	-	-	-	-	-	50.00	172.25
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.																													
01-2018-05486	199-3418842	No Fishing Lic (Reg)	8/24/18	10/17/18	-	40.00	3.00	1.00	-	-	2	0.00	-	-	4.00	4.00	2	-	0.60	5.40	-	-	1.00	1.00	5.00	-	-	69.00	69.00
Based on the first payment date, TP \$25 should have been assessed. In addition, please correct disposition date.																													
01-2018-05506	1818-4084 J42	Safety Belt, Child-17	5/23/18	10/29/18	-	14.50	-	14.50	-	-	-	-	-	-	2	-	3.00	-	-	-	-	-	-	-	-	-	-	34.00	34.00
01-2018-05442	1818-4747 J42	Expired DL	8/31/18	10/22/18	-	11.34	0.85	0.28	31.00	-	-	-	-	1.13	1.13	-	-	-	0.17	1.53	-	-	0.28	0.28	-	-	50.00	50.00	
01-2018-05405	1818-3863 J42	Speeding	7/10/18	10/19/18	-	3.24	0.34	0.08	24.00	-	-	-	-	0.32	0.32	6	0.01	0.90	-	0.05	0.44	-	2.43	0.09	0.08	0.24	39.00	39.00	
01-2018-05176	1818-3833 J42	Fail to Maintain Finl Resp	7/18/18	10/4/18	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	-	-	-	-	-	-	-	4.00	4.00	
TPDS was not split correctly, should be TPDS \$1 and TPDC \$1. If approved by the Justice of the Peace, amount should be refunded. If not, please call the Auditor's office for instructions.																													
01-2018-05495	0124 01 199	Co Lighting Spectator	1/18/14	10/26/18	-	40.00	3.00	1.00	-	-	2	0.00	-	-	4.00	4.00	2	-	20.00	0.60	5.40	-	-	2.00	-	-	50.00	255.70	
Based on the first payment date, TP \$25 should have been assessed. Based on the offense date, TPDC \$1 should have been assessed. In addition, please enter disposition date. DEL was under assessed, should be \$99.90. Please call the Auditor's office for instructions.																													
01-2018-05434	0115 06 424	Expired Motor Veh Insp	6/7/15	10/15/18	-	6.10	0.46	0.15	-	-	-	0.15	-	-	0.61	0.61	2	-	3.05	0.10	0.82	0.76	-	4.58	-	0.46	7.63	42.50	42.50
DEL was over assessed, should be \$42.90. If approved by the Justice of the Peace, amount should be refunded. If not, please call the Auditor's office for instructions.																													
01-2018-05128	0125 04 522	No Liability Ins	2/6/15	10/27/18	-	9.19	0.69	0.23	-	-	-	-	-	0.92	0.92	-	-	4.58	0.14	1.24	-	-	0.23	0.23	-	11.49	60.00	60.00	
DEL was under assessed, should be \$43.47. Please call Auditor's office for instructions. In addition, please enter disposition date.																													
01-2018-05447	1818-3846 J42	Display Expired LP	5/23/16	10/29/18	-	21.86	1.64	0.55	-	-	-	-	-	2.19	2.19	2	-	10.93	0.33	2.95	-	2.73	-	-	0.55	0.55	72.80	72.80	
[01] was over assessed, should be \$26.70. Please call Auditor's office for instructions.																													
01-2018-05485	1817-4462 J42	Display Expired LP	1/19/17	10/24/18	-	40.00	3.00	1.00	-	-	2	0.00	-	-	4.00	4.00	2	-	20.00	0.60	5.40	-	-	1.00	1.00	-	131.57	131.57	
DEL was over assessed, should be \$39.03. If approved by the Justice of the Peace, amount should be refunded. If not, please call the Auditor's office for instructions.																													
01-2018-05445	1816-2749 J42	Speeding	7/29/16	10/29/18	-	7.18	0.54	0.18	-	-	-	-	-	0.71	0.71	-	0.01	-	3.60	0.11	0.98	-	5.38	0.18	0.18	0.54	33.00	33.00	
DEL was over assessed, should be \$37.80. If approved by the Justice of the Peace, amount should be refunded. If not, please call the Auditor's office for instructions.																													
01-2018-05447	0004 09 401	No DL (Unl)	8/30/05	10/11/18	-	11.67	0.88	-	-	-	-	-	-	1.17	1.17	2	-	19.20	5.84	-	-	1.46	-	-	-	-	14.59	82.20	
DEL was over assessed, should be \$37.20. If approved by the Justice of the Peace, amount should be refunded. If not, please call the Auditor's office for instructions.																													
01-2018-05406	0107 09 092	No Liability Ins	8/30/05	10/11/18	-	40.00	3.00	-	-	-	-	-	-	4.00	4.00	2	-	20.00	-	-	-	5.00	-	-	-	-	50.00	243.70	
DEL was over assessed, should be \$47.10. If approved by the Justice of the Peace, amount should be refunded. If not, please call the Auditor's office for instructions.																													
01-2018-05160	0105 09 493	Fail to Dim Headlights	8/30/05	10/31/18	-	40.00	3.00	-	-	-	-	-	-	4.00	4.00	2	-	20.00	-	-	-	5.00	-	-	-	-	50.00	250.00	
01-2018-05406	0105 09 493	Unregistered Child Car	8/30/05	10/31/18	-	40.00	3.00	-	-	-	-	-	-	4.00	4.00	2	-	20.00	-	-	-	5.00	-	-	-	-	50.00	264.10	
DEL was over assessed, should be \$49.80. If approved by the Justice of the Peace, amount should be refunded. If not, please call the Auditor's office for instructions.																													
01-2018-05476	0104 02 104	No Safety Belt	6/29/06	10/31/18	-	40.00	3.00	1.00	-	-	-	-	-	4.00	4.00	2	-	20.00	0.60	3.40	-	30.00	-	-	-	-	50.00	260.80	
01-2018-05157	0109 02 033	Disregard Stop Sign	1/29/07	10/31/18	-	40.00	3.00	1.00	-	-	-	-	-	4.00	4.00	2	-	20.00	0.60	3.40	-	30.00	-	-	-	-	50.00	262.90	
Based on the first payment date, TP \$25 should have been assessed. DEL was over assessed, should be \$42.30. If approved by the Justice of the Peace, amount should be refunded. If not, please call the Auditor's office for instructions. In addition, please correct disposition date.																													
01-2018-05406	0108 03 123	No DL (Unl)	1/26/08	10/17/18	-	8.95	0.67	0.22	-	-	-	-	-	0.88	0.88	-	-	4.43	0.13	1.20	-	-	-	-	-	-	11.07	50.00	
DEL was over assessed, should be \$41.70. If approved by the Justice of the Peace, amount should be refunded. If not, please call the Auditor's office for instructions. In addition, please enter disposition date.																													
01-2018-05479	0109 12 130	Display Expired LP	11/18/09	10/10/18	-	19.02	1.43	0.48	-	-	-	-	-	1.90	1.90	2	-	9.51	0.29	2.57	-	-	-	-	-	-	23.76	100.00	
DEL was over assessed, should be \$51.63. If approved by the Justice of the Peace, amount should be refunded. If not, please call the Auditor's office for instructions. In addition, please enter disposition date.																													
01-2018-05487	1815-0376 J42	Defective Turn Signal	5/5/15	10/11/18	-	40.00	3.00	1.00	-	-	-	-	-	2.00	2.00	-	-	20.00	0.60	5.40	-	5.00	30.00	1.00	1.00	-	3.00	50.00	269.60
DEL was over assessed, should be \$36.63. If approved by the Justice of the Peace, amount should be refunded. If not, please call the Auditor's office for instructions. In addition, please enter disposition date.																													
01-2018-05483	1817-4460 J42	Disregard Stop Sign	7/19/17	10/25/18	-	40.00	3.00	1.00	-	-	-	-	-	2.00	2.00	-	-	20.00	0.60	5.40	-	30.00	1.00	1.00	-	-	3.00	174.60	174.60

Justice of the Peace Homero Jasso
Schedule of Adjustments
For the Month Ended October 31, 2018

Report Number	Case Number	Offense Type	Off Date	ARRI CCC	CJIS	CHSIP CO	CONS CRF	CVCI DEL	DPS	DPSr	FA	IDRF	JCD	ICPT	ICTF	JSF	LTF	MVF	OVER	SCOF	SIFC	SIFS	SO	SOr	STF	TPDC	TPDS	TPWR	UTTC	WARr	WPRE	TOTAL	
001	2018 0599	TR18 0479 J42 Display Expired LP	9/7/15	10/11/18	-	3.66	0.28	0.09	59.43	-	-	-	8.02	-	-	0.18	-	-	-	-	1.83	0.05	0.50	-	0.46	-	0.09	0.09	-	-	4.59	-	80.00
DEL was under assessed, should be \$28.53. If approved by the Justice of the Peace, amount should be refunded. If not, please call the Auditor's office for instructions. In addition, please correct disposition date.																																	
002	2018 0561	TR18 0606 J42 Driving While Lic Invalid	10/13/16	10/23/18	-	8.99	0.68	0.22	-	-	-	-	10.44	-	-	1.13	0.45	-	-	-	4.49	0.13	1.19	-	-	-	0.23	0.23	-	-	-	-	30.00
DEL was over assessed, should be \$36.60. If approved by the Justice of the Peace, amount should be refunded. If not, please call the Auditor's office for instructions.																																	
003	2018 0568	TR17 4461 J42 Expired/No Valid Insp Cert	7/19/17	10/25/18	-	40.00	3.00	1.00	5.00	-	-	-	53.10	-	-	2.00	-	-	-	-	20.00	0.60	5.40	-	-	30.00	1.00	1.00	-	3.00	-	175.10	
004	2018 0526	TR18 0908 J42 No Safety Belt Driver	3/21/16	10/12/18	-	40.00	3.00	1.00	-	-	-	-	51.60	-	-	2.00	-	-	-	-	20.00	0.60	5.40	-	-	30.00	1.00	1.00	-	3.00	-	173.60	
DEL was under assessed, should be \$29.20. Please call the Auditor's office for instructions. In addition, please enter disposition date.																																	
005	2018 0564	TR17 4439 J42 Fail to Maintain Finl Resl	7/22/17	10/30/18	-	40.00	3.00	1.00	175	-	-	-	6.00	-	-	2.00	-	-	-	-	20.00	0.60	5.40	-	-	-	1.00	1.00	-	-	-	270.00	
DEL was over assessed, should be \$41.73. If approved by the Justice of the Peace, amount should be refunded. If not, please call the Auditor's office for instructions.																																	
006	2018 0578	TR18 10 220 No DL (Unl)	9/30/14	10/31/18	-	40.00	3.00	1.00	-	-	-	-	91.53	5.00	-	2.00	-	-	-	-	20.00	0.60	5.40	-	-	-	1.00	1.00	-	50.00	-	230.63	
DEL was under assessed, should be \$46.50. Please call the Auditor's office for instructions.																																	
007	2018 0527	TR17 4937 J42 No DL (Unl)	7/7/17	10/9/18	-	40.00	3.00	1.00	65.90	-	-	-	40.50	-	-	2.00	-	-	-	-	20.00	0.60	5.40	-	-	-	1.00	1.00	-	-	-	195.50	
DEL was over assessed, should be \$41.70. If approved by the Justice of the Peace, amount should be refunded. If not, please call the Auditor's office for instructions.																																	
008	2018 0491	TR15 01 147 No Liability Ins	1/1/15	10/1/18	-	40.00	3.00	1.00	-	-	-	-	124.2	5.00	-	2.00	-	-	-	-	20.00	0.60	5.40	-	-	-	1.00	1.00	-	-	50.00	263.20	
DEL was under assessed, should be \$117.30. Please call the Auditor's office for instructions.																																	
009	2018 0569	TR18 01 143 Possession of Delivery of 1	8/4/16	10/18/18	-	9.43	0.71	0.24	-	-	-	-	27.10	-	-	0.94	0.94	2	-	-	4.70	0.14	1.27	-	-	-	0.24	0.24	-	-	-	50.00	
DEL was over assessed, should be \$51.63. If approved by the Justice of the Peace, amount should be refunded. If not, please call the Auditor's office for instructions.																																	
010	2018 0529	TR18 30 219 Speeding	9/30/14	10/31/18	-	40.00	3.00	1.00	-	-	-	-	91.53	5.00	-	2.00	-	-	-	-	20.00	0.60	5.40	-	-	30.00	1.00	1.00	-	3.00	50.00	-	263.63
DEL was under assessed, should be \$48.03. Please call the Auditor's office for instructions. Based on the first payment date, TP \$25 should have been assessed. In addition, please correct disposition date.																																	
011	2018 0526	TR17 0422 J42 Speeding	1/24/17	10/10/18	-	16.60	1.25	0.40	36.00	2.08	-	-	19.68	-	-	1.66	1.66	2	0.04	-	8.30	0.25	2.24	-	-	12.45	0.42	0.42	-	1.25	-	107.53	
DEL was under assessed, should be \$55.83. Please call the Auditor's office for instructions. Based on the first payment date, TP \$25 should have been assessed. In addition, please enter disposition date.																																	
012	2018 0515	TR17 1180 J42 Speeding	9/9/17	10/15/18	-	10.99	0.82	0.27	-	-	-	-	15.01	-	-	1.10	1.10	2	0.01	-	5.49	0.19	1.48	-	-	8.24	0.27	0.27	-	0.82	-	50.00	
Please enter disposition date.																																	
013	2018 0528	TR18 3429 J42 Safety Seat Syst, Child Pass	10/3/18	10/11/18	-	40.00	3.00	1.00	12.50	-	-	-	5.00	-	-	4.00	-	2	-	-	-	0.60	5.40	-	-	30.00	1.00	1.00	-	3.00	-	133.00	
014	2018 0529	TR18 5100 J42 Safety Seat Syst, Child Pass	10/12/18	10/29/18	-	19.16	1.44	0.48	-	-	-	-	2.40	-	-	4.00	-	2	-	-	-	0.29	2.59	-	-	14.39	0.48	0.48	-	1.44	-	110.00	

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

EXHIBIT B

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: October-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) JP42-2018-5083 -0- THRU JP42-2018-5585

\$59,839.53 X10-A ✓

LESS: COST ON DEPOSIT

- 17 ✓

ADD: COST ON DEPOSIT LIQUIDATED

- 17 ✓

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.)

\$59,839.53 X3 ✓
67,123.38 (A)
\$ -62,917.91
(7,283.85) X4-L
(62,917.91)
21

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	<u>\$59,839.53</u> <u>62,917.91</u> B1 ✓	
Add: Previous Month's Bond Overtransfer <u>Unliquidated Bonds</u>	<u>7,283.85</u> \$0:00 Ex.B ✓	
<u>Dec '13, May '16 through Aug. '16, Oct. '16</u>		
Add: HCSO Monthly "D" Collections Report	<u>\$0.00</u>	
Total Remittances Made to County Treasurer	<u>67,123.38</u> (A) <u>\$ 71 -62,917.91</u>	

PREPARED BY: [Signature]

DATE PREPARED: 11/5/2018

RECEIVED

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

NOV - 6 2018

HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: [Signature]
DATE 12/04/2018

JUSTICE OF THE PEACE

DATE 11/6/2018

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

January 2, 2019

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 November 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 November 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 November 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 31, 2007 and prior and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs collected were properly allocated and reported 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.

FERDANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
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.

- 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 November 2018 were \$50,051.00. 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 11 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, 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), August 2018 (8), September 2018 (17), and October 2018 (15) 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

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
JUDGE, 275TH D.C.

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

NOE GONZALEZ
JUDGE, 370TH D.C.
(VFRSFFR)

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

- Staff should 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 November 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 (see Exhibit B) posted on May 24, 2016 (1) and June 27, 2016 (1) 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 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 16 of 49 online credit card transactions processed were receipted 2 to 27 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, it was an oversight by staff.

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.

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
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.

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.

Observation No. 5:

We noted that the November 2018 *Monthly Report* was submitted 1 day after the fifth day following the end of the month. According to the Court Coordinator, the runner was unavailable.

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 that the *Monthly Report* is submitted to the County Auditor's Office within five days after the last day of each month. In addition, a back-up employee should be assigned to deliver the *Monthly Report* to the County Auditor's Office.

Observation No. 6:

We noted that collections for 1 of 19 days was deposited at the bank 6 days after collections were receipted. According to the Court Coordinator, the runner was unavailable.

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. 7:

We noted during our review that deposit slips did not contain the receipt sequence for which the deposit was being made on the face of the deposit slip. According to the Court Coordinator, staff will be reminded to include the receipt sequence on the deposit slips.

Pursuant to the County Auditor's Cash Handling Guidelines and Procedures, "Deposit slips must contain sufficient information to identify the cash receipts for which the deposit is being made. Deposit slips must include the date of deposit, receipt sequence, amount of currency and coins, a listing of checks numbers and amounts, and the total dollar amount of the deposit. If it is not possible to list all the checks collected, copies of the checks must be maintained and attached to the Close-Out Report."

Failure to properly prepare deposit slips may result in not being able to create an audit trail that will easily identify if collections, receipts, and deposits agree.

Recommendation:

Management should ensure that deposit slips contain the receipt sequence for which the deposit was being made on the face of the deposit slip.

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
JUDGE, 275TH D.C.

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

NOE GONZALEZ
JUDGE, 370TH D.C.
(TVFRSEFR)

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

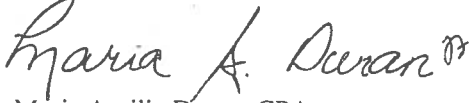
ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

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

Please provide written management responses to the observations noted above and action plans for observation 1 through 3 using the attached Action Plan Forms by January 11, 2019.

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, 92 ND D.C.	FERNANDO MANCIAS JUDGE, 93 RD D.C.	J. R. "BOBBY" FLORES JUDGE, 139 TH D.C.	ROSE GUERRA REYNA JUDGE, 206 TH D.C.	MARLA CUELLAR JUDGE, 275 TH D.C.	MARIO E. RAMIREZ, JR. JUDGE, 332 ND D.C.	NOE GONZALEZ JUDGE, 370 TH D.C. CV/FRSFFR	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.
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ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for November 2018
Observation No. 1	We noted that 11 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, 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), August 2018 (8), September 2018 (17), and October 2018 (15) 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 November 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 November 2018
Observation No. 3	We noted that 2 cash bonds posted on May 24, 2016 (1) and June 27, 2016 (1) 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. 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 November 30, 2018

Page 1 of 1

What happened to birth certificate number 4893?

What happened to death certificate number 6720?

What death certificate number was issued to receipt number JP11-2018-05017?

Receipt Number	Case Number	Offense Type	Off Date	Date	CCC	CHS	CHSIP	CO	CSF	CSS	DD	DPS	DPSr	IDRF	JCTF	JSF	LTF	MMV	SCOF	SDF	SJFC	SJFS	STF	SV50	TP	TPCC	TPDC	TPDS	TPST	TPWFr	UTFC	WAR TOTAL																										
Based on the offense type, CSS \$0.15 and MMV \$0.10 should not have been assessed.																																																										
JP11-2018-05242	TR11-3713GS	Child<18 Not Restrained in Seat Belt	6/13/11	11/19/18	40.00	3.00	1.00	0.87	-	0.15	-	5	-	2	4.00	4.00	2	0.10	20	-	0.60	5.40	30.00	0.88	-	-	-	-	-	-	-	3.00	122.00																									
Based on disposition date, TP \$25 should not have been assessed.																																																										
Parent Contributing to																																																										
JP11-2018-05285	TRU18-0238B-J11	Non-Att	2/12/18	11/20/18	40.00	3.00	1.00	8.00	-	20	-	-	-	2	4.00	4.00	2	-	20	8	0.60	5.40	-	-	2.5	10	1.00	1.00	12.5	-	-	50	195.00																									
Based on the first payment date, TP \$25 should have been assessed. In addition, please enter disposition date.																																																										
JP11-2018-05050	TR18-4990-J11	Disregard Stop Sign	8/2/18	11/5/18	15.17	1.14	0.38	-	1.90	-	-	-	-	0.76	1.52	1.52	2	0.04	-	-	0.23	2.05	11.39	-	-	-	0.38	0.38	-	-	1.14	40.00																										
Based on the appear by date, SCOF \$20 should have been assessed. In addition, please enter disposition date.																																																										
JP11-2018-05225	TR18-2959-J11	Speeding	4/24/18	11/16/18	40.00	3.00	1.00	-	-	-	-	5	-	2	4.00	4.00	2	0.10	-	-	0.60	5.40	30.00	-	-	-	1.00	1.00	-	-	3.00	102.10																										
Please enter disposition date.																																																										
JP11-2018-05039	TR18-3804-J11	Speeding	6/3/18	11/2/18	40.00	3.00	1.00	-	-	-	37.9	5	-	2	4.00	4.00	2	0.10	20	-	0.60	5.40	30.00	-	-	-	1.00	1.00	-	-	3.00	160.00																										
JP11-2018-05126	TR18-5387-J11	Speeding	7/27/18	11/8/18	40.00	3.00	1.00	30.00	-	-	-	5	-	2	4.00	4.00	2	0.10	-	-	0.60	5.40	30.00	-	-	-	1.00	1.00	-	-	3.00	132.10																										
JP11-2018-05318	TR18-6522-J11	Speeding	10/11/18	11/26/18	40.00	3.00	1.00	-	-	-	54.0	5	-	2	4.00	4.00	2	0.10	-	-	0.60	5.40	30.00	-	-	-	1.00	1.00	-	-	3.00	156.10																										
JP11-2018-05325	TR18-7378-J11	Speeding	11/18/18	11/26/18	40.00	3.00	1.00	-	-	-	30.0	5	-	2	4.00	4.00	2	0.10	-	-	0.60	5.40	30.00	-	-	-	1.00	1.00	-	-	3.00	132.10																										
JP11-2018-05359	TR18-7396-J11	Speeding	11/18/18	11/28/18	40.00	3.00	1.00	-	-	-	72.0	5	-	2	4.00	4.00	2	0.10	-	-	0.60	5.40	30.00	-	-	-	1.00	1.00	-	-	3.00	174.10																										

Justice of the Peace Gilberto Saenz
Precinct 1, Place 1
Schedule of Bonds on Deposit
As of November 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: November-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 TREASURER

TOTAL CASH COLLECTED	(Receipts #s) <u>JP11-2018-05008</u> ⁴ THRU <u>JP11-2018-05411</u> ⁴	$\begin{array}{r} 50,051.00 \times 10 \checkmark \\ \$ 49,781.90- \\ \hline 50,051.00 \times 3 \checkmark \\ 49,781.90- \\ \hline 50,463.00 \text{ (A)} \\ 50,051.00- \\ \hline (412.00) \times 4-E \\ \$ (269.10)- \\ \hline \text{PA} \end{array}$
LESS: COST ON DEPOSIT		- x7✓
ADD: COST ON DEPOSIT LIQUIDATED		- x7✓
AMOUNT OWED TO COUNTY (Should Match Amt in Part III)		50,051.00 x3✓
Less: Total amount of remittances to County Treasurer (From Part II)		50,463.00 (A)
Total funds due to County Treasurer (Overtransfer Made to Co Treas.)		50,051.00- (412.00) x4-E \$ (269.10)- PA

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

Description	AMOUNT	Comment
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ 50,051.00	BL✓
Add: Previous Month's Bond Overtransfer <u>May 2016 & June 2016</u>	412.00	Ex BV
Add: HCSO Monthly "D" Collections Report		
Total Remittances Made to County Treasurer	$\begin{array}{r} 50,463.00 \text{ (A)} \\ \$ 27-50,051.00- \\ \hline \end{array}$	

PREPARED BY: Yulisa Sauter

DATE: 12/5/18

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

RECEIVED

HIDALGO COUNTY AUDITOR'S OFFICE
APPROVED BY: [Signature]
DATE: 12/14/18

JUSTICE OF THE PEACE

DATE: 12/5/18

DEC - 6 2018

THIS REPORT IS DUE IN THE OFFICE OF THE COUNTY AUDITOR BEFORE THE FIFTH (5TH) DAY OF THE FOLLOWING MONTH (12/14/18)
HIDALGO COUNTY AUDITOR'S OFFICE RE-JP-004 REVISED 03 2016

X2

JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: November-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 113 104, PC 12 23		1200-351-10-061-000-0-000	\$ 11,700.34
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12 107		1100-207-20-000-012-0-000	11.23
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (j)		1100-207-20-000-028-0-000	96.38 2138
Gross Weight 50% Fine (State Fine)		TRC Sec 621.566 (g)		1100-207-20-000-013-0-000	-
School District 50% Fines		Educ. Code § 25.093 (d) 1 (A)		1100-207-30-000-004-0-000	58.50
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	544.68
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-061-000-0-000	282.22 849.68
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	1,132.92
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133 103 (d)		1100-341-10-060-001-0-000	30.00
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 133 103 (e)		1100-341-10-060-002-0-000	7.50
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	580.00
Motor Vehicle Adm. Fee (\$10-\$20) (Diamond Fee for Exp. DL, Exp. Inap Cert, Exp. Mv Reg.)		TRC Sec 548.605, 521.026, 502.407		1100-341-10-060-004-0-000	40.00
Ten 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	1,380.60
Deferred Disposition		C.C.P. Art. 45.051	1,380.60		
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	169.34
Traffic Fee (\$3)		TRC 542.403		1100-341-10-061-000-0-000	573.67
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	85.00 160.00
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	1,546.10
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	262.64
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	-282.22
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)		TRC 601.192		1100-207-20-000-031-0-000	-
Time Payment - @50% OF \$25.00 (\$12.50)		LGC 133 103 (b)		1100-207-20-000-005-0-000	37.50
Juvenile Crime and Delinquency Fund (____\$2.5, ____\$5.0)		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 (\$40)		CCP 102.075 (a) 3 / LGC 133 102		1100-207-20-000-015-0-000	11,306.05
Compensation Victims Of Crime Fund (____\$3, ____\$5, ____\$15, ____\$35)		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)		C.C.P. Art. 102.075		1100-207-20-000-029-0-000	0.50
Indigent Legal Services Fee-JP (\$6)		Govt. Code Sec. 101.141(2) (B)		1100-207-20-000-004-0-000	474.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	5,706.65
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	1,128.92
Support of Judiciary Fund (\$5.40)		LGC 133 105		1100-207-20-000-054-0-000	1,514.03
Birth Certificate Fee (\$1.80)		HSC 191.022(f)		1100-207-20-000-039-0-000	16.20
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	554.47
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	21.47
Safety Seat Violation Fee (\$0.15) (on or before September 28, 2011)		TRC 545.412 (b-1)		1100-207-20-000-062-0-000	0.15
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	790.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	262.64
Texas Home Visiting Program Contribution (\$5)		HSC 191.004/LGC 118.018 (e)		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	395.00
ARREST/WARRANT FEES: STATE		C.C.P. Art. 102.011			
D.P.S. (____\$3, ____\$5, ____\$35, ____\$50)				1100-207-20-000-019-0-000	1,254.24
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	-
ARREST/WARRANT/SERVICE FEES: COUNTY		LGC 118 131			
Sheriff Fees:				1100-342-10-060-001-0-000	25.00
Constable Fees:				1100-342-10-291-000-0-000	5,167.16
Precinct #1				1100-342-10-292-000-0-000	-
Precinct #2				1100-342-10-293-000-0-000	-
Precinct #3				1100-342-10-294-000-0-000	-
Precinct #4				1100-342-10-295-000-0-000	-
Precinct #5				1100-341-10-060-007-0-000	-
District Attorney Fees				1100-342-10-060-002-0-000	-
Tax Assessor Fraud Investigators Fees				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 DIO Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2 (A)		1100-207-30-000-003-0-000	-
Refund - Overpayments				1100-202-00-000-007-0-000	274.10 5.00
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	2,036.50
Small Claims Court Filing Fee (\$25)		LGC 118 121 118 122			
Ebit Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118 121 118 122	1,975.00		
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)			
Autopsy Fees					
Writ Filing Fee (\$5 per page)		LGC 118 121/118 123 (d)	40.00		
Issuing other Document (\$1 1st pg, 25 for each add'l pg)		LGC 118 121 118 123 (e)	21.50		
Certified Copies of Court Papers (\$2 1st pg, 25 for each add'l pg)		LGC 118 121			
Probable Cause Tow Hearing Fee (\$20)		LGC 131 141 (a)(4)			
Birth Certificates (\$22 each)		HSC 191.045 (a)(4)		1100-341-10-060-001-0-000	181.80
Death Certificates (\$20 each, each add'l \$3)		HSC 191.045 (f)(4)		1100-341-10-060-001-0-000	63.00
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.005(b)		1100-341-10-060-003-0-000	13.00
Jury Fees (Civil \$22, Criminal \$3)		C.C.P. Art. 2.054		1100-341-10-060-006-0-000	-
TOTAL AMOUNT DUE TO THE COUNTY TREASURER:					50,051.00 49,781.90

RECEIVED

DEC - 6 2018

HIDALGO COUNTY

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ADJUTANT CLERK

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CLERK'S OFFICE

COUNTY OF HIDALGO

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



EDINBURG, TEXAS 78539

January 17, 2019

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 November 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 November 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 November 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 31, 2007 and prior and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs collected were properly allocated and reported 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

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 33RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
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.

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JUDGE, 449TH D.C.

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 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 November 2018 were \$37,713.10. 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 331 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 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*.

HIDALGO COUNTY DISTRICT JUDGES

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- Staff should ensure that adjustments are entered into *Odyssey* within three days of notification.

Observation No. 2:

Copies of the April 2014 through November 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. In addition, incorrect copies of OCA Reports for the months of February 2014 and March 2014 were 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.

Please provide written management responses and action plans for the observations noted by Friday, January 25, 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: Mr. Valde Guerra, County Executive Officer

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ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for November 2018
Observation No. 1	We noted that 8 of 331 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 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 November 2018
Observation No. 2	Copies of the April 2014 through October 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. In addition, incorrect copies of OCA Reports for the months of February 2014 and March 2014 were 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

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

PBC

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

City: WESLACO, TX
Hidalgo County, Texas

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED (Receipt #s) JP12-2018-04008^x through JP12-2018-04016⁰⁴³²⁶ \$ 37,713.10 ✓
LESS: COST ON DEPOSIT 0.00 - x7 ✓ x9-a,
ADD: COST ON DEPOSIT LIQUIDATED 0.00 - x7 ✓

AMOUNT OWED TO COUNTY (Should Match Amt in Part III) \$ 37,713.10 x3 ✓
Less: Total amount of remittances to County Treasurer (From Part II) 37,713.10 (A) ✓
Total funds due to County Treasurer (Overtransfer Made to Co Treas.) \$ 0.00 x4-a3 ✓

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ <u>37,713.10</u>	B1 ✓
Add: Previous Month's Bond Overtransfer	<u>0.00</u>	
Add: HCSO Monthly "D" Collections Report	\$ -	
Total Remittances Made to County Treasurer	\$ <u>37,713.10</u>	(A) ✓

PREPARED BY:

John L. Cardenas

DATE:

12-4-18

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

[Signature]
JUSTICE OF THE PEACE

12-5-18
DATE

AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: 12/13/2018
12/21/18

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH ENDED November-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	# Issued/ Filed	Statute Reference	Detail of Amt Collected	GL Acct No	Amt. Collected
FINES:					
County Fines (Local Fine)		LGC 113.004, PC 12.23		1200-351-10-062-000-0-000	\$ 6,946.45
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 543.412, 545.413 (j)		1100-207-20-000-028-0-000	37.50
Gross Weight 50% Fine (State Fine)		TRC Sec 621.506 (g)		1100-207-20-000-013-0-000	250.00
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	612.83
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-062-000-0-000	200.26
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	813.06
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	190.12
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 133.103 (e)		1100-341-10-060-002-0-000	47.53
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	429.00
Motor Vehicle Adm. Fee (\$10-\$20) (Dismissal Fee for Exp. DL; Exp Imp. Cert; Exp Mv Reg.)		TRC Sec 548.605, 521.026, 502.407		1100-341-10-060-004-0-000	20.00
Special Fees				1100-341-10-062-000-0-000	269.46
Deferred Disposition		C.C.P. Art. 45.051	197.80		
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(f)	71.66		
Support of Judiciary Fund (\$ 60)		LGC 133.105		1100-341-10-060-009-0-000	120.15
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-062-000-0-000	359.61
Child Safety (\$20-\$25)		C.C.P. Art. 102.014		1100-341-10-060-011-0-000	75.00
Failure to Appear (\$4)		TC 706.006/TC 706.007(d)(2)		1100-341-10-060-012-0-000	108.00
Scowlaw Fee (\$20)		TRC 502.010(a)		1100-341-10-140-049-0-000	1,268.48
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	181.55
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	237.66
Juvenile Crime and Delinquency Fund (\$.25, \$.50)		C.C.P. Art. 102.075(m)		1100-207-20-000-007-0-000	0.25
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	8,107.90
Compensation Victims Of Crime Fund (\$3, \$5, \$15, \$35)		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	-
Indigent Legal Services Fee-JP (\$6)		Govt. Code Sec. 101.141 (2) (B)		1100-207-20-000-004-0-000	480.00
State Traffic Fee-Subtile C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	3,566.04
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	801.04
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	1,075.48
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	394.58
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.023/GC		1100-207-20-000-061-0-000	15.15
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	540.00
Electronic Filing Fee - Civil (\$10)		GC 101.141/GC 51.851		1100-207-20-000-070-0-000	800.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	181.55
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	400.00
ARREST/WARRANT FEES: STATE		C.C.P. Art. 102.011			
D.P.S. (\$3, \$5, \$35, \$50)				1100-207-20-000-019-0-000	931.37
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	-
ARREST/WARRANT/SERVICE FEES: COUNTY					
Sheriff Fees:		LGC 118.131			
Constable Fees:					
Precinct #1				1100-342-10-060-001-0-000	30.00
Precinct #2				1100-342-10-291-000-0-000	6,014.08
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				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				1100-202-00-000-008-0-000	-
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	162.00
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	2,025.00
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122	2,000.00		
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122	-		
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 (c)	10.00		
Writ Filing Fee (\$5)		LGC 118.121/118.123 (d)	15.00		
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)		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 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 (3)		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:					\$ 37,713.10

AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: 12/13/2018
12/19/18 12/21/18

Schedule of Adjustments
For the Month Ended November 30, 2018

Receipt	Cause #	Date	Offense Date	Charge	Offense Descripti	CCC	CHS	CHSJP	CO	DPS	DPSr	IDRF	JCTF	JSF	LTF	MVF	OMNIC	OMNIS	OMNIV	SCOF	SJFC	SJFS	SO	STF	TP	TPDC	TPDS	UTFC	WARr	Received Amount	
Based on offense, MVF should NOT be assessed.																															
IP12-2018- J4020	T10- 2910J12	11/2/2018	7/26/2010	SEAT BELT VIOLATION		40	3	1	49.9	5	-	2	4	4	2	0.1	-	-	-	20	0.6	5.4	-	30	25	-	-	3	50	245	
IP12-2018- J4120	T12- 0200J12	11/13/2018	1/8/2012	NO SAFETY BELT		40	3	1	50	5	-	2	4	4	2	0.1	4	20	6	20	0.6	5.4	-	30	25	-	-	3	50	275.1	
Based on offense, MVF should be assessed.																															
IP12-2018- J4119	T12- 0201J12	11/13/2018	1/8/2012	DRIVING WHILE LICENSE INVALID		40	3	1	66	5	-	2	4	4	2	-	4	20	6	20	0.6	5.4	-	-	25	-	-	-	50	258	
IP12-2018- J4095	TR 12-106509	11/8/2018	4/1/2012	NO DRIVER'S LICENSE (WHEN UNLICENSED)		40	3	1	66	-	-	2	4	4	2	-	4	20	6	20	0.6	5.4	5	-	-	-	-	-	183		
IP12-2018- J4013	TR 12-107533	11/1/2018	9/27/2012	NO DRIVER'S LICENSE (WHEN UNLICENSED)		40	3	1	66	5	-	2	4	4	2	-	4	20	6	20	0.6	5.4	-	-	-	-	-	-	183		
IP12-2018- J4141	TR 13-108168	11/14/2018	10/21/2012	NO DRIVER'S LICENSE (WHEN UNLICENSED)		40	3	1	-	5	-	2	4	4	2	-	-	-	-	20	0.6	5.4	-	-	-	-	-	-	87		
Based on offense date, TPDC and TPDS should NOT be assessed.																															
IP12-2018- J4133	H13- 025J12	11/13/2018	12/1/2012	THEFT PROP>=\$50<\$500		40	3	1	28	-	-	2	4	4	2	-	-	-	-	-	0.6	5.4	-	-	-	1	1	-	50	142	
Based on offense, MVF, STF, and UTFC should NOT be assessed.																															
IP12-2018- J4182	TR18-5367- J12	11/16/2018	10/25/2018	Fail to Secure Load / Improperly Secure Load		40	3	1	-	-	-	5	2	4	4	2	0.1	-	-	-	-	0.6	5.4	-	30	-	1	1	3	-	102.1

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

January 17, 2019

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 November 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 November 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 November 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 31, 2007 and prior and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs collected were properly allocated and reported 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

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 449TH D.C.

- 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 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 November 2018 were \$102,594.01. 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 869 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), August 2018 (7), September 2018 (5), and October 2018 (5) 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 develop and implement formal procedures to ensure that fines, fees, and court costs are properly allocated and reported. At a minimum, the following procedures should be implemented:

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

HIDALGO COUNTY DISTRICT JUDGES

- Access for setting up offense codes with the proper fines, fees, and court costs in *Odyssey* should be limited to staff with adequate knowledge of the applicable allocation.
- Staff should ensure that the proper fines, fees, and court costs allocation, offense date, and 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 June 2014 through August 2014 and April 2015 through November 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. 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 submitted to 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 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:

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 the November 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 person in charge of submitting the *Monthly Report* to the County Auditor's Office was not available.

HIDALGO COUNTY DISTRICT JUDGES

Honorable Bobby Contreras
January 17, 2019
Page 4 of 4

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.

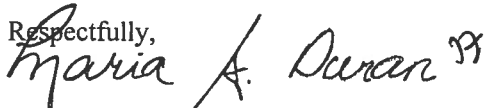
Recommendation:

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, January 25, 2019 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 A. Duran

Maria Arcilia Duran, CPA
Hidalgo County Auditor

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

cc: Mr. Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for November 2018
Observation No. 1	We noted that 8 of 869 transactions contained errors in the allocation of fines, fees, and court costs. 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), August 2018 (7), September 2018 (5), and October 2018 (5) are still pending to be completed. 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.
Recommendation #	
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 November 2018
Observation No. 2	Copies of the June 2014 through August 2014 and April 2015 through November 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

City: PHARR, TX
Hidalgo County, Texas

TOTAL CASH COLLECTED	(Receipts #'s)	<u>JP21-2018-07627</u>	THRU	<u>JP21-2018-08481</u>
Sheriff's "D" Report	(Receipt #s)		THRU	

102,594.01 ✓
\$ 102,642.75
x4-a

0.00 - x7✓

0.00 - x 7 ✓

102594.01
8 ~~102594.01~~ 5 x34

102594.01
~~103,183.71~~

\$ 0.00 ^{0.00} ~~(540.96)~~ X4-a 10

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ ~~103,183.71~~ 102594.01 B, ✓	
Add: Previous Month's Bond Overtransfer	0.00	
Add: HCSO Monthly "D" Collections Report	0.00	
Total Remittances Made to County Treasurer	\$ ~~103,183.71~~ 102594.01 (A)	

DATE: 12/7/18

AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: en 12/13/2018

Doherty Contreras 12/7/18
JUSTICE OF THE PEACE DATE

REVISED: 02/2018

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: November-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	\$ 33,795.77
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	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	1,569.51
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-063-000-0-000	521.17
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	2,088.64
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	50.00
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 133.103 (e)		1100-341-10-060-002-0-000	12.50
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	1,050.00
Motor Vehicle Adm. Fee (\$10-\$20) (Disposal Fee for Exp. DL; Exp. Imp. Cert; Exp. Adv. 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					
Deferred Disposition		C.C.P. Art. 45.051	\$ 312.34	1100-341-10-063-000-0-000	767.61
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(f)	\$ 455.27		
Support of Judiciary Fund (\$6.00)		LGC 133.105		1100-341-10-060-009-0-000	312.11
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-063-000-0-000	975.52
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	75.00
Failure to Appear (\$4)		TRC 706.006/TRC 706.007(d)(2)		1100-341-10-060-012-0-000	18.90
Scotlaw Fee (\$20)		TRC 502.010(a)		1100-341-10-140-049-0-000	1,194.52
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	508.44
STATE COURT COSTS AND FEES:					
Criminal Justice Planning Fund C.C.P. (\$3)		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	2.00
Operators and Chauffeurs License Fund (\$75)		T.R.C. 601.192		1100-207-20-000-031-0-000	-
Time Payment - @50% OF \$25.00 (\$12.50)		LGC 133.103 (b)		1100-207-20-000-005-0-000	62.50
Juvenile Crime and Delinquency Fund (\$25, \$50)		C.C.P. Art. 102.075(m)		1100-207-20-000-007-0-000	0.75
Comprehensive Rehabilitation Fund (\$5)		C.C.P. Art. 102.082		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 (\$40)		CCP 102.075 (a) 3/ LGC 133.102		1100-207-20-000-015-0-000	20,856.62
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	4.00
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)		Govt. Code Sec. 101.141(2) (B)		1100-207-20-000-004-0-000	1,776.00
State Traffic Fee-Subtile C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	9,725.10
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-033-0-000	2,080.66
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-034-0-000	2,808.90
Birth Certificate Fee (\$1.80)		HSC 191.022(d)		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	1,040.32
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	40.12
Safety Seat Violation Fee (\$0.15) (on or before September 28, 2011)		TRC 545.412 (b-1)		1100-207-20-000-062-0-000	0.00
Failure to Appear (\$20)		TRC 706.006/TRC 706.007(d)(2)		1100-207-20-000-066-0-000	94.52
Electronic Filing Fee - Civil (\$10)		GC 101.1411/GC 51.851		1100-207-20-000-070-0-000	2,960.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	508.44
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	1,480.00
ARREST/WARRANT FEES: STATE		C.C.P. Art. 102.011			2550.85
D.P.S. (\$3, \$5, \$35, \$50)				1100-207-20-000-019-0-000	2,500.85
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	-
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	45.00
Precinct #2				1100-342-10-291-000-0-000	-
Precinct #3				1100-342-10-292-000-0-000	2286.29
Precinct #4				1100-342-10-293-000-0-000	-
Precinct #5				1100-342-10-294-000-0-000	275.00
District Attorney Fees				1100-342-10-295-000-0-000	-
Tax Assessor Fraud Investigators				1100-341-10-060-007-0-000	50.00
School District Arrest Fee				1100-342-10-060-002-0-000	-
Fire Marshal Fee				1100-342-10-060-003-0-000	-
Code Enforcement Precinct #2				1100-342-20-060-001-0-000	-
Due to Others				1100-342-10-060-004-0-000	-
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				1100-202-00-000-009-0-000	89.66
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	28.34
Delinquent Attorney Fee		C.C.P. Art. 103.0031(b)		1100-202-00-000-004-0-000	2,468.00
Justice Fees (Local Fees)				1100-341-10-060-001-0-000	7,518.25
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122	\$ -		
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122	7,400.00		
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)	30.00		
Abstract Fees (\$5)		LGC 118.121/118.123 (c)	40.00		
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)	13.25		
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(g)(4)	-		
Birth Certificates (\$22 each)		HSC 191.0045 (3)(4)		1100-341-10-060-001-0-000	-
Death Certificates (\$20 each, each add'l \$3)		HSC 191.0045 (3)(4)		1100-341-10-060-001-0-000	-
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045 (b)		1100-341-10-060-008-0-000	-
Jury Fees (Civil \$22, Criminal \$3)		Rules of Civil Proc., Rule 504.1(b) CCP 102.004		1100-341-10-060-006-0-000	-

AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: 12/13/2018

TOTAL AMOUNT DUE TO THE COUNTY TREASURER:

\$ 102,594.01

Schedule of Adjustments

for the Month Ended November 30, 2018

Receipt	Cause #	Date	Offense Date	Charge Offense Description	CCC	CHS	CHSIP	CMIT	CO	CVCA	DD	DEL	DPS	DPSr	FA	IDRF	JCD	JCPT	JCTF	JSF	LTF	MVF	OMNIC	OMNIS	OMNIV	SCOF	SIFC	SIFS	STF	TPDC	TPDS	UTFC	WFCOMST2	Received Amount
used on offense date, CHSIP, JCTF, JSF, SIFC, SIFS, TPDC, and TPDS should NOT be assessed. In addition, CVCA, FA, JCD, and JCPT should be assessed. CCC was over assessed.																																		
21-2018-1428	CR-0719-01	11/29/2018	11/18/2000	THEFT OF PROPERTY	40	3	1	-	7.25	-	-	-	-	-	-	2	-	-	4	4	2	-	-	-	-	-	0.6	5.4	-	1	1	-	-	71.25
used on offense date, CCC was over assessed.																																		
21-2018-1797	CR-3898-03-21	11/7/2018	6/9/2003	ISSUANCE OF BAD CHECK	33	3	-	0.5	-	15	-	-	-	-	5	-	0.5	2	4	-	2	-	-	-	-	-	-	-	-	-	-	-	-	65
used on offense date, TPDC and TPDS should be assessed.																																		
21-2018-1745	CR-0161-12-21	11/5/2018	1/5/2012	50 MPH/30 MPH SPEEDING (EXCEED PRIMA FACIE LIMIT) -	29.03	2.18	0.73	-	-	-	79.84	67.52	3.63	-	-	1.45	-	-	2.9	2.9	2	0.07	2.9	14.52	4.34	14.52	0.44	3.92	21.77	-	2.18	36.29	293.13	
used on offense, MVF should be assessed.																																		
21-2018-1076	CR-4640-12-21	11/16/2018	11/17/2012	NO DRIVER'S LICENSE (WHEN UNLICENSED)	40	3	1	-	116	-	-	75.9	5	-	2	-	-	-	4	4	2	-	-	-	-	20	0.6	5.4	-	-	-	50	328.9	
used on offense date, TPDC and TPDS should be assessed.																																		
21-2018-1429	CR-3944-15-21	11/29/2018	7/7/2014	CHECK ISSUANCE OF BAD CHECK	40	3	1	-	86	-	-	-	-	-	2	-	-	-	4	4	2	-	-	-	-	-	0.6	5.4	-	-	-	-	148	
21-2018-690	TR18-6079-121	11/2/2018	8/20/2018	Speeding 10 percent or more above posted speed limit	40	3	1	-	36	-	-	-	5	-	2	-	-	-	4	4	2	0.1	-	-	-	-	0.6	5.4	30	-	3	-	136.1	
used on offense, MVF, STF, and UTFC should NOT be assessed.																																		
21-2018-952	CRNT18-0110-121	11/14/2018	6/15/2018	Public Intoxication	-	-	-	-	69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	69	
used on offense, MVF, STF, and UTFC should NOT be assessed.																																		
21-2018-887	TR18-7782-121	11/13/2018	10/24/2018	GARBAGE REFUSE AND OTHER WASTE CONDITIONS	40	3	1	-	-	-	-	-	-	-	5	-	2	-	4	4	2	0.1	-	-	-	-	0.6	5.4	30	1	1	3	-	102.1

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

January 17, 2019

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 November 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 November 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 November 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 31, 2007 and prior and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs collected were properly allocated and reported 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

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
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.

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 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 November 2018 were \$126,199.45. 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 918 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), August 2018 (11), and September 2018 (1) 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 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 January 2015 through November 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 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 13 of 19 days were deposited at the bank 2 to 3 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.

HIDALGO COUNTY DISTRICT JUDGES

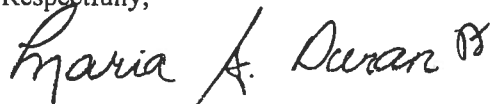
Recommendation:

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

Please provide written management responses to the observations noted above and action plans for observations 1 through 3 by Friday, January 25, 2019 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: Mr. Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
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JUDGE, 370TH D.C.
IN PRISON

LETICIA LOPEZ
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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 November 2018
Observation No. 1	We noted that 9 of 918 transactions contained errors in the allocation of fines, fees, and court costs. 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), August 2018 (11), and September 2018 (1) 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 November 2018
Observation No. 2	Copies of the January 2015 through November 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.
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 November 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: NOV./2018

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

PBC

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

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED	(Receipts #s) <u>JP2-2 2018-07962</u> THRU <u>JP2-2 2018-08861</u>	\$ 126,199.45 ✓	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)		\$ 126,199.45	x3 ✓
Less: Total amount of remittances to County Treasurer (From Part II)		126,549.45	(A)
Total funds due to County Treasurer (Overtransfer Made to Co Treas.)		(350.00) 0.00	x4-a15 ✓
		21	

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ 126,199.45	B1
Add: Previous Month's Bond Overtransfer <u>Oct 2016</u>	50.00	Ex.B
Add: HCSO Monthly "D" Collections Report <u>July 2016</u>	300.00	X4-b
	126,549.45	(A)
Total Remittances Made to the County Treasurer	\$ 126,199.45	

PREPARED BY: [Signature]

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

EDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE

DATE: 12/27/2018

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: 01/17

**JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: NOV/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:					
County Fines (Local Fine)		LGC 113.004, PC 12.23		1200-351-10-064-000-0-000	\$ 32,595.13
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	(28.13)
No Safety Belt 50% Fine (State Fine)		TRC 543.412, 543.413 (j)		1100-207-20-000-028-0-000	775.00
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)		1100-207-30-000-007-0-000	83.00
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	1,662.21
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-064-000-0-000	549.07
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	2,216.28
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 (c)		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	1,108.00
Motor Vehicle Adm. Fee (\$10-\$20) (Dismissal Fee for Exp. DL, Exp Insp. Cert, Exp Nv Reg.)		TRC Sec 548.603, 521.026, 502.407		1100-341-10-060-004-0-000	-
Special Fees				1100-341-10-064-000-0-000	2,611.16
Deferred Disposition		C.C.P. Art. 45.051	2,498.20		
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(f)	112.96		
Support of Judiciary Fund (\$60)		LGC 133.105		1100-341-10-060-009-0-000	328.84
Traffic Fee (\$3)		T.R.C. 342.403		1100-341-10-064-000-0-000	1,125.21
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	195.00
Failure to Appear (\$4)		TRC 706.006/TRC 706.007(d)(2)		1100-341-10-060-012-0-000	20.00
Scofflaw Fee (\$20)		TRC 502.010(a)		1100-341-10-140-049-0-000	1,840.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	542.07
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. (\$3)		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	1.50
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	15.00
Consolidated Court Costs Fund (\$17)		CCP 102.075 (a) 3/LGC 133.102		1100-207-20-000-015-0-000	22,053.82
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	1.50
Indigent legal Services Fee-JP (\$6)	294	Govt. Code Sec. 101.141(2) (B)		1100-207-20-000-004-0-000	1,764.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	11,222.11
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	2,192.28
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	2,957.58
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	1,094.14
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	43.52
Safety Seat Violation Fee (\$0.15)		TRC 545.412 (b-1)		1100-207-20-000-062-0-000	0.00
Failure to Appear (\$20)		TRC 706.006/TRC 706.007(d)(2)		1100-207-20-000-066-0-000	100.00
Electronic Filing Fee - Civil (\$10)		GC 101.141/GC 51.851		1100-207-20-000-070-0-000	2,940.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	542.07
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)	294	GC 51.971 (a)		1100-207-20-000-076-0-000	1,470.00
ARREST/WARRANT FEES: STATE		C.C.P. Art. 102.011			
D.P.S. (\$3, \$5, \$35, \$50)				1100-207-20-000-019-0-000	2,654.57
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	-
U.T.P.A. (\$3, \$5, \$35, \$50)				1100-207-20-000-022-0-000	-
ARREST/WARRANT/SERVICE FEES: COUNTY		LGC 118.131			
Sheriff Fees:				1100-342-10-060-001-0-000	60.00
Constable Fees:					
Precinct #1				1100-342-10-291-000-0-000	750.00
Precinct #2				1100-342-10-292-000-0-000	17,535.77
Precinct #3				1100-342-10-293-000-0-000	2,625.00
Precinct #4				1100-342-10-294-000-0-000	150.00
Precinct #5				1100-342-10-295-000-0-000	-
District Attorney Fees				1100-341-10-060-007-0-000	-
Tax Assessor Fraud Investigators				1100-342-10-060-002-0-000	-
School District Arrest Fee				1100-342-10-060-003-0-000	15.00
Fire Marshal Fee				1100-342-20-060-001-0-000	-
Due to Others					
Warrant Fees Due to Other Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2 (A)		1100-207-30-000-003-0-000	-
Refund - Overpayments				1100-207-00-000-010-0-000	-
Due to Others				1100-207-00-000-010-0-000	-
Restitution				1100-207-00-000-010-0-000	-
Failure to Appear- OmniBase (\$6)		TRC 706.006/TRC 706.007(d)(2)		1100-207-00-064-019-0-000	30.00
Delinquent Fee		C.C.P. Art. 103.0031(b)		1100-202-00-000-004-0-000	2,784.75
Justice Fees (Local Fees)				1100-341-10-060-001-0-000	7,435.00
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122	7,350.00		
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)	60.00		
Writ Filing Fee (\$5)		LGC 118.121/118.123 (d)	25.00		
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)		LGC 101.141 (a)4	-		
Birth Certificates (\$22 each \$9.20 local)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	-
Death Certificates (\$20 each, each addtl \$3)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	-
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	88.00
TOTAL AMOUNT DUE TO THE COUNTY TREASURER:					\$ 126,199.45

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

AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: 12/27/2018

12/27/2018
12/13/19

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 November 30, 2018

Receipt	Cause #	Date	Offense Description	Charge Offense Description	CCC	CHS	CHSIP	CMIT	CO	CONST2	CVCA	DEL	DPS	DPSr	DSCr	FA	IDRF	JCD	JCPT	JCTF	JSF	JURY	LTF	MVF	OMNIC	OMNIS	OMNIV	SCOF	SIFC	SIFS	SO	SOR	STF	SVSO	TPDC	TPDS	UTFC	Amount		
JP22-2018-08548	CR2405-12-2	11/20/2018	5/14/2012 NO SAFETY BELT		40	3	1	-	50	-	-	60.03	5	-	-	-	2	-	-	4	4	-	2	0.1	4	20	6	20	0.6	5.4	-	-	30	-	-	-	3	260.13		
Based on offense, SVSO should NOT be assessed.																																								
JP22-2018-08049	CR15728-02-2	11/5/2018	9/7/2002 NO SAFETY BELT		17	3	-	0.5	25	-	15	-	-	-	-	5	-	0.5	2	4	-	2	-	-	-	-	-	20	-	-	5	-	-	25	-	3	127			
Delinquent was under assessed \$0.46.																																								
JP22-2018-08084	CRNT116-0186-J22	11/6/2018	8/6/2016 THEFT CLASS C		40	3	1	-	83	-	-	51	-	-	-	-	2	-	-	4	4	-	2	-	-	-	-	20	0.6	5.4	-	5	-	-	1	1	-	223		
JP22-2018-08085	CRNT116-0187-J22	11/6/2018	8/6/2016 Public Intoxication		40	3	1	-	83	-	-	51	-	-	-	-	2	-	-	4	4	-	2	-	-	-	-	20	0.6	5.4	-	5	-	-	1	1	-	223		
LTF should be assessed.																																								
JP22-2018-08347	TR15-1265-J22	11/14/2018	10/15/2015 speed limit	Speeding 10 percent or more above posted	6.15	0.46	0.15	-	33	0.77	-	-	-	-	4.62	-	0.31	-	-	0.61	0.61	-	-	0.03	-	-	-	-	-	0.09	0.83	-	-	4.61	-	0.15	0.15	0.46	53	
JP22-2018-08498	TR16-4106-J22	11/19/2018	12/13/2016 SPEED (H)	SPENDING-10% OR MORE ABOVE POSTED	-	-	-	-	90	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	90			
Based on offense, MVF should be assessed.																																								
JP22-2018-08379	TR17-0226-J22	11/15/2018	1/2/2017 (Inoperable/Obscured)	Equipment Violation - Lamps and Reflectors	40	3	1	-	102	-	-	67.2	-	5	-	-	2	-	-	4	4	-	2	-	-	-	-	20	0.6	5.4	-	-	30	-	1	1	3	291.2		
Based on offense, MVF should NOT be assessed.																																								
JP22-2018-08841	TR18-10037-J22	11/30/2018	11/23/2018 License	Expired Drivers	40	3	1	-	65.9	-	-	-	-	5	-	-	2	-	-	4	4	-	2	0.1	-	-	-	-	-	0.6	5.4	-	-	-	-	1	1	-	135	
Driver safety course was over assessed.																																								
JP22-2018-08421	TR18-8979-J22	11/15/2018	11/5/2018 speed limit	Speeding 10 percent or more above posted	36.67	2.75	0.92	-	-	-	-	-	-	4.57	18.34	-	1.83	-	-	3.67	3.67	-	2	0.09	-	-	-	-	0.55	4.95	-	-	27.5	-	0.92	0.92	2.75	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

January 17, 2019

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 November 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 November 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 November 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 31, 2007 and prior and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs collected were properly allocated and reported 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

HIDALGO COUNTY DISTRICT JUDGES

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

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JUDGE, 93RD D.C.

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JUDGE, 139TH D.C.

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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.

- 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 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 November 2018 were \$104,313.47. 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 751 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 January 2015 through November 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. In addition, incorrect

HIDALGO COUNTY DISTRICT JUDGES

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.

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 November 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 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.

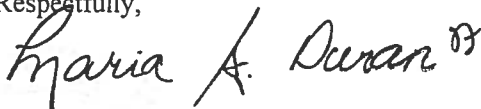
Recommendation:

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, January 25, 2019 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.

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

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JUDGE, 388TH D.C.

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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 November 2018
Observation No. 1	We noted that 3 of 751 transactions 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 3 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 November 2018
Observation No. 2	Copies of the January 2015 through November 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. 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

PBC

City: MISSION, TX
Hidalgo County, Texas

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

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

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		1200-351-10-065-000-0-000	\$ 30,799.09
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	271.80
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (j)		1100-207-20-000-028-0-000	399.96
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	1,595.73
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-065-000-0-000	531.91
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	2,127.64
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	280.00
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 133.103 (c)		1100-341-10-060-002-0-000	70.00
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	1,076.00
Motor Vehicle Adm. Fee (\$10-\$20) (Domestic Fee for Exp. DL; Exp Insp Cert; Exp Mvr Reg.)		TRC Sec 548.605, 521.026, 502.407		1100-341-10-060-004-0-000	130.00
Special Fees				1100-341-10-065-000-0-000	1,063.85
Deferred Disposition		C.C.P. Art. 45.051	894.79		
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(f)	169.06		
Support of Judiciary Fund (\$60)		LGC 133.105		1100-341-10-060-009-0-000	319.15
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-065-000-0-000	935.73
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	275.00
Failure to Appear (\$4)		TRC 706.006/TRC 706.007(d)(2)		1100-341-10-060-012-0-000	-
Scotlaw Fee (\$20)		TRC 502.010(a)		1100-341-10-140-049-0-000	4,080.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	522.91
STATE COURT COSTS AND FEES:					
Criminal Justice Planning Fund C.C.P. (\$5)		C.C.P. Art. 102.051		1100-207-20-000-003-0-000	-
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	350.00
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 133.102		1100-207-20-000-015-0-000	21,236.37
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 (\$5.50)		CCP Art. 102.075		1100-207-20-000-029-0-000	-
Indigent legal Services Fee-JP (\$6)	155	Govt. Code Sec. 101.141 (2) (B)		1100-207-20-000-004-0-000	930.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	9,357.28
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	2,127.64
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	2,870.31
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	1,061.82
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	42.09
Safety Seat Violation Fee (\$0.15)		TRC 545.412 (b-1)		1100-207-20-000-062-0-000	0.30
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	1,550.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	518.91
Texas Home Visiting Program Contribution (\$5)		HSC 191.0048/GC 118.018 (c)		1100-207-20-000-074-0-000	-
Judicial & Court Personnel Training Fund-Civil (\$5)	155	GC 51.971 (a)		1100-207-20-000-076-0-000	775.00
ARREST/WARRANT FEES: STATE		C.C.P. Art. 102.011			
D.P.S. (____\$3, ____\$5, ____\$35, ____\$50)				1100-207-20-000-019-0-000	2,479.55
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	30.00
Texas Comptrollers Criminal Investigators				1100-207-20-000-060-0-000	-
ARREST/WARRANT/SERVICE FEES: COUNTY		LGC 118.131			
Sheriff Fees:				1100-342-10-060-001-0-000	80.00
Constable Fees:					
Precinct #1				1100-342-10-291-000-0-000	75.00
Precinct #2				1100-342-10-292-000-0-000	75.00
Precinct #3				1100-342-10-293-000-0-000	5025.00
Precinct #4				1100-342-10-294-000-0-000	0.00
Precinct #5				1100-342-10-295-000-0-000	-
District Attorney Fees				1100-341-10-060-007-0-000	100.00
Tax Assessor Fraud Investigators				1100-342-10-060-002-0-000	-
School District Arrest Fee				1100-342-10-060-003-0-000	25.00
Fire Marshal Fee				1100-342-20-060-001-0-000	-
Due to Others					
Warrant Fees Due to Other Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2 (A)		1100-207-30-000-003-0-000	-
Refund - Overpayments				1100-202-00-000-011-0-000	5.10
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	7,082.83
Justice Fees (Local Fees)				1100-341-10-060-001-0-000	3,948.50
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122			
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122	3,875.00		
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)	5.00		
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)	1.50		
Certified Copies of Court Papers (\$2 1st pg., .25 for each add'l pg)		LGC 118.121	2.00		
Probable Cause Tow Hearing Fee (\$20)		LGC 101.141 (a)4	-		
Birth Certificates (\$22 each \$9.20 local)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	-
Death Certificates (\$20 each, each add'l \$3)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	80.00
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045 (b)		1100-341-10-060-008-0-000	4.00
Jury Fees (Civil \$22, Criminal \$3)		Rules of Civil Proc., Rule 504.1(b) CCP 102.004		1100-341-10-060-006-0-000	-

AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE
DATE: 12/14/2018

TOTAL AMOUNT DUE TO THE COUNTY TREASURER:

\$ 104,313.47

RECEIVED BY
COUNTY AUDIT ?

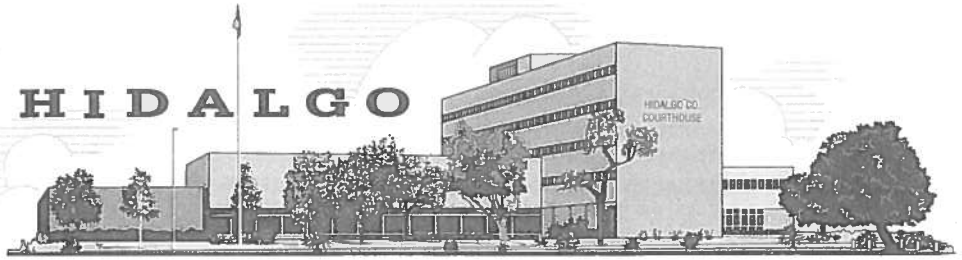
2018 DEC 11 AM 8 57

Justice of the Peace Luis Garza
Schedule of Adjustments
For the Month Ended November 30, 2018

Receipt	Cause #	Date	Offense Date	Charge Offense Description	CCC	CHS	CHSIP	CO	CSS	DEL	DPS	DPSr	IDRF	JCTF	JSF	LTF	MVF	SCOF	SJFC	SJFS	STF	SV50	TPDC	TPDS	UTFC	Receipted Amount	
Based on offense, MVF, UTFC, and STF should NOT be assessed.																											
JP31-2018-12581	TR18-13452-J31	11/9/2018	10/11/2018	GARBAGE REFUSE AND OTHER WASTE CONDITIONS	40	3	1	-	-	-	-	5	2	4	4	2	0.1	-	0.6	5.4	30	-	1	1	3	102.1	
Based on offense date, CSS should NOT be assessed.																											
JP31-2018-12825	CR15-3265-J31	11/20/2018	3/1/2015	CHILD<18 NOT RESTRAINED IN SEAT BELT	40	3	1	12.48	0.15	44.13	5	-	2	4	4	2	-	20	0.6	5.4	30	12.47	1	1	3	191.23	
Scofflaw and Delinquent should NOT have been assessed. Please adjust it to refunds.																											
JP31-2018-12869	TR17-21313-J31	11/21/2018	11/4/2017	Ride, Not Secured by Safety Belt - Driver	-	-	-	-	-	6	-	-	-	-	-	-	-	20	-	-	-	-	-	-	26		

COUNTY OF HIDALGO

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



EDINBURG, TEXAS 78539

January 17, 2019

The Honorable Juan "J.J." Peña
Hidalgo County Justice of the Peace Pct. 3, Pl. 2
730 Breyfogle, Suite A
Mission, Texas 78572

Re: *Monthly Fines and Fees Report* for November 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 November 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 November 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 31, 2007 and prior and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs collected were properly allocated and reported 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

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
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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, 400TH D.C.

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

- 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 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 November 2018 were \$97,476.55. 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 46 of 600 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), August 2018 (38), September 2018 (26), and October 2018 (25) 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.

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
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.

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 January 2014 through June 2014 and September 2014 through November 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. In addition, incorrect copies of the April 2012, July 2012, October 2012, May 2013 through December 2013, July 2014, and August 2014 OCA reports were 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*, *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 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.

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 449th D.C.

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

Recommendation:

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

Observation No. 4:

We noted that collections for 6 of 19 days were deposited at the bank 2 to 4 days after collections were receipted. According to the Court Coordinator, the deposits were not made timely since they were under 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 13 of 18 Close-out Reports were submitted to the County Treasurer's Office 3 to 12 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 being under staffed.

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. On a daily basis, after 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. 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 9 of 172 online credit card transactions were receipted 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 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.

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 449TH D.C.

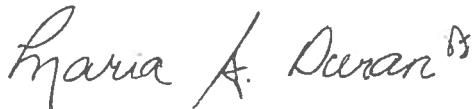
Recommendation:

Management should ensure 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 action plans for observations 1 through 3 using the attached Action Plan Forms by Friday, January 25, 2019.

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, Action Plan Forms

cc: Mr. Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for November 2018
Observation No. 1	We noted that 46 of 600 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), August 2018 (38), September 2018 (26), and October 2018 (25) are still pending to be completed.
Recommendation # 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 November 2018
Observation No. 2	Copies of the January 2014 through June 2014 and September 2014 through November 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. In addition, incorrect copies of the April 2012, July 2012, October 2012, May 2013 through December 2013, July 2014, and August 2014 OCA reports were submitted to the County Auditor's Office.
Recommendation # 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 November 2018
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.
Recommendation # 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 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

Justice of the Peace Marcos Ochoa

Page 1 of 4

[illegible]

Justice of the Peace Marcos Ochoa
Schedule of Adjustments

Receipt	Cause #	Date	Off Date	Charge	Offense Des	CCC	CHS	CHSJP	CO	COM	CRF	CHFE	CSS	CVCA	DD	DEL	DPS	DP-Sr	DSCr	FA	IDRF	JCD	JCPT	JCTF	JSF	LTF	MVF	OMF	OMI	SCOF	SIFC	SJFS	SO	STF	SV50	TPDC	TPDS	UTFC	WARc	WFPREC23	WFCONST	TOTAL
ABREEST																																										
CR14																																										
IP32	2018	10375	0141MO	11/16/18	2/1/14 PASSENGER	40.00	3.00	1.00								191.70	5			2.00				4.00	4.00	2				20	0.60	5.40				2.00			50	330.70		
DEL was under assessed, should be \$57.57. Please call the Auditor's Office for instructions																																										
DISPLAY																																										
CONTAINER																																										
OF ALCOHOL																																										
IP32	2018	10129	J32	11/5/18	12/14/16 INSIGNIA (H)	40.00	3.00	1.00	52.90							42.57	5.00			2.00				4.00	4.00	2				20	0.60	5.40				1.00	1.00			234.47		
DEL was under assessed, should be \$50.79. Please call the Auditor's Office for instructions																																										
Display/Obia																																										
in Wrong																																										
IP32	2018	10615	7529	J32	11/30/18	6/24/17 License Plate	40.00	3.00	1.00	100.30						50.70	5.00			2.00				4.00	4.00	2					0.60	5.40				1.00	1.00			220.00		
Based on the offense type, STF 530 and UTFC \$3 should not have been assessed.																																										
Disregard																																										
Barricade/W																																										
IP42	2018	10732	J32	11/13/18	10/23/18 arming Device	40.00	3.00	1.00	52.90								5.00			2.00				4.00	4.00	2	0.10				0.60	5.40		30.0			1.00	1.00	3.00			355.00
Based on the offense type, MVF \$0.10 should not have been assessed.																																										
Littering/Lea																																										
TRI8																																										
ve Refuse on																																										
IP12	2018	10542	J42	11/28/18	10/10/18 Highway	40.00	3.00	1.00	500.00								5.00			2.00				4.00	4.00	2	0.10				0.60	5.40		30.0			1.00	1.00	3.00			602.10
UNREGISTER																																										
ED MOTOR																																										
VEHICLE,																																										
TRAILER,																																										
TR18																																										
TR18																																										
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For the Month Ended November 30, 2018

Recpt	Cause #	Date	Off Date	Charge	Offense Des	CCC	CHS	CHSIP	CO	CON	CRF	CRFE	CSS	CVCA	OD	DEL	DPS	DPSr	DSCr	FA	IDRF	JCD	JCPT	JCTF	JSF	LTF	MVF	OMr	OMI	SCOF	SIFC	SIFS	SO	STF	SV50	TPDC	TPDS	UTC	WARr	WFPREC2	WFCNST	TOTAL
ARREST																																										
Based on the citation appear by date, SCOF \$20 should have been assessed.																																										
No Drivers																																										
TR18-12565-	JP32	2018-10499	J32	11/26/18	7/11/16 Unlicensed	-	40.00	3.00	1.00	65.90	-	-	-	-	-	-	5.00	-	-	-	2.00	-	4.00	-	4.00	4.00	2	0.10	-	-	-	0.60	5.40	-	-	1.00	1.00	-	-	-	135.00	
Based on the appear by date, SCOF \$20 should have been assessed.																																										
OPERATE																																										
TR17-	JP12	2018-10595	G225 J32	11/29/18	5/15/17 (SPECIFY)	40.00	3.00	1.00	69.00	-	-	-	-	-	-	-	5.00	-	-	-	2.00	-	4.00	-	4.00	4.00	2	-	-	-	0.60	5.40	-	-	1.00	1.00	-	-	-	138.00		
SEMITRAILER																																										
SAFETY SEAT																																										
SYS.CHILD																																										
PASS.CHILD&																																										
I6-8 UNLESS																																										
TALLER THAN																																										
TR18	JP12	2018-10604	9659 J32	11/30/18	7/30/18 SECURED BY"	40.00	3.00	1.00	12.50	12.5	-	-	-	-	-	-	5.00	-	-	-	2.00	-	4.00	-	4.00	4.00	2	0.10	-	-	0.60	5.40	-	30.0	1.00	1.00	3.00	-	-	-	127.10	
4*9 NOT																																										
Pursuant to Attorney General Opinion GA-147, 2004, payments must be allocated to court costs and fees first (both state and local) and then to fines. If the payment do not cover all of the costs, then the payment must be allocated to court costs and fees on a pro rata basis. Please ensure that all fees are properly prorated.																																										
In addition, please enter disposition date.																																										
TR17	JP12	2018-10605	6509 J32	11/13/18	5/24/17 Driver	40.00	3.00	1.00	-	0.1	-	-	-	-	-	-	5.00	10	-	-	2.00	-	4.00	-	4.00	4.00	2	-	-	-	0.60	5.40	-	30.0	1.00	1.00	3.00	-	-	-	112.10	
CO and CRF were split incorrectly, should be CO \$12.95 and CRF \$12.95																																										
Ride, Not																																										
Secured by																																										
Safety Belt -																																										
TR17-	JP32	2018-10486	J32	11/26/18	8/20/18 SECURED BY"	40.00	3.00	1.00	13.40	12.5	-	-	-	-	-	-	5.00	-	-	-	2.00	-	4.00	-	4.00	4.00	2	0.10	-	-	0.60	5.40	-	30.0	1.00	1.00	3.00	-	-	-	128.00	
4*9 NOT																																										
TR18-	JP32	2018-10486	J32	11/26/18	8/20/18 SECURED BY"	40.00	3.00	1.00	13.40	12.5	-	-	-	-	-	-	5.00	-	-	-	2.00	-	4.00	-	4.00	4.00	2	0.10	-	-	0.60	5.40	-	30.0	1.00	1.00	3.00	-	-	-	128.00	
DEL was under assessed, should be \$45.71. Please call the Auditor's Office for instructions																																										
Spending 10																																										
percent or																																										
more above																																										
TR17-	JP32	2018-10345	8290 J32	11/16/18	7/28/17 limit	40.00	3.00	1.00	30.27	-	-	-	-	-	-	45.63	5.00	-	-	2.00	-	4.00	-	4.00	4.00	2	0.10	-	-	20	0.60	5.40	-	30.0	1.00	1.00	3.00	-	-	-	198.00	
posted speed																																										
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																																										
Spending 10																																										
percent or																																										
more above																																										
TR17	JP32	2018-10489	10489	11/13/18	9/26/17 limit	15.07	1.13	0.38	33.00	-	-	-	-	-	-	17.53	1.88	3.77	-	0.75	-	1.51	-	1.51	1.51	0.04	-	-	-	7.53	0.21	2.03	-	11.3	0.38	0.38	1.13	-	-	-	99.53	
posted speed																																										
DEL was under assessed, should be \$50.36. Please call the Auditor's Office for instructions																																										
Spending 10																																										
percent or																																										
more above																																										
TR18	JP32	2018-10618	2681 J32	11/30/18	3/10/18 limit	40.00	3.00	1.00	54.00	-	-	-	-	-	-	52.83	5.00	-	-	2.00	-	4.00	-	4.00	4.00	2	0.10	-	-	20	0.60	5.40	-	30.0	1.00	1.00	3.00	-	-	-	228.93	
posted speed																																										

Justice of the Peace Marcos Ochoa
Schedule of Adjustments
For the Month Ended November 30, 2018

Page 4 of 4

Receipt	Cause #	Date	Offense	Des	CCC	CHS	CHSJP	CO	CON	CRF	CRFE	CSS	CVCA	DD	DEL	DPS	DPSr	DScr	FA	IDRF	JCD	JCTF	JSF	LTF	MVF	OMF	OMT	SCOF	SJFC	SJFS	SO	STF	SV50	TPDC	TPDS	UTFC	WARr	WFPREC32	WFCONST	TOTAL
ARREST																																								
Based on the first payment date, TP 525 should have been assessed.																																								
Speeding 10 percent or more above posted speed																																								
JP32	2018-10496	9790	J32	11/26/18	8/4/18	limit																		2															62.00	
DEL was under assessed, should be \$47.57. Please call the Auditor's Office for instructions																																								
SPEEDING																																								
10% OR MORE ABOVE POSTED																																								
JP32	2018-10157	9016	J32	11/6/18	9/5/16	SPEED (H)	40.00	3.00	1.00	36.47					47.43	5.00			2.00				4.00	4.00	2	0.10			20	0.60	5.40	30.0		1.00	1.00	3.00			206	
Please enter disposition date.																																								
SPEEDING (EXCEED PRIMA FACIE LIMIT) - 69 MPH/55																																								
JP32	2018-10320	2833	MO	11/14/18	4/29/14	MPH/55	40.00	3.00	1.00						60.63	5			2.00				4.00	4.00	2	0.10	4	20	6	20	0.60	5.40	30.0		1.00	1.00	3.00		50	262.73
CHANGE LANE WHEN UNSAFE																																								
JP32	2018-10218	J32		11/13/18	10/20/18	UNSAFE	40.00	3.00	1.00	52.90						5.00			2.00				4.00	4.00	2	0.10				0.60	5.40	30.0		1.00	1.00	3.00			155.00	
Disregard Stop Sign(4)																																								
JP32	2018-10540	J32		11/27/18	10/27/18	Stop Sign(4)	40.00	3.00	1.00					52.9		5.00			2.00				4.00	4.00	2	0.10				0.60	5.40	30.0		1.00	1.00	3.00			155.00	
Disregard Stop Sign(4)																																								
JP32	2018-10411	J32		11/19/18	11/27/18	Stop Sign(4)	40.00	3.00	1.00					52.9		5.00			2.00				4.00	4.00	2	0.10				0.60	5.40	30.0		1.00	1.00	3.00			155.00	
No Drivers License - When																																								
JP32	2018-10113	J32		11/5/18	9/16/18	Unlicensed	40.00	3.00	1.00	65.90						5.00			2.00				4.00	4.00	2	0.10				0.60	5.40			1.00	1.00				135.00	
Pass School																																								
JP32	2018-10164	J32		11/13/18	8/22/18	Bus	40.00	3.00	1.00							5.00			2.00				4.00	4.00	2	0.10				0.60	5.40	30.0		1.00	1.00	3.00			102.10	
Stationary Emergency Vehicle																																								
JP32	2018-10472	J32		11/26/18	10/24/18	Vehicle	40.00	3.00	1.00					200		5.00			2.00				4.00	4.00	2	0.10				0.60	5.40	30.0		1.00	1.00	3.00			302.10	
Ride, Not Secured by Safety Belt																																								
JP32	2018-10199	J32		11/8/18	10/17/18	Driver	40.00	3.00	1.00					50.0		5.00			2.00				4.00	4.00	2				0.60	5.40	30.0		1.00	1.00	3.00			152.00		
Ride, Not Secured by Safety Belt																																								
JP32	2018-10501	J32		11/26/18	11/6/18	Driver	40.00	3.00	1.00					50.0		5.00			2.00				4.00	4.00	2				0.60	5.40	30.0		1.00	1.00	3.00			152.00		
Speeding 10 percent or more above posted speed																																								
JP32	2018-10441	J32		11/20/18	9/26/18	limit	40.00	3.00	1.00	30.00						5.00			2.00				4.00	4.00	2	0.10				0.60	5.40	30.0		1.00	1.00	3.00			132.10	
Speeding 10 percent or more above posted speed																																								
JP32	2018-10156	J32		11/6/18	10/3/18	limit	40.00	3.00	1.00							5.00	10		2.00				4.00	4.00	2	0.10				0.60	5.40	30.0		1.00	1.00	3.00			112.10	

**Justice of the Peace Gilberto Saenz
Precinct 1, Place 1
Schedule of Bonds on Deposit
As of November 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: November-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) JP32-2018-10050 THRU JP32-2018-10623 \$ 97,476.55 X10-A✓

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

LESS: COST ON DEPOSIT _____ X7✓

ADD: COST ON DEPOSIT LIQUIDATED _____ X7✓

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

\$ 97,476.55 X3

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

\$97,709.35 (A) ✓
(232.80) X4-P✓
-97,476.55
232.80

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

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	<u>\$97,476.55</u> - B1✓	
Add: Previous Month's Bond Overtransfer <u>Unliquidated Bonds</u>	<u>232.80</u> Ex B1✓	
<u>Sept '15 and Oct. '16</u>		
Add: HCSO Monthly "D" Collections Report	<u>\$0.00</u>	
Total Remittances Made to County Treasurer	<u>\$97,709.35</u> - (A) ✓	

PREPARED BY: _____ DATE PREPARED: 12/4/18

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

Marcos Ochoa 12/4/18
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

DEC - 5 2018

01/03/19

12/14/18

RECEIVED

DEC - 5 2018

JUSTICE OF THE PEACE MONTHLY FINES AND FEES COLLECTED FOR THE MONTH OF: November-18					
Judge: Marcos Ochoa		City: MISSION, TX			
Precinct No. 3 Place No. 2		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	32,264.08
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	32,264.08
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (j)		1100-207-20-000-028-0-000	312.50
Gross Weight 50% Fine (State Fine)		TRC Sec 621.506 (g)		1100-207-20-000-013-0-000	212.50
School District 50% Fines		Educ Code § 25.093 (d) 1 (A)		1100-207-30-000-009-0-000	0.00
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	1,570.13
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-066-000-0-000	515.38
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	2,085.51
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	1,048.00
Motor Vehicle Adm. Fee (\$10-\$20) (Dismissal Fee for Exp. DL; Exp. Insp. Cert., Exp. Mtr. Reg.)		TRC Sec 548.605, 521.026, 502.407		1100-341-10-060-004-0-000	140.00
Special Fees				1100-341-10-066-000-0-000	1,772.47
Deferred Disposition		C.C.P. Art. 45.051	1,713.70		1,713.70
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(f)	63.77		63.77
Support of Judiciary Fund (\$60)		LGC 133.105		1100-341-10-060-009-0-000	309.21
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-066-000-0-000	1,051.13
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	14.00
Scotlaw Fee (\$20)		TRC 502.010(a)		1100-341-10-140-049-0-000	3,187.53
Tuency Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	488.38
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. 102.073(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	10.00
Consolidated Court Costs Fund (\$17)		CCP 102.073 (a) 3/ LGC 133.102		1100-207-20-000-015-0-000	20,889.07
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	4.00
Correctional Management Institute of Texas Fund (\$50)		CCP Art. 102.073		1100-207-20-000-029-0-000	-
Indigent legal Services Fee-JP (\$6)	27	Govt. Code Sec. 101.141(2) (B)		1100-207-20-000-004-0-000	162.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	10,481.30
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	2,061.51
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	2,779.03
Birth Certificate Fee (\$1.80)	04	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	0.00
Indigent Defense Representation Fund (\$2)		LGC 133.107.GC 192.023		1100-207-20-000-059-0-000	1,026.75
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	39.94
Safety Seat Violation Fee (\$0.15)		TRC 545.412 (b-1)		1100-207-20-000-062-0-000	0.25
Failure to Appear (\$20)		TRC 706.006/TRC 706.007(d)(2)		1100-207-20-000-066-0-000	320.00
Electronic Filing Fee - Civil (\$10)		GC 101.1411 GC 51.851		1100-207-20-000-070-0-000	270.00
Tuency Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	490.38
Texas Home Visiting Program Contribution (\$5)		HSC 191.0048/LGC 118.018 (c)		1100-207-20-000-074-0-000	0.00
ARREST WARRANT FEES: STATE DEPT-Civil					
D.P.S. (\$3, \$5, \$35, \$50)	27	C.C.P. Art. 102.011		1100-207-20-000-076-0-000	155.00
T.A.B.C (\$3, \$5, \$35, \$50)				1100-207-20-000-019-0-000	2,556.88
P.K.W.L. (\$3, \$5, \$35, \$50)				1100-207-20-000-020-0-000	-
ARREST WARRANT/SERVICE FEES: COUNTY					
Sheriff Fees:		LGC 118.131		1100-342-10-060-001-0-000	30.00
Constable Fees:				1100-342-10-291-000-0-000	-
Precinct #1				1100-342-10-292-000-0-000	-
Precinct #2				1100-342-10-293-000-0-000	4,500.00
Precinct #3				1100-342-10-294-000-0-000	75.00
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				1100-342-20-060-001-0-000	-
Due to Others				1100-202-00-000-012-0-000	0.15
Warrant Fees/Out of County Service Fees DTO Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2 (A)		1100-202-00-000-012-0-000	5,794.92
Due to Others- Refund-Overpayments				1100-202-00-000-012-0-000	0.00
Due to Others				1100-202-00-000-012-0-000	0.00
Restitution				1100-202-00-000-012-0-000	0.00
Failure to Appear- OmniBase (\$6)		TRC 706.006/TRC 706.007(d)(2)		1100-341-10-060-001-0-000	96.00
Justice Fees (Local Fees)					
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122		1100-341-10-060-001-0-000	105.00
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122	675.00		675.00
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)			-
Writ Filing Fee (\$5)		LGC 118.121/118.123 (d)	20.00		20.00
Issuing other Document (\$1 1st pg. 25 for each add'l pg)		LGC 118.121/118.123 (e)	200.00		200.00
Certified Copies of Court Papers (\$2 1st pg. 25 for each add'l pg)		LGC 118.121			-
Probable Cause Tow. Hearing Fee (\$25)		LGC 191.141 (a)	64.00		64.00
Birth Certificates (\$22 each \$9.20 local)		HSC 191.0045 (3)(d)			-
Birth Certificates (\$20 each, each add'l \$3)		HSC 191.0045 (3)(d)			-
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045 (b)			-
Jury Fees (Civil \$22, Criminal \$3)		Rules of Civil Proc. Rule 204.1(b) C.P. 192.004			-

TOTAL AMOUNT DUE TO THE COUNTY TREASURER

\$97,341.55

COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

January 17, 2019

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 November 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 November 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 November 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 31, 2007 and prior and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs collected were properly allocated and reported 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

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
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.

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 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 November 2018 were \$162,676.41. 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 28 of 1,274 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), August 2018 (16), and September 2018 (9) 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 February 2013, September 2013, May 2014, and September 2014 through November 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. In addition, an incorrect copy of the January 2014 OCA Report was 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 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 September 2015 through March 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 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

LUIS M. SINGLETERRY JUDGE, 12 th D.C.	FERNANDO MANCIAS JUDGE, 13 th D.C.	J. R. "BOBBY" FLORES JUDGE, 139 th D.C.	ROSE GUERRA REYNA JUDGE, 206 th D.C.	MARLA CUELLAR 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.
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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 149 online credit card transactions were receipted 2 days after the date of transaction. In addition, 1 kiosk credit card transaction was receipted 16 days after the date of the 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 an oversight.

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.

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.

Observation No. 7:

We noted that the November 2018 *Monthly Report* was submitted to the County Auditor's Office 8 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.

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.

HIDALGO COUNTY DISTRICT JUDGES

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.

Please provide written management responses to the observations noted above and action plans for observations 1 through 4 using the attached Action Plan Forms by Friday, January 25, 2019.

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: Mr. Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	FERNANDO MANCIAS JUDGE, 93 RD D.C.	J. R. "BOBBY" FLORES JUDGE, 139 TH D.C.	ROSE GUERRA REYNA JUDGE, 206 TH D.C.	MARLA CUELLAR 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.
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ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for November 2018
Observation No. 1	We noted that 28 of 1,274 transactions contained errors in the allocation of fines, fees, and court costs. 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), August 2018 (16), and September 2018 (9) 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 November 2018
Observation No. 2	Copies of the February 2013, September 2013, May 2014, and September 2014 through November 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. In addition, an incorrect copy of the January 2014 OCA Report was submitted to 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 November 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 November 2018
Observation No. 4	We noted that 5 cash bonds posted September 2015 through March 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.
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: November-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) <u>JP41-2018-14355</u> THRU <u>JP41-2018-15603</u>	\$ <u>162,676.41</u>	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)		\$ <u>162,676.41</u>	x3 ✓
Less: Total amount of remittances to County Treasurer (From Part II)		\$ <u>163,744.41</u>	(A)
Total funds due to County Treasurer (Overtransfer Made to Co Treas.)		\$ <u>(1068.00)</u>	x4-a, 13
		21	

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	RECEIPT NO.
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ <u>162,676.31</u>	
Add: Previous Month's Bond Overtransfer (701312015, 2016)	<u>1068.00</u>	
Add: HCSO Monthly "D" Collections Report	<u>0.00</u>	
Total Remittances Made to County Treasurer	\$ <u>163,744.41</u>	
	<u>162,676.31</u>	

PREPARED BY:



DATE:

12/17/18

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:

ea 12/14/18
12/20/18 12/21/18


JUSTICE OF THE PEACE

DATE

12-12-18
M

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: November-18**

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

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

PBL

Part III: SUMMARY OF COLLECTIONS PAYABLE TO THE COUNTY TREASURER

PAGE 2 OF 2

Name of Fine, Fee, Court Cost	# Issued/ Filed	Statute Reference	Detail of Amt Collected	GL Acct No.	Amt. Collected
FINES:					
County Fines (Local Fine)		LGC 113.004, PC 12.23		1100-20-000-000-0-000	\$ 45,091.31
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-20-000-012-0-000	(10.20)
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (f)		1100-20-000-028-0-000	544.35
Gross Weight 50% Fine (State Fine)		TRC Sec 621.506 (g)		1100-20-000-013-0-000	-
School District 50% Fines		Ednac. Code § 25.093 (d) 1 (A)		1100-20-000-000-0-000	-
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee(\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	2,497.20
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1241-341-10-060-000-0-000	831.45
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	3,329.60
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	110.00
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 133.103 (c)		1100-341-10-060-002-0-000	27.50
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	1,804.00
Motor Vehicle Adm. Fee(\$10-\$20) (Minimum Fee for Exp. DL, Exp Insp.Cert, Exp Mv Reg.)		TRC Sec 548.605, 521.026, 502.407		1100-341-10-060-004-0-000	340.00
Special Fees				1100-341-10-060-000-0-000	2,882.27
Deferred Disposition		C.C.P. Art. 45.051	2,264.30		
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(f)	617.97		
Support of Judiciary Fund (\$50)		LGC 133.105		1100-341-10-060-009-0-000	498.83
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-060-000-0-000	1,398.26
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	734.14
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	3,360.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	792.39
STATE COURT COSTS AND FEES:					
Criminal Justice Planning Fund C.C.P. (\$5)		C.C.P. Art. 102.051		1100-20-000-003-0-000	-
State General Revenue Fund (\$2.50)		C.C.P. Art. 102.015		1100-20-000-010-0-000	-
Law Enforcement Education Fund (____\$1, ____\$1.50, ____\$3.50)		Govt. Code Sec. 415.082		1100-20-000-011-0-000	-
Operators and Chauffeurs License Fund (\$75)		T.R.C. 601.192		1100-20-000-031-0-000	-
Time Payment - @50% OF \$25.00 (\$12.50)		LGC 133.103 (b)		1100-20-000-005-0-000	137.50
Juvenile Crime and Delinquency Fund (____\$25, ____\$50)		C.C.P. Art. 102.075(m)		1100-20-000-007-0-000	-
Comprehensive Rehabilitation Fund (\$5)		C.C.P. Art. 102.082		1100-20-000-008-0-000	-
Fugitive Apprehension Fund (\$5)		C.C.P. Art. 102.019 (a) 2		1100-20-000-009-0-000	-
Consolidated Court Costs Fund (\$17)		CCP 102.075 (a) 3/ LGC 133.102		1100-20-000-015-0-000	33,295.93
Compensation Victims Of Crime Fund (____\$3, ____\$5, ____\$15, ____\$30)		C.C.P. Art. 56.35 (2) & (3)		1100-20-000-017-0-000	-
Judicial & Court Personnel Training Fund (____\$1, ____\$2)		Govt. Code Sec. 56.001 (b)		1100-20-000-027-0-000	-
Correctional Management Institute of Texas Fund (\$50)		CCP Art. 102.075		1100-20-000-029-0-000	-
Indigent legal Services Fee-JP (\$6)	245	Govt. Code Sec. 101.141(2) (B)		1100-20-000-004-0-000	1,470.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-20-000-035-0-000	13,982.52
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-20-000-053-0-000	3,329.64
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-20-000-054-0-000	4,483.56
Birth Certificate Fee (\$1.80)		HSC 191.022(f)		1100-20-000-039-0-000	-
Defensive Driving Record Fee (\$12)		C.C.P. Art. 45.0511 (c-1)		1100-20-000-057-0-000	-
Indigent Defense Representation Fund		LGC 133.107/GC 102.023		1100-20-000-059-0-000	1,656.81
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-20-000-061-0-000	63.70
Safety Seat Violation Fee (\$0.15)		TRC 545.412 (b-1)		1100-20-000-062-0-000	-
Failure to Appear (\$20)		TRC 706.006/TRC 706.007(d)(2)		1100-20-000-066-0-000	-
Electronic Filing Fee - Civil (\$10)		GC 101.141/GC 51.851		1100-20-000-070-0-000	2,450.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-20-000-073-0-000	792.39
Texas Home Visiting Program Contribution (\$5)		HSC 191.0048/GC 118.018 (c)		1100-20-000-074-0-000	-
Judicial & Court Personnel Training Fund-Civil (\$5)	245	GC 51.971 (a)		1100-20-000-076-0-000	1,225.00
ARREST/WARRANT FEES: STATE		C.C.P. Art. 102.011			
D.P.S. (____\$3, ____\$5, ____\$35, ____\$50)				1100-20-000-019-0-000	3,862.48
T.A.B.C. (____\$3, ____\$5, ____\$35, ____\$50)				1100-20-000-020-0-000	-
P.K.W.L. (____\$3, ____\$5, ____\$35, ____\$50)				1100-20-000-021-0-000	15.00
Texas Comptrollers Criminal Investigators				1100-20-000-060-0-000	-
ARREST/WARRANT/SERVICE FEES: COUNTY		LGC 118.131			
Sheriff Fees:				1100-342-10-060-001-0-000	184.53
Constable Fees:					
Precinct #1				1100-342-10-291-000-0-000	1,350.00
Precinct #2				1100-342-10-292-000-0-000	2,975.00
Precinct #3				1100-342-10-293-000-0-000	1,875.00
Precinct #4				1100-342-10-294-000-0-000	11,035.00
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	10.00
School District Arrest Fee				1100-342-10-060-003-0-000	-
Fire Marshal Fee				1100-342-20-060-001-0-000	-
Due to Others					
Warrant Fees/Out of County Service Fees TO: Law Enforcement Agencies		C.C.P. Art. 102.011 (a) 2 (A)		1100-20-000-003-0-000	-
Refund - Overpayments				1100-20-000-000-013-0-000	180.00
Due to Others				1100-20-000-000-013-0-000	-
Restitution				1100-20-000-000-013-0-000	-
Failure to Appear- OmniBase (\$6)		TRC 706.006/TRC 706.007(d)(2)		1100-20-000-067-019-0-000	-
Delinquent Attorney Fee		C.C.P. Art. 103.0031(b)		1100-20-000-000-004-0-000	7,496.75
Justice Fees (Local Fees)				1100-341-10-060-001-0-000	6,472.50
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122			
Debt Claim Fee/Justice Court Filing Fee(\$25)		LGC 118.121/118.122	6,125.00		
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)	285.00		
Issuing other Document (\$1 1st pg., .25 for each add'l pg)		LGC 118.121/118.123 (e)	3.50		
Certified Copies of Court Papers (\$2 1st pg., .25 for each add'l pg)		LGC 118.121	4.00		
Probable Cause Tow Hearing Fee (\$20)		LGC 101.141(a)4	-		
Birth Certificates (\$22 each \$9.20 local)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	-
Death Certificates (\$20 each, each add'l \$3)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	52.00
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045 (b)		1100-341-10-060-008-0-000	6.00
Jury Fees (Civil \$22, Criminal \$3)		Rules of Civil Proc., Rule 504.1(b)/ CCP 102.004		1100-341-10-060-006-0-000	44.00
TOTAL AMOUNT DUE TO THE COUNTY TREASURER:					162,676.41

**AUDITED BY: THE HIDALGO
COUNTY AUDITOR'S OFFICE**

DATE: Feb 12/14/2018

APX, X2

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 November 30, 2018

Receipt	Cause #	Date	Offense Date	Charge	Offense Descrip	CCC	CHS	CHSJP	CO	CRF	DO	DEL	DUS3r	DPS	DPSr	DSCr	IDRF	JCTF	JSF	LTF	MVF	SCOF	SJFC	SJFS	STF	TP	TPCO	TPDC	TPDS	TPST	UTFC	WARr	WFPREC41	Amount
JP41-2018-14589	TR18-14046-J41	11/6/2018	10/8/2018	EXPIRED DRIVER LICENSE (#)									20																					20
JP41-2018-14564	TR18-14228-J41	11/6/2018	10/14/2018	DISPLAY EXPIRED LICENSE PLATE									20																					20
JP41-2018-14470	TR18-14403-J41	11/2/2018	10/16/2018	DISPLAY EXPIRED LICENSE PLATE									20																					20
JP41-2018-15196	TR18-14431-J41	11/20/2018	10/17/2018	DISPLAY EXPIRED LICENSE PLATE									20																					20
JP41-2018-14608	TR18-14476-J41	11/7/2018	10/19/2018	DISPLAY EXPIRED LICENSE PLATE									20																					20
JP41-2018-15212	TR18-14747-J41	11/21/2018	10/24/2018	DISPLAY EXPIRED LICENSE PLATE									20																					20
JP41-2018-14802	TR18-15320-J41	11/13/2018	11/2/2018	FAIL TO DISPLAY DRIVER LICENSE OPERATION OF VEHICLE WITH EXPIRED LICENSE									20																					20
JP41-2018-15526	TR18-15317-J41	11/30/2018	11/2/2018	EXPIRED LICENSE PLATE									20																					20
JP41-2018-15295	TR18-15621-J41	11/26/2018	11/4/2018	Display Expired License Plate (#)									20																					20
JP41-2018-15152	TR18-15770-J41	11/20/2018	11/13/2018	No Drivers License - When Unlicensed not CDL(#)									20																					20
JP41-2018-15402	TR18-15789-J41	11/28/2018	11/13/2018	OPERATION OF VEHICLE WITH EXPIRED LICENSE									20																					20
JP41-2018-14682	TR18-15105-J41	11/8/2018	10/31/2018	Ride, Not Secured by Safety Belt - Driver		40	3	1	0.1	-	-	-	-	-	5	10	2	4	4	2	-	-	0.6	5.4	30	-	1	1	-	3	-	-	-	112.1
JP41-2018-15033	TR18-15425-J41	11/16/2018	11/4/2018	SAFETY SEAT SYS,CHILD;8 PASS,CHILD;8 UNLESS TALLER THAN 4'9 NOT SECURED BY"		40	3	1	-	2.9	-	-	-	-	5	-	2	4	4	2	0.1	-	0.6	5.4	30	-	1	1	-	3	-	-	-	105
JP41-2018-14652	TR18-13920-J41	11/8/2018	10/2/2018	SAFETY SEAT SYS,CHILD;8 PASS,CHILD;8 UNLESS TALLER THAN 4'9 NOT SECURED BY"		40	3	1	5.5	12.5	-	-	-	-	5	-	2	4	4	2	0.1	-	0.6	5.4	30	-	1	1	-	3	-	-	-	120.1

Based on the driver safety course fee, county fine should NOT be assessed.

County fine and CRF should be split 50% each.

COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

January 2, 2019

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 November 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 November 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 November 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 31, 2007 and prior and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs collected were properly allocated and reported 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, 92ND D.C.

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
JUDGE, 275TH D.C.

MARIO E. RAMIREZ, JR.
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NIDE 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.

- 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 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 November 2018 were \$51,780.38. 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 62 of 446 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), August 2018 (59), September 2018 (46), and October 2018 (47) 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.

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 275TH D.C.

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JUDGE, 312ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

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JUDGE, 398TH D.C.

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

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

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 November 2013 through February 2014, June 2014 through July 2015, and September 2015 through November 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. In addition, incorrect copies of the April 2012 through June 2012, September 2012 through October 2013, March 2014 through May 2014, and August 2015 OCA Reports were 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. In addition, the County Auditor's Office determined that the OCA Reports are incorrect since the jail time activity and pending adjustments were not entered 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 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 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.

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

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JUDGE, 449TH D.C.

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 collections for 2 of 19 days were deposited at the bank 4 to 6 days after collections were receipted. According to the Court Coordinator, they were under 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.

Observation No. 5:

We noted that 2 of 19 Close-out Reports were submitted to the County Treasurer's Office 4 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 timely due to an oversight.

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 2 of 51 online credit card transactions were receipted 6 to 47 days after the date of transaction. Consequently, the applicable case dispositions were not recorded in *Odyssey* in a timely manner. According to the Assistant Court Coordinator, the credit card transactions were not receipted timely due to an oversight.

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.

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 430TH D.C.

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

Recommendation:

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

Observation No. 7:

A mail log was not consistently utilized to record payments received through the mail. According to the Assistant Court Coordinator, they will re-train staff to ensure that a mail log is completed every day.

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 daily mail log increases the risk that payments could be lost or misappropriated without detection.

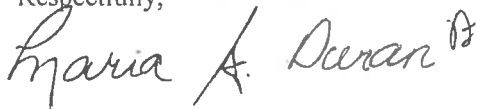
Recommendation:

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

Please provide written management responses to the observations noted above and an action plan for observations 1 through 3 using that attached Action Plan Forms by Friday, January 11, 2019.

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*, Exhibit A, Exhibit B, and Action Plan Forms

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	FERNANDO MANCIAS JUDGE, 93 RD D.C.	J. R. "BOBBY" FLORES JUDGE, 139 TH D.C.	ROSE GUERRA REYNA JUDGE, 206 TH D.C.	MARLA CUELLAR 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.
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ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for November 2018
Observation No. 1	We noted that 62 of 446 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), August 2018 (59), September 2018 (46), and October 2018 (47) 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 November 2018
Observation No. 2	Copies of the November 2013 through February 2014, June 2014 through July 2015, and September 2015 through November 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. In addition, incorrect copies of the April 2012 through June 2012, September 2012 through October 2013, March 2014 through May 2014, and August 2015 OCA Reports 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 November 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 6

Exhibit A - November 2018

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

Receipt			Cause #		Date	Off	Description		ABRE	CCC	CHS	CHSIP	CMIT	CO	CRF	CSF	CVCA	DEL	DPS	DPSr	FA	IDRF	JCD	JCPT	JCTF	J5F	LTF	MVF	OVER	SCOF	SIFC	SIFS	SO	SOR	STF	TP	TPDC	TPDS	UTFC	WARr	WFDPS																																				
Based on the first payment date, TP \$25 should have been assessed. In addition, please verify disposition date.																																																																													
NO UNLNC																																																																													
LUCENSE																																																																													
LW/EN																																																																													
JP42 2018-05727	123	11/9/18	1/26/08	UNLICENSED					13.80	1.03	0.35							31.35	1.72			0.69				1.38	1.38	4.00	-		6.89	0.21	1.86	-								17.24	81.90																																		
EXPIRED																																																																													
TR17																																																																													
JP42 2018-05826	6014 J42	11/16/18	10/20/17	LICENSE (H)					11.34	0.85	0.28	65.90						32.07		1.42		0.59				1.13	1.13	2.00	-		20.00	0.17	1.53	-									138.97																																		
FAIL TO																																																																													
MAINTAIN																																																																													
FINANCIAL																																																																													
RESPONSIBILI																																																																													
JP14-09-																																																																													
JP42 2018 05741	086	11/9/18	8/5/14	TY										134					40.80									2.00															176.80																																		
Speeding 10																																																																													
more above																																																																													
posted speed																																																																													
TR17-									20.84	1.56	0.52	69.00						42.93		2.50		1.04				2.08	2.08	2.00	0.05	-	20.00	0.31	2.81	-		15.61	0.52	0.52	1.56	-			186.03																																		
DISREGARD																																																																													
RED LIGHT																																																																													
TRAFFIC																																																																													
TR18									20.84	1.56	0.52	52.90							2.60		2.60		1.04				2.08	2.08	2.00	0.05	-	20.00	0.31	2.81	-		15.61	0.52	0.52	1.56	-			127.00																																	
FAIL TO																																																																													
MAINTAIN																																																																													
FINANCIAL																																																																													
RESPONSIBILI																																																																													
TR18-														55.00														2.00															57.00																																		
No Drivers																																																																													
License																																																																													
When																																																																													
Unlicensed																																																																													
TR18									11.40	0.85	0.28	65.90	-						1.42		1.42		0.57			1.14	1.14	2.00	0.03	-		0.17	1.54	-		0.28	0.28	-				87.00																																			
Rule, Not																																																																													
Secured by																																																																													
Safety Belt																																																																													
TR18-									0.80	0.06	0.02	50.00	-						0.10		0.10		0.04			0.08	0.08	4.00	-		0.01	0.11	-		0.60	0.02	0.02	0.06	-			56.00																																			
SAFETY SEAT																																																																													
SYS.CHILD																																																																													
PASS.CHILD&I																																																																													
I-B UNLESS																																																																													
TALLER THAN																																																																													
TR18-																																										4'9 NOT																																			
JP42 2018-05647	4264 J42	11/5/18	7/26/18	SECURED BY"					20.84	1.56	0.52	12.50		12.5					2.60		2.60		1.04			2.08	2.08	2.00	0.05	-		0.31	2.81	-		15.61	0.52	0.52	1.56	-			79.10																																		
Speeding 10																																																																													
percent or																																																																													
more above																																																																													
posted speed																																																																													
TR18									20.84	1.56	0.52	27.00	-						2.60		2.60		1.04			2.08	2.08	2.00	0.05	-	20.00	0.31	2.81	-		15.61	0.52	0.52	1.56	-			101.10																																		
EXPIRED																																																																													
DRIVER																																																																													
TR18-														34.90														4.00															38.90																																		
LICENSE (H)																																																																													
Based on the first payment date, TP \$25 should have been assessed. In addition, please verify disposition date.																																																																													
Speeding 10																																																																													
percent or																																																																													
more above																																																																													
posted speed																																																																													
TR18-									20.84	1.56	0.52	60.00	-						2.60		2.60		1.04			2.08	2.08	2.00	0.05	-		0.31	2.81	-		15.61	0.52	0.52	1.56	-			114.10																																		
limit																																																																													
Speeding 10																																																																													
percent or																																																																													
more above																																																																													
posted speed																																																																													
TR18-									4.04	0.30	0.10	36.00	-						0.50		0.50		0.20			0.40	0.40	4.00	0.01	2.0	0.06	0.54	-		3.05	0.10	0.10	0.30	-			52.10																																			
limit																																																																													

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

CONST4																																	WFDPS						
Receipt	Cause #	Date	Off	Description	ARRE	CCC	CHS	CHSIP	CMIT	CO	CRF	CSF	CVCA	DEL	DPS	DPSr	FA	IDRF	JCD	JCPT	JCTF	JSF	LTF	MVF	OVER	SCOF	SJFC	SJFS	SO	SOr	STF	TP	TPDC	TPDS	UTFC	WARr	WFPREC4	TOTAL	
Based on the first payment date, TP \$25 should have been assessed. In addition, please verify disposition date.																																							
	TR18			Speeding 10 percent or more above posted speed	19.16	1.44	0.48	-	-	-	-	-	-	-	-	-	2.40	-	0.96	-	-	1.92	1.92	2.00	0.05	-	0.29	2.59	-	-	14.39	-	0.48	0.48	1.44	-	-	50.00	
Based on the first payment date, TP \$25 should have been assessed. DEL was under assessed, should be \$100.50. Please call the Auditor's Office for instructions. TPDC \$1 should be assessed. In addition, please enter disposition date.																																							
	JP15-06- JP42-2018-05759	324	11/13/18	6/7/15 INSPECTION	6.11	0.46	0.16	-	-	-	-	-	-	14.84	-	-	-	0.16	-	-	0.62	0.61	2.00	-	-	3.05	0.08	0.82	0.76	-	-	4.58	-	0.16	0.46	7.63	-	42.50	
Based on the first payment date, TP \$25 should have been assessed. In addition, please enter disposition date.																																							
	TR18- JP42-2018-05821	2871-J42	11/16/18	5/3/18 Stop Sign(#)	20.00	1.50	0.50	-	-	-	-	-	-	-	-	-	-	1.00	-	-	2.00	2.00	-	0.05	-	0.30	2.70	-	-	2.50	14.95	-	0.50	0.50	1.50	-	-	50.00	
Based on the first payment date, TP \$25 should have been assessed. In addition, please enter disposition date.																																							
	TR18 JP42-2018-05611	3351-J42	11/2/18	6/6/18 not CDL(#)	-	-	-	-	-	35.00	-	-	-	-	-	-	-	-	-	-	-	-	4.00	-	-	1.00	-	-	-	-	-	-	-	-	-	-	-	40.00	
	TR18 JP42-2018-05888	1374-J42	11/21/18	2/27/18 Paraphernalia Safety Belt, Child <17, Required to be Secured by in Pass	-	-	-	-	-	48.00	-	-	-	-	-	-	-	-	-	-	-	-	2.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50.00	
Based on the first payment date, TP \$25 should have been assessed. In addition, please enter disposition date.																																							
	TR18 JP42-2018-05589	3250-J42	11/7/18	5/24/18 VEH	15.45	1.16	0.38	-	-	-	-	-	-	-	-	-	1.93	-	0.77	-	-	1.54	1.54	2.00	-	-	9.42	0.23	2.08	-	-	11.58	-	0.38	0.38	1.16	-	-	50.00
Based on the first payment date, TP \$25 should have been assessed. In addition, please enter disposition date.																																							
	TR18 JP42-2018-05813	3921-J42	11/15/18	7/12/18 limit posted speed	14.28	1.07	0.36	-	-	-	-	-	-	-	-	-	1.79	-	0.71	-	-	1.43	1.43	2.00	0.04	-	12.28	0.21	1.93	-	-	10.68	-	0.36	0.36	1.07	-	-	50.00
Based on the first payment date, TP \$25 should have been assessed. In addition, please enter disposition date.																																							
	TR18 JP42-2018-05697	5028-J42	11/7/18	9/18/18 4/9 NOT	20.84	1.56	0.52	-	-	4.95	-	4.95	-	-	-	-	2.60	-	1.04	-	-	2.08	2.08	-	0.05	-	0.31	2.81	-	-	15.61	-	0.52	0.52	1.56	-	-	62.00	
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																																							
	JP15-04 JP42-2018-05642	1094	11/5/18	4/24/15 UNLICENSED)	40.00	3.00	1.00	-	-	-	-	-	-	46.53	5.00	-	-	2.00	-	-	4.00	4.00	2.00	0.10	-	20.00	0.60	5.40	-	-	-	1.00	1.00	-	-	-	-	135.63	
Based on the first payment date, TP \$25 should have been assessed. In addition, please enter disposition date.																																							
	TR16 JP42-2018-05868	3782-J42	11/20/18	10/17/16 Unlicensed	40.00	3.00	1.00	-	-	-	-	-	-	46.50	-	-	-	2.00	-	-	4.00	4.00	2.00	0.10	-	20.00	0.60	5.40	-	5.00	-	1.00	1.00	-	-	-	-	135.60	
DEL was over assessed, should be \$28.53. If approved by the Justice of the Peace, amount should be refunded. If not, please call Auditor's Office for instructions																																							
	TR16 JP42-2018-05617	3656-J42	11/2/18	10/13/16 INVALID	9.65	0.72	0.23	-	-	-	-	-	-	11.20	1.20	-	-	0.48	-	-	0.96	0.96	6.00	0.02	-	4.82	0.14	1.34	-	-	-	0.24	0.24	-	-	-	-	38.20	
DEL was under assessed, should be \$117.30. Please call Auditor's Office for instructions																																							
	CRNT16- JP42-2018-05819	0133-J42	11/16/18	8/4/16 UA	30.57	2.29	0.76	-	-	300	-	-	-	89.20	3.82	-	3.82	1.53	-	-	3.06	3.06	2.00	-	42.3	15.30	0.46	4.13	-	-	-	0.76	0.76	-	-	-	-	500.00	

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CON314																																	WFDPS						
Receipt	Cause #	Date	Off	Description	ARRE	CCC	CHS	CHSP	CMIT	CO	CRF	CSF	CVCA	DEL	DPS	DPS+	FA	IDRF	JCD	JCPT	JCTF	JSF	LTF	MVF	OVER	SCOF	SJFC	SJFS	SO	SOR	STF	TP	TPDC	TPDS	UTFC	WARr	WFPREC4	TOTAL	
DEL was over assessed, should be \$39.03. If approved by the Justice of the Peace, amount should be refunded. If not, please call Auditor's Office for instructions																																							
TR16																																							
JP42	2018	05605	J42	11/2/18	7/19/16	Speeding	-	7.36	0.55	0.18	-	-	0.94	-	-	11.71	-	-	0.37	-	-	0.74	0.74	8.00	0.02	-	3.67	0.11	0.98	-	-	5.52	-	-	0.18	0.18	0.55	-	41.80
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																																							
TR16																																							
JP42	2018	05867	J42	11/20/18	10/17/16	Speeding	-	40.00	3.00	1.00	-	-	-	-	51.93	-	-	2.00	-	-	4.00	4.00	2.00	0.10	-	20.00	0.60	5.40	-	5.00	30.00	-	-	1.00	1.00	3.00	-	174.03	
DEL was under assessed, should be \$55.83. Please call Auditor's Office for instructions. Based on the first payment date, TP \$25 should have been assessed. In addition, please verify disposition date																																							
TR17																																							
JP42	2018	05502	J42	11/1/18	6/9/17	limit	-	11.45	0.86	0.29	-	-	-	-	15.63	-	1.43	-	0.57	-	-	1.14	1.14	-	0.03	-	5.72	0.16	1.55	-	-	8.59	-	-	0.29	0.29	0.86	-	50.00
Based on the appear by date, SCOF \$20 should have been assessed. Based on the first payment date, TP \$25 should have been assessed. In addition, please verify disposition date.																																							
TR18																																							
JP42	2018	05613	J42	11/2/18	6/8/18	LICENSE (H)	-	-	-	-	-	-	-	-	34.90	-	-	-	-	-	-	-	4.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38.90	
Based on the citation appear by date, SCOF \$20 should have been assessed. In addition, please enter disposition date.																																							
TR18																																							
JP42	2018	05724	J42	11/8/18	7/18/18	limit	-	0.87	0.06	0.02	-	-	-	-	0.10	-	0.10	-	0.04	-	-	0.08	0.08	4.00	-	-	-	0.01	0.11	-	-	0.63	-	-	0.02	0.02	0.06	-	33.10
Based on the citation appear by date, SCOF \$20 should have been assessed. In addition, please enter disposition date.																																							
TR18																																							
JP42	2018	05925	J42	11/26/18	4/18/18	not CDL(H)	-	28.60	2.15	0.72	-	-	-	-	3.58	-	3.58	-	1.43	-	-	2.86	2.86	2.00	0.07	-	0.43	3.86	-	-	-	-	-	0.72	0.72	-	-	50.00	
Based on the appear by date, SCOF \$20 should have been assessed.																																							
CRNT18																																							
JP42	2018	05934	J42	11/26/18	2/13/18	Intoxication	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32.00	
Based on the citation appear by date, SCOF \$20 should have been assessed. Based on the first payment date, TP 25 should have been assessed. In addition, please verify disposition date.																																							
TR18																																							
JP42	2018	05977	J42	11/28/18	7/16/18	SECURED BY"	-	20.84	1.56	0.52	-	-	12.5	-	2.60	-	2.60	-	1.04	-	-	2.08	2.08	2.00	0.05	-	0.31	2.81	-	-	15.61	-	-	0.52	0.52	1.56	-	79.10	
Please enter disposition date.																																							
TR18																																							
JP42	2018	05927	J42	11/26/18	5/23/18	VCH	-	16.67	1.25	0.42	-	-	-	-	2.07	-	2.07	-	0.83	-	-	1.67	1.67	2.00	-	-	8.33	0.25	2.25	-	-	12.50	-	-	0.42	0.42	1.25	-	52.00
Based on the citation appear by date, SCOF \$20 should have been assessed. Based on the first payment date, TP 25 should have been assessed. In addition, please verify disposition date.																																							
TR18																																							
JP42	2018	05717	J42	11/8/18	4/13/18	limit	-	40.00	3.00	1.00	-	-	-	-	5.00	-	5.00	-	2.00	-	-	4.00	4.00	2.00	0.10	-	20.00	0.60	5.40	-	-	30.00	-	-	1.00	1.00	3.00	-	170.10
Based on the citation appear by date, SCOF \$20 should have been assessed. Based on the first payment date, TP 25 should have been assessed. In addition, please verify disposition date.																																							
TR18																																							
JP42	2018	05855	J42	11/19/18	10/5/18	Invalid -DL	-	28.60	2.15	0.72	-	-	-	-	3.58	-	3.58	-	1.43	-	-	2.86	2.86	2.00	0.07	-	0.43	3.86	-	-	-	-	-	0.72	0.72	-	-	50.00	

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Exhibit A - November 2018

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

Receipt		Cause #	Date	Off Date	Description	ARRE	CCC	CHS	CHSIP	CMIT	CO	CRF	CSF	CVCA	DEL	DPS	DPSr	FA	IDRF	JCD	JCPT	JCTF	JSF	LTF	MVF	OVER	SCOF	SJFC	SJFS	SO	SOr	STF	TP	TPDC	TPDS	UTFC	WARr	WFPRECA	TOTAL	
Please enter disposition date.																																								
JP42-2018-05950	TR18-	5747	J42	11/27/18	10/24/18 not CDL(H) No Drivers License - When	28.60	2.15	0.72	-	-	-	-	-	-	-	3.58	-	1.43	-	-	-	2.86	2.86	2.00	0.07	-	-	0.43	3.86	-	-	-	-	-	-	0.72	0.72	-	-	50.00
						28.60	2.15	0.72	-	-	-	-	-	-	-	3.58	-	1.43	-	-	-	2.86	2.86	2.00	0.07	-	-	0.43	3.86	-	-	-	-	-	-	0.72	0.72	-	-	50.00
JP42-2018-05882	TR18-	5892	J42	11/21/18	11/5/18 not CDL(H) Parent Contributing to Non- Attendance Possession or Delivery of Drug Ride, Not Secured by Safety Belt	28.60	2.15	0.72	-	-	-	-	-	-	-	3.58	-	1.43	-	-	-	2.86	2.86	2.00	0.07	-	-	0.43	3.86	-	-	-	-	-	-	0.72	0.72	-	-	50.00
						28.60	2.15	0.72	-	-	-	-	-	-	-	3.58	-	1.43	-	-	-	2.86	2.86	2.00	0.07	-	-	0.43	3.86	-	-	-	-	-	-	0.72	0.72	-	-	50.00
JP42-2018-05736	TRU18-	0113	J42	11/9/18	10/18/18 Attendance Possession or Delivery of Drug Ride, Not Secured by Safety Belt	23.40	1.76	0.59	-	-	-	-	11.71	-	-	-	-	-	1.17	-	-	-	2.34	2.34	2.00	-	-	0.35	3.16	-	-	-	-	-	-	0.59	0.59	-	-	50.00
						23.40	1.76	0.59	-	-	-	-	11.71	-	-	-	-	1.17	-	-	-	-	2.34	2.34	2.00	-	-	0.35	3.16	-	-	-	-	-	-	0.59	0.59	-	-	50.00
JP42-2018-05608	CRMT18-	0114	J42	11/27/18	10/16/18 Paraphernalia Ride, Not Secured by Safety Belt	28.66	2.15	0.72	-	-	-	-	-	-	-	3.58	-	1.41	-	-	-	2.87	2.87	2.00	-	-	0.41	3.87	-	-	-	-	-	-	0.72	0.72	-	-	50.00	
						28.66	2.15	0.72	-	-	-	-	-	-	-	3.58	-	1.41	-	-	-	2.87	2.87	2.00	-	-	0.41	3.87	-	-	-	-	-	-	0.72	0.72	-	-	50.00	
JP42-2018-05733	TR18-	5229	J42	11/9/18	9/27/18 Driver SAFETY SEAT SYS,CHILD PASS,CHILD&I 1:8 UNLESS TALLER THAN 4'9" NOT SECURED BY"	19.20	1.44	0.48	-	-	-	-	-	-	-	2.40	-	0.96	-	-	-	1.92	1.92	2.00	-	-	0.29	2.59	-	-	-	14.40	-	0.48	0.48	1.44	-	-	50.00	
						19.20	1.44	0.48	-	-	-	-	-	-	-	2.40	-	0.96	-	-	-	1.92	1.92	2.00	-	-	0.29	2.59	-	-	-	-	-	14.40	-	0.48	0.48	1.44	-	-
JP42-2018-05854	TR18-	5290	J42	11/19/18	9/29/18 SECURED BY" Speeding 10 percent or more above posted speed	20.00	1.50	0.50	-	-	-	-	-	-	-	2.50	-	1.00	-	-	-	2.00	2.00	-	0.05	-	0.30	2.70	-	-	-	14.95	-	0.50	0.50	1.50	-	-	50.00	
						20.00	1.50	0.50	-	-	-	-	-	-	-	2.50	-	1.00	-	-	-	2.00	2.00	-	0.05	-	0.30	2.70	-	-	-	-	-	14.95	-	0.50	0.50	1.50	-	-
JP42-2018-05752	TR18-	5076	J42	11/13/18	9/21/18 limit Speeding 10 percent or more above posted speed	11.19	0.84	0.28	-	-	-	-	-	-	-	1.40	-	0.56	-	-	-	1.12	1.12	2.00	0.03	-	0.17	1.51	-	-	-	8.38	-	0.28	0.28	0.84	-	-	30.00	
						11.19	0.84	0.28	-	-	-	-	-	-	-	1.40	-	0.56	-	-	-	1.12	1.12	2.00	0.03	-	0.17	1.51	-	-	-	-	-	8.38	-	0.28	0.28	0.84	-	-
JP42-2018-05905	TR18-	5531	J42	11/26/18	10/15/18 limit Speeding 10 percent or more above posted speed	27.99	2.10	0.70	-	-	-	-	-	-	-	3.50	-	1.40	-	-	-	2.80	2.80	2.00	0.07	-	0.42	3.78	-	-	-	20.99	-	0.70	0.70	2.10	-	-	72.05	
						27.99	2.10	0.70	-	-	-	-	-	-	-	3.50	-	1.40	-	-	-	2.80	2.80	2.00	0.07	-	0.42	3.78	-	-	-	-	-	20.99	-	0.70	0.70	2.10	-	-
JP42-2018-05979	TR18-	5812	J42	11/28/18	10/31/18 limit Speeding 10 percent or more above posted speed	19.16	1.44	0.48	-	-	-	-	-	-	-	2.40	-	0.96	-	-	-	1.92	1.92	2.00	0.05	-	0.29	2.59	-	-	-	14.39	-	0.48	0.48	1.44	-	-	50.00	
						19.16	1.44	0.48	-	-	-	-	-	-	-	2.40	-	0.96	-	-	-	1.92	1.92	2.00	0.05	-	0.29	2.59	-	-	-	-	-	14.39	-	0.48	0.48	1.44	-	-
JP42-2018-05968	TR18-	5901	J42	11/28/18	11/5/18 limit Speeding 10 percent or more above posted speed	19.16	1.44	0.48	-	-	-	-	-	-	-	2.40	-	0.96	-	-	-	1.92	1.92	2.00	0.05	-	0.29	2.59	-	-	-	14.39	-	0.48	0.48	1.44	-	-	50.00	
						19.16	1.44	0.48	-	-	-	-	-	-	-	2.40	-	0.96	-	-	-	1.92	1.92	2.00	0.05	-	0.29	2.59	-	-	-	-	-	14.39	-	0.48	0.48	1.44	-	-

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

EXHIBIT B

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: November-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) JP42-2018-05586 -0- THRU JP42-2018-06026 \$ 51,780.38 - X10-A

LESS: COST ON DEPOSIT - X7✓

ADD: COST ON DEPOSIT LIQUIDATED - X7✓

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.)

\$51,780.38 - X3✓
59,064.23 (A) *
\$ -47,393.00-
(7,283.85) X4-H✓
21

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	COMMENT
Total Collections for the Month (See Schedule of Receipts & Deposits)	<u>\$51,780.38</u> <u>-47,393.00-</u> <u>B1✓</u>	
Add: Previous Month's Bond Overtransfer <u>Unliquidated Bonds</u>	<u>7,283.85</u> <u>\$0.00</u> <u>Ex B ✓</u>	
<u>Dec. '13, May '16 through Aug. '16, Oct. '16</u>		
Add: HCSO Monthly "D" Collections Report	<u>\$0.00</u>	
Total Remittances Made to County Treasurer	<u>" 59,064.23 (A)</u> <u>\$ 21 47,393.00-</u>	

PREPARED BY: [Signature]

DATE PREPARED: 11/30/2018

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

RECEIVED

DEC - 3 2018

HIDALGO COUNTY AUDITOR'S OFFICE

APPROVED BY: [Signature]

DATE: 12/21/2018

JUSTICE OF THE PEACE

DATE: 12-3-18

JUSTICE OF THE PEACE
MONTHLY FINES AND FEES COLLECTED
FOR THE MONTH OF: November-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	\$ 15,706.41
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	329.95
Gross Weight 50% Fine (State Fine)		TRC Sec 621.506 (g)		1100-207-20-000-013-0-000	-
School District 50% Fines		Educ Code § 25.093 (d) 1 (A)		1100-207-30-000-011-0-000	211.50
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	857.28
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-068-000-0-000	278.50
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	1,125.88
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	30.00
Time Payment - @ 10% OF \$25.00 (\$2.50)		LGC 133.103 (e)		1100-341-10-060-002-0-000	7.50
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	704.50
Motor Vehicle Adm. Fee (\$10-\$20) (Minimum Fee for Exp. DL, Exp. Insur. Cert. Exp. Mtr. Reg.)		TRC Sec 548.605, 521.026, 502.407		1100-341-10-060-004-0-000	80.00
Special Fees				1100-341-10-068-000-0-000	-
Deferred Disposition		C.C.P. Art. 45.051			-
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(f)			-
Support of Judiciary Fund (\$ 60)		LGC 133.105		1100-341-10-060-009-0-000	167.06
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-068-000-0-000	446.61
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	161.71
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	1,612.05
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	273.95
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)		1100-207-20-000-003-0-000	37.50
Juvenile Crime and Delinquency Fund (____\$ 25, ____\$ 50)		C.C.P. Art. 102.075(m)		1100-207-20-000-007-0-000	2.07
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	31.39
Consolidated Court Costs Fund (\$17)		CCP 102.075 (a) 3/ LGC 133.102		1100-207-20-000-015-0-000	11,285.65
Compensation Victims Of Crime Fund (____\$3, ____\$5, ____\$15, ____\$35)		C.C.P. Art. 56.55 (2) & (3)		1100-207-20-000-017-0-000	94.16
Judicial & Court Personnel Training Fund (____\$1, ____\$2)		Govt. Code Sec. 56.001 (b)		1100-207-20-000-027-0-000	5.27
Correctional Management Institute of Texas Fund (\$ 50)		CCP Art. 102.075		1100-207-20-000-029-0-000	1.00
Indigent legal Services Fee-JP (\$6)		Govt. Code Sec. 101.141 (2) (B)		1100-207-20-000-004-0-000	402.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	4,436.03
Jury Service Fee (\$4)		C.C.P. Art. 102.0645		1100-207-20-000-053-0-000	1,113.85
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	1,497.59
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	550.57
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	21.68
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	670.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	274.11
Texas Home Visiting Program Contribution (\$5)		HSC 191.0048/GC 118.018 (e)		1100-207-20-000-074-0-000	-
ARREST/WARRANT FEES: STATE - Civil					
D.P.S. (____\$3, ____\$5, ____\$35, ____\$50)		C.C.P. Art. 102.011		1100-207-20-000-076-0-000	335.00
T.A.B.C. (____\$3, ____\$5, ____\$35, ____\$50)				1100-207-20-000-019-0-000	1,468.04
P.K.W.L. (____\$3, ____\$5, ____\$35, ____\$50)				1100-207-20-000-020-0-000	-
U.T.P.A. (____\$3, ____\$5, ____\$35, ____\$50)				1100-207-20-000-021-0-000	-
ARREST/WARRANT/SERVICE FEES: COUNTY					
Sheriff Fees:		LGC 118.151		1100-342-10-060-001-0-000	121.84
Constable Fees:				1100-342-10-291-000-0-000	-
Precinct #1				1100-342-10-292-000-0-000	-
Precinct #2				1100-342-10-293-000-0-000	-
Precinct #3				1100-342-10-294-000-0-000	3,299.69
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				1100-342-10-060-001-0-000	-
Fire Marshal Fee					-
Due to Others					-
Warrant Fees/Out of County Service Fees DEO 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	50.82
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	2,326.47
Justice Fees (Local Fees)					
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122	1,675.00	1100-341-10-060-001-0-000	1,759.75
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122	-		2,759.75
Landlord & Tenant Eviction Filing Fee (Forcible Entry & Detainer Court) (\$25)		LGC 118.121/118.122	-		-
Transcript Fees (\$10)		LGC 118.121/118.125 (b)	-		-
Appeal Fees (\$10)			10.00		-
Abstract Fees (\$5)		LGC 118.121/118.123 (a)	30.00		-
Writ Filing Fee (\$5)		LGC 118.121/118.123 (d)	-0.25 00		25.00
Issuing other Document (\$1 1st pg, .25 for each addtl pg)		LGC 118.121/118.123 (e)	19.75		-
Certified Copies of Court Papers (\$2 1st pg, .25 for each addtl pg)		LGC 118.121	-		-
Probable Cause Tow/Hearing Fee (\$20)		LGC 11.141.1.4	-		-
Birth Certificates (\$22 each)		HSC 191.0045 (3)(4)		1100-341-10-060-001-0-000	-
Death Certificates (\$20 each, each addtl \$3)		HSC 191.0045 (3)(1)		1100-341-10-060-001-0-000	-
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045 (3)		1100-341-10-060-008-0-000	-
Jury Fees (Civil \$22, Criminal \$3)		Rules of Civil Proc., Rule 51.159 CCP 132.004		1100-341-10-060-006-0-000	-
TOTAL AMOUNT DUE TO THE COUNTY TREASURER:					\$ 51,780.39

DEC - 3 2018

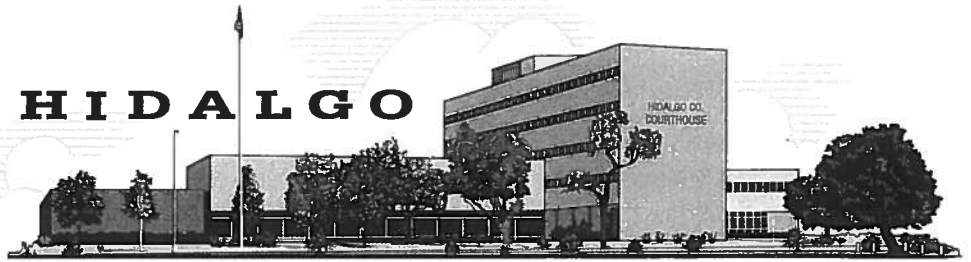
HIDALGO COUNTY
AUDITOR'S OFFICE

X3-A

X1, X2, X3

COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

January 17, 2019

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 November 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 November 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 November 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 31, 2007 and prior and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs collected were 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

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
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, 449TH D.C.

if: 1.) the warrant was recalled; 2.) the cash payment and/or jail time credit was applied to the case; 3.) the case was closed; and 4.) the Sheriff's "Discharge" receipt number was referenced on the case.

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

Conclusion:

Total collections for the month of November 2018 were \$8,299.60. 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 2 of 6 online credit card transactions were receipted 5 to 28 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 receipted late due to an oversight.

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, January 25, 2019.

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: Mr. Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

PBC

City: ELSA, TX
Hidalgo County, Texas

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED (Receipts #s) JP51-2018-00393 ⁴THRU JP51-2018-00460 ⁵ \$ 8,299.60 [✓]
Ag

0.00 - x7v

0.00 - x7✓

\$ 8,299.60 x3 ✓

\$ 8,299.60 (A)

$$\begin{array}{r} 0.00 - \\ \hline \hline \end{array} \times 4 - a$$

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

DESCRIPTION	AMOUNT	RECEIPT NO.
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ 8,299.60	
Add: Previous Month's Bond Overtransfer	0.00	
Add: HCSO Monthly "D" Collections Report	\$0.00	
Total Remittances Made to County Treasurer	\$ 8,299.60	

PREPARED BY:

DATE:

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:

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: AD-JP-004

REVISÉ: 01/18

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

Judge: JASON PEÑA
Precinct No. 5 Place No. 1

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	# Issued/ Filed	Statute Reference	Detail of Amt Collected	GL Acct No.	Amt. Collected
FINES:					
County Fines (Local Fine)		LGC 113.004, PC 12.23		1200-35110-069-000-0-000	2230.10
Texas Parks & Wildlife 85% Fine (State Fine)		TPWC 12.107		1100-207-20-000-012-0-000	360.40
No Safety Belt 50% Fine (State Fine)		TRC 545.412, 545.413 (j)		1100-207-20-000-028-0-000	12.50
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)		1100-207-30-000-012-0-000	-
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	136.20
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-34110-069-000-0-000	45.40
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	181.60
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	20.00
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 133.103 (e)		1100-341-10-060-002-0-000	5.00
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	92.00
Motor Vehicle Adm. Fee (\$10-\$20) (Dismissal Fee for Exp. DL; Exp Insp. Cert; Exp. Hiv Reg)		TRC Sec 548.605, 521.026, 502.407		1100-341-10-060-004-0-000	10.00
Special Fees					
Deferred Disposition		C.C.P. Art. 45.051	+69.00	169.83	129.83
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	27.24
Traffic Fee (\$3)		T.R.C. 542.403		1100-34110-069-000-0-000	73.20
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	-
Failure to Appear (\$4)		TRC 706.006/TRC 706.007(d)(2)		1100-341-10-060-012-0-000	-
Scofflaw Fee (\$20)		TRC 502.010(a)		1100-341-10-140-049-0-000	127.98
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	45.40
STATE COURT COSTS AND FEES:					
Criminal Justice Planning Fund C.C.P. (\$5)		C.C.P. Art. 102.051		1100-207-20-000-003-0-000	-
State General Revenue Fund (\$2.50)		C.C.P. Art. 102.015		1100-207-20-000-010-0-000	-
Law Enforcement Education Fund (\$1, \$1.50, \$3.50)		Govt. Code Sec. 415.082		1100-207-20-000-011-0-000	-
Operators and Chauffeurs License Fund (\$75)		T.R.C. 601.192		1100-207-20-000-031-0-000	-
Time Payment - @50% OF \$25.00 (\$12.50)		LGC 133.103 (b)		1100-207-20-000-005-0-000	25.00
Juvenile Crime and Delinquency Fund (\$2.5, \$5.0)		C.C.P. Art. 102.073(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	1816.04
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 (\$5.00)		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	102.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	332.01
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	181.60
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	245.16
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	90.80
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	2.74
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	45.40
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	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	157.00
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	50.00
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	5.00
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	615.00
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					
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	-
Restitution				1100-202-00-000-015-0-000	-
Failure to Appear- OmniBase (\$6)		TRC 706.006/TRC 706.007(d)(2)		1100-202-00-069-019-0-000	-
Delinquent Attorney Fee		C.C.P. Art. 103.0031 (b)		1100-202-00-000-004-0-000	-
Justice Fees (Local Fees)					
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122	100.00	1100-341-10-060-001-0-000	430.00
Debt Claim Fee (Justice Court Filing Fee) (\$25)		LGC 118.121/118.122	200.00		
Landlord & Tenant Eviction Filing Fee (Forcible Entry & Detainer Court) (\$25)		LGC 118.121/118.122	125.00		
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)	5.00		
Issuing other Document (\$1 1st pg, 25 for each add'l pg)		LGC 118.121/118.123 (e)	-		
Certified Copies of Court Papers (\$2 1st pg, 25 for each add'l pg)		LGC 118.121	-		
Probable Cause Tow Hearing Fee (\$20)		LGC 101.141(a)	-		
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:

\$ 8,299.60

COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

January 18, 2019

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 December 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 December 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 December 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 that the *Monthly 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 31, 2007 and prior and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs collected were properly allocated and reported 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

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 52 ND D.C.	FERNANDO MANCIAS JUDGE, 93 RD D.C.	J. R. "BOBBY" FLORES JUDGE, 139 TH D.C.	ROSE GUERRA REYNA JUDGE, 206 TH D.C.	MARLA CUELLAR JUDGE, 273 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, 448 TH D.C.
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- 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 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 December 2018 were \$34,400.10. 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 25 of 380 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 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), August 2018 (8), September 2018 (17), October 2018 (15), and November 2018 (9) 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.
- 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 December 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 (see Exhibit B) posted on May 24, 2016 (1) and June 27, 2016 (1) 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 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 8 of 37 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, due to the County Holidays, the credit card transactions were not receipted timely.

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 improper accounting of 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.

Observation No. 5:

We noted that the December 2018 *Monthly Report* was submitted 2 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 the holidays.

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

Observation No. 6:

We noted that deposit slips did not contain the receipt sequence for which the deposit was being made on the face of the deposit slip. According to the Court Coordinator, the receipt sequence was not noted on the deposit slips due to an oversight. The Court Coordinator will remind staff on how to properly prepare a deposit slip.

Pursuant to the "Cash Handling Guidelines and Procedures" prescribed by the County Auditor's Office, deposit slips must contain sufficient information to identify the cash receipts for which the deposit is being made. Deposit slips must include the date of deposit, receipt sequence, amount of currency and coins, a listing of checks numbers and amounts, and the total dollar amount of the deposit. If it is not possible to list all the checks collected, copies of the checks must be maintained and attached to the Close-Out Report.

Failure to properly prepare deposit slips may result in not being able to create an audit trail that will easily identify if collections, receipts, and deposits agree.

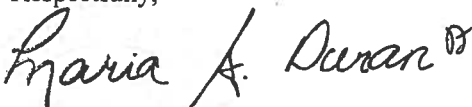
Recommendation:

Management should ensure that deposit slips contain the receipt sequence for which the deposit was being made on the face of the deposit slip.

Please provide written management responses to the observations noted above and action plans for observations 1 through 3 using the attached action plan forms by Thursday, January 31, 2019.

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 and Exhibit B

cc: Mr. Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for December 2018
	We noted that 25 of 380 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. 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), August 2018 (8), September 2018 (17), October 2018 (15), and November 2018 (9) are still pending to be completed.
Observation 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.
Recommendation No. 1	
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 December 2018
Observation No. 2	Properly completed copies of the May 2013 and August 2013 through December 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.
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 December 2018
Observation No. 3	We noted that 2 cash bonds (see Exhibit B) posted on May 24, 2016 (1) and June 27, 2016 (1) 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. 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 December 31, 2018

Page 1 of 2

Receipt	Cause #	Date	Off Date	Charge	Offense Desc	CCC	CHS	CHSIP	CO	CON	CPF	DD	DPS	DPSr	IDRF	JCTF	JSF	LTF	MVF	SCOF	SIFC	SIFS	SOR	STF	TP	TPCC	TPDC	TPDS	TPST	UTFC	WARF	WFCON	TOTAL																															
Based on the first payment date, TP \$25 should have been assessed. In addition, please verify disposition date.																																																																
NO DRIVER'S LICENSE (WHEN SPEEDING (EXCEED PRIMA FACIE LIMIT) - 65 MPH/55)																																																																
JP11-2018-05706	T09-1243GS	12/27/18	3/1/09	UNLICENSED		-	-	-	100	-	-	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	102.0																															
JP11-2018-05707	11-104504-TR	12/27/18	8/28/11	MPH	FAIL TO CONTROL	16.68	1.25	0.42	29.9	-	-	-	2.09	-	0.83	1.67	1.67	2	0.04	8.34	0.25	2.25	-	12.51	-	-	-	-	-	1.25	-	20.85	102.0																															
JP11-2018-05521	TR18-6344-J11	12/10/18	10/12/18	SPEED (#)		20.84	1.56	0.52	-	-	-	-	2.60	1.04	2.08	2.08	2	0.05	-	0.31	2.81	-	15.61	-	-	0.52	0.52	-	1.56	-	-	54.1																																
No Drivers License - When Unlicensed																																																																
JP11-2018-05463	TR18-5101-J11	12/4/18	8/2/18	not CDL(#)		-	-	-	37.0	-	-	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39.0																															
Based on the disposition date, TP \$25 should have been assessed. In addition, based on the number of payments, LTF was under assessed by \$2.																																																																
PASSENGER NOT SECURED BY A PASSENGER NOT SECURED BY A																																																																
JP11-2018-05616	T11-1775GS	12/17/18	3/29/11	SAFETY BELT		8.14	0.61	0.21	52.0	-	-	-	1.03	-	0.41	0.81	0.81	2	0.02	8.13	0.12	1.10	-	6.10	-	-	-	-	-	0.61	-	-	82.1																															
Based on the offense type, MVF \$0.10 should not have been assessed.																																																																
PASSENGER NOT SECURED BY A PASSENGER NOT SECURED BY A																																																																
JP11-2018-05616	T11-1775GS	12/17/18	3/29/11	SAFETY BELT		8.14	0.61	0.21	52.0	-	-	-	1.03	-	0.41	0.81	0.81	2	0.02	8.13	0.12	1.10	-	6.10	-	-	-	-	-	0.61	-	-	82.1																															
JP11-2018-05518	T11-3253GS	12/10/18	6/2/11	SAFETY BELT		16.20	1.22	0.40	49.9	-	50	-	2.03	-	0.81	1.62	1.62	2	0.04	8.10	0.24	2.19	-	12.15	2.5	10	-	-	12.5	1.22	20.26	-	195.0																															
Based on the first payment date, TP \$25 should have been assessed. In addition, please enter disposition date.																																																																
JP11-2018-05515	T11-3353GS	12/10/18	6/2/11	SAFETY BELT		40.00	3.00	1.00	46.9	-	-	-	5.00	-	2.00	4.00	4.00	2	0.10	20.00	0.60	5.40	-	30.00	-	-	-	-	-	3.00	-	-	167.0																															
Based on the first payment date, TP \$25 should have been assessed. In addition, please enter disposition date.																																																																
JP11-2018-05517	TR18-4990-J11	12/10/18	8/2/18	Sign(#)	Disregard Stop	7.21	0.54	0.18	-	0.9	-	-	-	-	0.36	0.72	0.72	2	0.01	-	0.10	0.97	-	5.39	-	-	0.18	0.18	-	0.54	-	-	20.0																															
Based on the offense type, MVF \$0.10 should have been assessed.																																																																
CDL- VIOLATE RESTRICTION WHILE OPERATING																																																																
JP11-2018-05414	T13-2054GS	12/3/18	4/1/13	CMV		40.00	3.00	1.00	175	-	-	-	5.00	-	2.00	4.00	4.00	2	-	20.00	0.60	5.40	-	-	-	-	-	-	-	-	50.00	-	312.0																															
NO DRIVER'S LICENSE (WHEN UNLICENSED)																																																																
JP11-2018-05673	T12-5553GS	12/20/18	9/5/12	UNLICENSED		40.00	3.00	1.00	141	-	-	-	5.00	-	2.00	4.00	4.00	2	-	20.00	0.60	5.40	-	-	-	-	-	-	-	50.00	-	278.0																																
WFCONST1 \$1.90 should not have been assessed. Please call Auditor's Office for instructions.																																																																
NO DRIVER'S LICENSE (WHEN UNLICENSED)																																																																
JP11-2018-05653	T13-2489GS	12/18/18	4/11/13	UNLICENSED		40.00	3.00	1.00	-	-	-	-	5.00	-	2.00	4.00	4.00	2	0.10	20.00	0.60	5.40	-	-	-	-	-	-	-	-	-	-	1.90	89.0																														
Based on offense type, MVF \$0.10 should not have been assessed. Sec. 545.413. Safety Belts; Offense. Subsection (a) is a misdemeanor punishable by a fine of not less than \$25 or more than \$50. If approved by the Justice of the Peace, amount should be refunded.																																																																
JP11-2018-05435	T14-6376GS	12/3/18	9/21/14	VIOLATION	SEAT BELT	40.00	3.00	1.00	51.9	-	-	-	5.00	-	-	4.00	4.00	2	0.10	20.00	0.60	5.40	-	30.00	-	-	1.00	1.00	-	3.00	50.00	-	222.0																															

Justice of the Peace Gilberto Saenz
Schedule of Adjustments
For the Month Ending December 31, 2018

Page 2 of 2

Receipt Cause #	Date	Off Date	Charge	Offense	Desi	CCC	CHS	CHSIP	CO	CON	CPF	DD	DPS	IDRF	JCTF	JSF	LTF	MVF	SCOF	SIFC	SIFS	SOR	STF	TP	TPCC	TPDC	TPDS	TPST	UTFC	WARr	WFCN	TOTAL																														
Based on offense type, CCC \$40, IDRF \$2, JSF \$4, SJFC \$0.60, SJFS \$5.40, TPDC \$1 and TPDS \$1 should have been assessed.																																																														
STOP, STAND, OR PARK ALONGSIDE OR OPPOSITE STREET EXCAVATION/OBST																																																														
JP11-2018-05753	TR16-2794-J11	12/28/18	6/7/16	RUCTION		-	3.00	1.00	137	-	-	-	-	5.00	-	4.00	-	2	-	20.00	-	-	30.00	-	-	-	-	-	-	3.00	50.00	-	255.0																													
Based on appear by date, SCOF \$20 should have been assessed.																																																														
FAIL TO MAINTAIN FINANCIAL																																																														
JP11-2018-05681	TR18-3724-J11	12/20/18	5/23/18	RESPONSIBILITY		40.00	3.00	1.00	33.0	-	-	-	-	5.00	2.00	4.00	4.00	2	-	-	0.60	5.40	-	-	-	1.00	1.00	-	-	-	-	-	102.0																													
Based on offense date, CHSIP \$1, IDRF \$2, JSF \$4, SJFC \$0.60, SJFS \$5.40, TPDC \$1, and TPDS \$1 should have been assessed.																																																														
JP11-2018-05545	FTA18-0078-J11	12/11/18	10/9/18	APPEAR		40.00	3.00	-	66.0	-	-	-	-	5.00	-	4.00	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	120.0																													
Based on appear by date, SCOF \$20 should have been assessed. In addition, please enter disposition date.																																																														
Speeding 10 percent or more above posted																																																														
JP11-2018-05748	TR18-2939-J11	12/28/18	4/23/18	speed limit		40.00	3.00	1.00	-	-	-	10	-	5.00	2.00	4.00	4.00	2	0.10	-	0.60	5.40	-	30.00	-	1.00	1.00	-	3.00	-	-	-	112.1																													
Please enter disposition date.																																																														
JP11-2018-05664	T14-393665	12/19/18	3/15/14	LICENSE PLATES		17.23	1.29	0.43	-	-	-	-	2.16	-	0.86	1.72	1.72	2	-	8.61	0.26	2.33	-	-	-	0.43	0.43	-	-	-	21.53	-	61.0																													
Driving While License Invalid - DL Failed to Give Half																																																														
JP11-2018-05596	TR17-7099-J11	12/14/18	11/30/17			29.18	2.19	0.73	-	-	-	-	-	3.65	1.46	2.92	2.92	2	0.05	14.59	0.44	3.94	-	-	0.73	0.73	-	-	-	36.47	-	102.0																														
JP11-2018-05558	TR18-7616-J11	12/12/18	12/2/18	of Roadway		39.13	2.94	0.98	-	-	-	-	-	4.90	1.96	3.92	3.92	2	0.10	-	0.59	5.29	-	29.37	-	0.98	0.98	-	2.94	-	100.0																															
JP11-2018-05417	CRNT18-0412-J11	12/3/18	11/12/18	Public Intoxication		40.00	3.00	1.00	98.0	-	-	-	-	-	2.00	4.00	4.00	2	-	-	0.60	5.40	5.0	-	-	1.00	1.00	-	-	-	-	167.0																														
JP11-2018-05418	CRNT18-0413-J11	12/3/18	11/12/18	Public Intoxication		40.00	3.00	1.00	98.0	-	-	-	-	-	2.00	4.00	4.00	2	-	-	0.60	5.40	5.0	-	-	1.00	1.00	-	-	-	-	167.0																														
Ride, Not Secured by Safety Belt - Speeding 10 percent or more above posted																																																														
JP11-2018-05494	TR18-7225-J11	12/6/18	11/14/18	Driver		40.00	3.00	1.00	-	-	-	-	-	5.00	2.00	4.00	4.00	2	-	-	0.60	5.40	-	30.00	-	1.00	1.00	-	3.00	-	-	102.0																														
Unrestrained Child																																																														
JP11-2018-05465	TR18-7306-J11	12/4/18	11/5/18	speed limit		39.13	2.94	0.98	-	-	-	-	-	4.90	1.96	3.92	3.92	2	0.10	-	0.59	5.29	-	29.37	-	0.98	0.98	-	2.94	-	100.0																															
JP11-2018-05420	TR18-6644-J11	12/3/18	10/23/18	8-17		19.20	1.44	0.48	-	-	-	-	-	-	0.96	1.92	1.92	2	-	-	0.29	2.59	2.4	14.40	-	0.48	0.48	-	1.44	-	50.0																															

Justice of the Peace Gilberto Saenz
Precinct 1, Place 1
Schedule of Bonds on Deposit
As of December 31, 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: December-19**

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

City: WESLACO, TX
Hidalgo County, Texas

PBC

Part I: RECAP OF AMOUNT PAYABLE TO THE COUNTY TREASURER

TOTAL CASH COLLECTED	(Receipts #s) <u>JP11-2018-05412</u> ⁺ THRU <u>JP11-2018-05757</u> ⁺	\$ <u>34,400.10</u> [✓] ~~34,669.20~~ ^{X10}
LESS: COST ON DEPOSIT		- <u> </u> ^{X7} ✓
ADD: COST ON DEPOSIT LIQUIDATED		- <u> </u> ^{X7} ✓
AMOUNT OWED TO COUNTY (Should Match Amt in Part III)		<u>34,400.10</u> ^{X3} ✓ ~~\$ 34,669.20~~ <u>34,812.10</u> [ⓐ] ~~34,400.10~~ <u>\$ (412.00)</u> ^{X4-C} ~~269.10~~ <u>PN</u>
Less: Total amount of remittances to County Treasurer (From Part II)		
Total funds due to County Treasurer (Overtransfer Made to Co Treas.)		

Part II: REMITTANCES MADE TO THE COUNTY TREASURER

Description	AMOUNT	Comment
Total Collections for the Month (See Schedule of Receipts & Deposits)	\$ 34,400.10	B1
Add: Previous Month's Bond Overtransfer <u>May 2016 & June 2016</u>	<u>412.00</u>	Ex B1 ✓
Add: HCSO Monthly "D" Collections Report		
Total Remittances Made to County Treasurer	<u>34,812.10</u> [ⓐ] ~~\$ 34,400.10~~ <u>PN</u>	

PREPARED BY: Lina Sustaita

DATE: 1/8/19

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

Gilberto Saenz
JUSTICE OF THE PEACE

1/8/19
DATE

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

REVISED 03 2016

JAN - 9 2019

HIDALGO COUNTY AUDITOR'S OFFICE

APPROVED BY: 000

DATE: 01/10/19

V2

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	\$ 8,161.18
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 (d)		1100-207-20-000-028-0-000	28.42
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)		1100-207-30-000-004-0-000	135.50
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	630.34
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-061-000-0-000	205.11
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	832.46
Time Payment - @40% OF \$25.00 (\$10.00)		LGC 133.103 (d)		1100-341-10-060-001-0-000	48.84
Time Payment - @ 10% of \$25.00 (\$2.50)		LGC 133.103 (e)		1100-341-10-060-002-0-000	12.20
Administrative Local Transaction Fee (\$2)		C.C.P. Art. 102.072		1100-341-10-060-003-0-000	453.00
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	40.00
Ten Court Program Adm. Fee (Up to \$10.00)		C.C.P. Art. 45.052 (e)		1100-341-10-060-005-0-000	-
Special Fees					
Deferred Disposition		C.C.P. Art. 45.051	537.90	1100-341-10-061-000-0-000	537.90
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051(f)			
Support of Judiciary Fund (\$5.00)		LGC 133.105		1100-341-10-060-009-0-000	122.48
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-061-000-0-000	421.91
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	90.40
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	1,078.35
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	188.84
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	61.05
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	9.99
Consolidated Court Costs Fund (\$40)		CCP 102.075 (a) 3/ LGC 133.102		1100-207-20-000-015-0-000	8,318.53
Compensation Victims Of Crime Fund (\$3, \$5, \$15, \$35)		C.C.P. Art. 56.55 (2) & (3)		1100-207-20-000-017-0-000	29.97
Judicial & Court Personnel Training Fund (\$1, \$2)		Govt. Code Sec. 56.001 (b)		1100-207-20-000-027-0-000	1.00
Correctional Management Institute of Texas Fund (\$5.00)		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	384.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	4,219.13
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	824.48
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	1,100.77
Birth Certificate Fee (\$1.80)		HSC 191.023(f)		1100-207-20-000-039-0-000	7.20
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	404.80
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	16.71
Safety Seat Violation Fee (\$0.15) (on or before September 28, 2011)		TRC 545.412 (b-1)		1100-207-20-000-062-0-000	(0.30)
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	640.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	188.84
Texas Home Visiting Program Contribution (\$5)		HSC 191.0048/LGC 118.018 (e)		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	320.00
ARREST/WARRANT FEES: STATE		C.C.P. Art. 102.011			
D.P.S. (\$3, \$5, \$35, \$50)				1100-207-20-000-019-0-000	950.94
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	-
ARREST/WARRANT/SERVICE FEES: COUNTY					
Sheriff Fees:		LGC 118.131		1100-342-10-060-001-0-000	17.40
Constable Fees:					
Precinct #1				1100-342-10-291-000-0-000	2,133.61
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	-
District Attorney Fees				1100-341-10-060-007-0-000	-
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	-
Refund - Overpayments				1100-202-00-000-007-0-000	1,175
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	-
Judge Fees (Local Fees)					
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122	1,600.00	1100-341-10-060-001-0-000	1,634.75
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)	5.00		
Autopsy Fees					
Writ Filing Fee (\$5 per page)		LGC 118.121/118.123 (d)	10.00		
Issuing other Document (\$1 1st pg., 25 for each add'l pg)		LGC 118.121/118.123 (e)	9.75		
Certified Copies of Court Papers (\$2 1st pg., 25 for each add'l pg)		LGC 118.121			
Probable Cause Tow Hearing Fee (\$20)		LGC 101.131 (a)4			
Birth Certificates (\$22 each)		HSC 191.0045 (3)(b)		1100-341-10-060-001-0-000	80.80
Death Certificates (\$20 each, each add'l \$3)		HSC 191.0045 (3)(d)		1100-341-10-060-001-0-000	60.00
Preservation of Vital Statistics Fee (\$1 each)		HSC Sec 191.0045(h)		1100-341-10-060-008-0-000	7.00
Jury Fees (Civil \$22, Criminal \$3)		Rules of Civil Procedure Rule 501 (b)(5) CCP 102.004		1100-341-10-060-006-0-000	-

RECEIVED
JAN - 9 2019
HIDALGO COUNTY
CLERK'S OFFICE

Handwritten notes and signatures on the right margin, including "X1", "X2", "X3-AV", and "X1, X2, B1".

COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

January 18, 2019

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 December 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 December 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 December 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 that the *Monthly 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 31, 2007 and prior and 10% of randomly selected receipts with an offense date of January 1, 2008 and after to determine if fines, fees, and court costs collected were properly allocated and reported 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

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	FERNANDO MANCIAS JUDGE, 93 RD D.C.	J. R. "BOBBY" FLORES JUDGE, 139 TH D.C.	ROSE GUERRA REYNA JUDGE, 206 TH D.C.	MARLA CUELLAR JUDGE, 275 TH D.C.	MARIO E. RAMIREZ, JR. JUDGE, 332 ND D.C.	NOE GONZALEZ JUDGE, 379 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.
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- 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 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 December 2018 were \$42,929.53. 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 64 of 398 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), August 2018 (59), September 2018 (46), October 2018 (47), and November 2018 (74) 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 November 2013 through February 2014, June 2014 through July 2015, and September 2015 through December 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. In addition, incorrect copies of the April 2012 through June 2012, September 2012 through October 2013, March 2014 through May 2014, and August 2015 OCA Reports were 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. In addition, the County Auditor's Office determined that the OCA Reports are incorrect since the jail time activity and pending adjustments were not entered 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 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 23 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.

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.

HIDALGO COUNTY DISTRICT JUDGES

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 collections for 1 of 18 days was deposited at the bank 4 days after the collections were receipted. According to the Court Coordinator, the deposit was not made on a timely basis due to the Court being under 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.

Observation No. 5:

We noted that a mail log was not consistently used to record payments received through the mail. According to the Assistant Court Coordinator, the mail log was not consistently used due to an oversight.

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 daily mail log increases the risk that payments could be lost or misappropriated without detection.

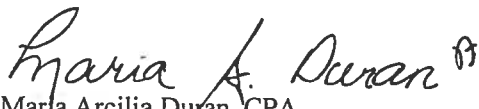
Recommendation:

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

Please provide written management responses to the observations noted above and action plans for observations 1 through 3 using the attached Action Plan Forms by Friday, February 1, 2019.

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*, Exhibit A, Exhibit B, and Action Plan Forms

cc: Mr. Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for December 2018
Observation No. 1	We noted that 64 of 398 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. 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), August 2018 (59), September 2018 (46), October 2018 (47), and November 2018 (74) are still pending to be completed.
Recommendation No. 1	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 December 2018
Observation No. 2	Copies of the November 2013 through February 2014, June 2014 through July 2015, and September 2015 through December 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. In addition, incorrect copies of the April 2012 through June 2012, September 2012 through October 2013, March 2014 through May 2014, and August 2015 OCA Reports were submitted to 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 December 2018
Observation No. 3	We noted that 23 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.
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 23 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 Homero Jasso
Schedule of Adjustments
For the Month Ended December 31, 2018

Receipt	Cause #	Date	Offense Des	CCC	CHS	CHSP	CM11	CO	CRF	CSS	CVCA	DEL	DPS	DPSr	FA	IDRF	JCD	JCTF	J5F	LTF	MVF	SCOF	SJFC	SJFS	SO	SOR	STF	SV50	TPDC	TPDS	UTFC	WARr	WJPREC42	TOTAL			
DEL was over assessed, should be \$22.20. If approved by the Justice of the Peace, amount should be refunded. If not, please contact Auditor's Office for instructions.																																					
JP42-2018-06101	JP03-12-817	12/6/18	12/20/03 REGISTRATION	17.00	3.00	-	0.5	-	-	-	15	53.48	5.00	-	-	5	0.5	2	4.00	-	2.0	-	20.00	-	-	-	-	-	-	-	-	-	-	-	127.48		
DEL was over assessed, should be \$39.90. If approved by the Justice of the Peace, amount should be refunded. If not, please contact Auditor's Office for instructions.																																					
JP42-2018-06258	JP06-07-085	12/18/18	6/18/06 LICENSE PLATES	40.00	3.00	1.00	-	-	-	-	-	89.70	5.00	-	-	-	-	4.00	4.00	2.0	-	20.00	0.60	3.40	-	-	-	-	-	-	-	-	-	50	222.70		
DEL was over assessed, should be \$57.63. If approved by the Justice of the Peace, amount should be refunded. If not, please contact Auditor's Office for instructions.																																					
NO DRIVER'S																																					
DEL was under assessed, should be \$76.50. Please contact Auditor's Office for instructions. In addition, please enter disposition date.																																					
JP08-12-433	12/13/18	12/10/08 UNLICENSED	40.00	3.00	1.00	-	55.10	-	-	-	-	90.90	5.00	-	-	2.00	-	4.00	4.00	2.0	-	20.00	0.60	5.40	-	-	-	-	-	-	-	-	-	283.00			
NO DRIVER'S																																					
JP42-2018-06112	JP12-10-063	12/7/18	9/16/12 UNLICENSED	11.93	0.90	0.30	-	-	-	-	-	22.64	1.49	-	-	0.60	-	1.19	1.19	2.0	-	5.97	0.18	1.61	-	-	-	-	-	-	-	-	-	50.00			
DEL was over assessed, should be \$41.73. If approved by the Justice of the Peace, amount should be refunded. If not, please contact Auditor's Office for instructions.																																					
NO DRIVER'S																																					
JP42-2018-06364	JP14-09-150	12/27/18	9/7/14 UNLICENSED	40.00	3.00	1.00	-	-	-	-	-	91.53	-	-	-	2.00	-	4.00	4.00	2.0	0.10	20.00	0.60	5.40	5.00	-	-	-	1.00	1.00	-	-	-	230.63			
DEL was under assessed, should be \$89.10. Please contact Auditor's Office for instructions. Based on offense date, TPDC \$1 should have been assessed. Based on first payment date, TP \$25 should have been assessed. In addition, please verify disposition date.																																					
EXPIRED MOTOR																																					
JP42-2018-06100	JP15-06-257	12/6/18	5/26/15 INSPECTION	-	-	-	-	-	-	-	-	23.00	-	-	-	-	-	-	-	2.0	-	-	-	-	-	-	-	-	-	-	-	-	-	25.00			
DEL was under assessed, should be \$100.50. Please contact Auditor's Office for instructions. Based on offense date, TPDC \$1 should have been assessed. Based on first payment date, TP \$25 should have been assessed. In addition, please enter disposition date.																																					
EXPIRED MOTOR																																					
JP42-2018-06141	JP15-06-324	12/10/18	6/7/15 INSPECTION	6.10	0.45	0.15	-	-	-	-	-	14.90	-	-	-	0.15	-	0.61	0.61	2.0	-	3.05	0.08	0.83	0.78	-	-	-	0.15	0.45	-	-	-	42.50			
DEL was over assessed, should be \$41.70. If approved by the Justice of the Peace, amount should be refunded. If not, please contact Auditor's Office for instructions.																																					
NO LIABILITY																																					
JP42-2018-06362	JP14-09-151	12/27/18	9/2/14 INSURANCE	40.00	3.00	1.00	-	-	-	-	-	124.20	-	-	-	2.00	-	4.00	4.00	2.0	-	20.00	0.60	5.40	5.00	-	-	-	1.00	1.00	-	-	-	263.20			
DEL was under assessed, should be \$116.40. Please contact Auditor's Office for instructions. Based on first payment date, TP \$25 should have been assessed. In addition, please verify disposition date.																																					
NO LIABILITY																																					
JP42-2018-06099	JP15-06-256	12/6/18	5/26/15 INSURANCE	-	-	-	-	-	-	-	-	19.10	-	-	-	-	-	-	-	5.9	-	-	-	-	-	-	-	-	-	-	-	-	-	25.00			
DEL was over assessed, should be \$51.63. If approved by the Justice of the Peace, amount should be refunded. If not, please contact Auditor's Office for instructions. In addition, based on offense date, MVF \$0.10 should not have been assessed.																																					
NO VALID																																					
JP42-2018-06360	JP14-09-153	12/27/18	9/2/14 STICKER-TRAILER	40.00	3.00	1.00	-	-	-	-	-	95.70	-	-	-	2.00	-	4.00	4.00	2.0	0.10	20.00	0.60	5.40	5.00	-	-	-	1.00	1.00	-	-	-	30.00	267.80		
DEL was under assessed, should be \$42.30. Please contact Auditor's Office for instructions. Based on first payment date, TP \$25 should have been assessed. In addition, please verify disposition date.																																					
INSPECTION																																					
JP42-2018-06086	JP15-05-624	12/5/18	5/20/15 NO LICENSE PLATES	29.26	2.19	0.73	-	-	-	-	-	30.50	-	-	-	1.46	-	2.92	2.93	2.0	-	14.63	0.44	3.95	3.66	-	-	-	0.73	0.73	-	-	-	36.57	132.70		
EXPIRED LICENSE																																					
JP42-2018-06050	JP15-05-623	12/3/18	5/20/15 PLATES	29.26	2.19	0.73	-	-	-	-	-	30.50	-	-	-	1.46	-	2.92	2.93	2.0	-	14.63	0.44	3.95	3.66	-	-	-	0.73	0.73	-	-	-	36.57	132.70		
DEL was over assessed, should be \$41.70. If approved by the Justice of the Peace, amount should be refunded. If not, please contact Auditor's Office for instructions.																																					
NO DISPLAY EXPIRED																																					
JP42-2018-06361	JP14-09-152	12/27/18	9/2/14 LICENSE PLATES	40.00	3.00	1.00	-	-	-	-	-	91.50	-	-	-	2.00	-	4.00	4.00	2.0	-	20.00	0.60	5.40	5.00	-	-	-	1.00	1.00	-	-	-	50.00	230.50		
DEL was over assessed, should be \$76.50. If approved by the Justice of the Peace, amount should be refunded. If not, please contact Auditor's Office for instructions.																																					
EXPIRED LICENSE																																					
JP42-2018-06340	JP14-10-135	12/26/18	9/17/14 PLATES	40.00	3.00	1.00	-	166.00	-	-	-	91.50	5.00	-	-	2.00	-	4.00	4.00	2.0	-	20.00	0.60	5.40	-	-	-	-	1.00	1.00	-	-	-	-	346.50		
Based on offense date, CCC \$40, IDRF \$2, J5F \$4, TPDC \$1, and TPDS \$1 should have been assessed.																																					
CRNT16-0010-142 12/21/15 Parking Violation																																					
3.00 1.00 107.00 2.0 4.00 2.0 5.00 30.00 3.00 155.00																																					

Page 2 of 5

Receipt	Cause #	Date	Off Date	Charge	Offense Desc	CCC	CHS	CHSUP	CM1I	CO	CRF	CSS	CVCA	DEL	DPS	DPSr	FA	IDRF	JCD	JCPT	JCTF	J5F	LTF	MVF	SCOF	SJFC	SJFS	SO	SOR	STF	SV50	TPDC	TPDS	UTFC	WATR	WPPREC42	TOTAL		
Based on offense type, CSS \$0.15 and MVF \$0.10 should not have been assessed. In addition, CO and SV50 were split. Incorrectly, should be CO (50%) \$62.55 and SV50 (50%) \$62.55.																																							
JP42-2018-06193	JP15-01-491	12/13/18	1/16/18	CHLD 4-14 YOA	40.00	3.00	1.00	-	112.55	-	0.15	-	5.00	-	2.00	-	2.00	-	4.00	4.00	2.0	0.10	0.10	0.60	5.40	-	-	-	-	-	30.00	12.55	1.00	1.00	3.00	-	50	297.35	
DEL was under assessed, should be \$43.77. Please contact Auditor's Office for instructions. Based on first payment date, TP \$25 should have been assessed. In addition, please enter disposition date.																																							
JP42-2018-06078	TR16-1846-J42	12/5/18	5/21/16	License Plate (#)	15.43	1.16	0.38	-	-	-	-	-	16.43	-	0.79	-	1.54	1.54	-	-	-	-	-	-	7.72	0.23	2.09	-	1.93	-	-	-	0.38	0.38	-	-	50.00		
Based on the first payment date, TP \$25 should have been assessed. In addition, please verify disposition date.																																							
NO DRIVER																																							
LICENSE WHEN UNLICENSED-NOT																																							
JP42-2018-06223	TR17-3416-J42	12/17/18	6/16/17	CDL	11.40	0.85	0.28	-	65.90	-	-	-	32.10	-	1.42	-	0.57	-	1.14	1.14	2.0	0.03	20.00	0.17	1.54	-	-	-	-	-	-	0.28	0.28	-	-	139.10			
No Drivers License - When Unlicensed																																							
JP42-2018-06137	TR18-0874-J42	12/7/18	2/6/18	not CDL (#)	-	-	-	-	10.00	-	-	-	9.00	-	-	-	-	-	-	-	-	-	-	20.00	-	-	-	-	-	-	-	-	-	-	-	39.00			
No Drivers License - When Unlicensed																																							
JP42-2018-06203	TR18-4988-J42	12/13/18	9/16/18	not CDL (#)	11.40	0.85	0.28	-	65.90	-	-	-	1.42	-	0.57	-	1.14	1.14	2.0	0.03	-	0.17	1.54	-	-	-	-	-	-	-	0.28	0.28	-	-	87.00				
No Drivers License - When Unlicensed																																							
JP42-2018-06076	TR18-5027-J42	12/5/18	9/18/18	not CDL (#)	11.40	0.85	0.28	-	65.90	-	-	-	1.42	-	0.57	-	1.14	1.14	2.0	0.03	-	0.17	1.54	-	-	-	-	-	-	-	0.28	0.28	-	-	87.00				
No Drivers License - When Unlicensed																																							
JP42-2018-06083	TR18-6107-J42	12/5/18	11/19/18	not CDL (#)	28.60	2.15	0.72	-	-	-	-	-	3.58	-	1.43	-	2.86	2.86	2.0	0.07	-	0.43	3.86	-	-	-	-	-	-	-	0.72	0.72	-	-	50.00				
Ride, Not Secured by Safety Belt -																																							
JP42-2018-06128	TR18-6069-J42	12/7/18	11/16/18	Driver Safety Belt, Child	19.20	1.44	0.48	-	-	-	-	-	2.40	-	0.96	-	1.92	1.92	2.0	-	-	0.29	2.59	-	-	-	-	-	-	14.40	0.48	0.48	1.44	-	-	50.00			
Secured by in Pass																																							
JP42-2018-06042	TR18-3250-J42	12/3/18	5/24/18	VEH SAFETY SEAT SVS,CHILD	1.99	0.15	0.05	-	20.90	20.9	-	-	0.25	-	0.10	-	0.20	0.20	2.0	-	-	1.21	0.03	0.27	-	-	-	-	-	1.50	0.05	0.05	0.15	-	-	50.00			
PASS,CHILD<8 UNLESS TALLER THAN 4'9 NOT SECURED BY"																																							
JP42-2018-06312	TR18-5028-J42	12/20/18	9/18/18	SECURED BY"	-	-	-	-	7.55	7.55	-	-	-	-	-	-	-	-	-	-	4.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19.10			
Speeding 10 percent or more																																							
JP42-2018-06140	TR18-4126-J42	12/10/18	7/23/18	above posted speed limit	0.04	-	-	-	51.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03	-	-	-	-	-	0.03	-	-	-	-	-	55.10			
Speeding 10 percent or more																																							
JP42-2018-06305	TR18-5076-J42	12/20/18	9/21/18	above posted speed limit	28.81	2.16	0.72	-	42.00	-	-	-	3.60	-	1.44	-	2.88	2.88	2.0	0.07	-	0.43	3.89	-	-	-	-	-	-	21.62	0.72	0.72	2.16	-	-	116.10			
percent or more																																							
JP42-2018-06189	TR18-5280-J42	12/13/18	9/29/18	above posted speed limit	18.82	1.41	0.47	-	24.00	-	-	-	2.35	-	0.94	-	1.88	1.88	2.0	0.05	-	0.28	2.54	-	-	-	-	-	-	14.13	0.47	0.47	1.41	-	-	73.10			
percent or more																																							
JP42-2018-06056	TR18-5318-J42	12/4/18	10/3/18	above posted speed limit	11.41	0.86	0.26	-	45.00	-	-	-	1.43	-	0.57	-	1.14	1.14	2.0	0.03	-	0.17	1.54	-	-	-	-	-	-	8.56	0.29	0.29	0.86	-	-	75.55			
Speeding 10 percent or more																																							
JP42-2018-06139	TR18-5641-J42	12/10/18	10/20/18	percent or more	0.84	0.06	0.02	-	36.00	-	-	-	0.10	-	0.04	-	0.08	0.08	4.0	0.03	-	0.01	0.11	-	-	-	-	-	-	0.63	0.02	0.02	0.06	-	-	42.10			

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Exhibit A - December 2018

Justice of the Peace Homero Jasso
Schedule of Adjustments
For the Month Ended December 31, 2018

Receipt Cause # Please enter disposition date.	Date	Off Date	Charge	Offense	Desi	CCC	CHS	CHSIP	CMNI	CO	CRF	CSS	CVCA	DEL	DPS	DPSr	FA	IDRF	JCD	JCPT	JCTF	JSF	LTF	MVF	SCOF	SJFC	SJFS	SO	SOR	STF	SV50	TPDC	TPDS	UTFC	WARr	WPPRC42	TOTAL
JP42-2018-06156 JP15-06-315	12/11/18	5/22/15	PUBLIC SPEEDING EXCEED PRIMA FACIE LIMIT - 52 MPH/30			40.00	3.00	1.00		98.00	-	-	-	-	-	-	-	2.00	-	4.00	4.00	2.0	-	-	-	0.60	5.40	5.00	-	-	-	1.00	1.00	-	-	-	167.00
JP15-07-399	12/13/18	6/9/15	NO DRIVER LICENSE WHEN UNLICENSED-NOT			40.00	3.00	1.00		-	-	-	-	-	-	-	-	2.00	-	4.00	4.00	2.0	0.10	20.00	0.60	5.40	5.00	-	-	30.00	-	1.00	1.00	3.00	16.00	-	138.10
JP42-2018-06185 TR17-0682-J42	12/12/18	2/17/17	CDL			14.34	1.08	0.36		-	-	-	-	16.71	-	1.80	-	0.72	-	1.44	1.44	2.0	0.04	7.19	0.22	1.94	-	-	-	-	-	0.36	0.36	-	-	-	50.00
JP42-2018-06246 TR18-6016-J42	12/17/18	11/9/18	Driving While License Invalid - DL FAIL TO CONTROL			28.60	2.15	0.72		-	-	-	-	-	-	3.58	-	1.43	-	2.86	2.86	2.0	0.07	-	-	0.43	3.86	-	-	-	-	0.72	0.72	-	-	-	50.00
JP42-2018-06321 TR18-6483-J42	12/21/18	12/11/18	SPEED (#)			19.16	1.44	0.48		-	-	-	-	-	-	2.40	-	0.96	-	1.92	1.92	2.0	0.05	-	-	0.29	2.59	-	-	14.39	-	0.48	0.48	1.44	-	-	50.00
JP42-2018-06122 CRNT18-0140-J42	12/7/18	11/17/18	Cat			28.66	2.15	0.72		-	-	-	-	-	-	-	-	1.41	-	2.87	2.87	2.0	-	-	-	0.43	3.87	-	-	3.58	-	0.72	0.72	-	-	-	50.00
JP42-2018-06215 TR18-5130-J42	12/14/18	9/24/18	No Drivers License - When Unlicensed			28.60	2.15	0.72		-	-	-	-	-	-	3.58	-	1.43	-	2.86	2.86	2.0	0.07	-	-	0.43	3.86	-	-	-	-	0.72	0.72	-	-	-	50.00
JP42-2018-06211 TR18-5906-J42	12/14/18	11/3/18	No Drivers License - When Unlicensed			28.60	2.15	0.72		-	-	-	-	-	-	3.58	-	1.43	-	2.86	2.86	2.0	0.07	-	-	0.43	3.86	-	-	-	-	0.72	0.72	-	-	-	50.00
JP42-2018-06330 TR18-6203-J42	12/26/18	11/19/18	No Drivers License - When Unlicensed			28.60	2.15	0.72		-	-	-	-	-	-	3.58	-	1.43	-	2.86	2.86	2.0	0.07	-	-	0.43	3.86	-	-	-	-	0.72	0.72	-	-	-	50.00
JP42-2018-06368 TR18-6246-J42	12/27/18	12/4/18	No Drivers License - When Unlicensed			28.60	2.15	0.72		-	-	-	-	-	-	3.58	-	1.43	-	2.86	2.86	2.0	0.07	-	-	0.43	3.86	-	-	-	-	0.72	0.72	-	-	-	50.00
JP42-2018-06339 TR18-6291-J42	12/26/18	12/6/18	No Drivers License - When Unlicensed			28.60	2.15	0.72		-	-	-	-	-	-	3.58	-	1.43	-	2.86	2.86	2.0	0.07	-	-	0.43	3.86	-	-	-	-	0.72	0.72	-	-	-	50.00
JP42-2018-06326 TR18-6357-J42	12/26/18	12/10/18	No Drivers License - When Unlicensed			28.60	2.15	0.72		-	-	-	-	-	-	3.58	-	1.43	-	2.86	2.86	2.0	0.07	-	-	0.43	3.86	-	-	-	-	0.72	0.72	-	-	-	50.00
JP42-2018-06328 TR18-4805-J42	12/26/18	4/28/18	Operate Motor Vehicle Without License Plates (Or License Plates With One Plate) (H) OPERATION OF VEHICLE WITH EXPIRED LICENSE			8.28	0.62	0.21		-	-	-	-	-	-	1.02	-	0.41	-	0.83	0.83	2.0	-	-	-	4.14	0.12	1.12	-	-	-	0.21	0.21	-	-	-	20.00
JP42-2018-06169 TR18-5875-J42	12/11/18	11/3/18	PLATE Ride, Not Secured by Safety Belt -			28.66	2.15	0.72		-	-	-	-	-	-	3.58	-	1.41	-	2.87	2.87	2.0	-	-	-	0.43	3.87	-	-	-	-	0.72	0.72	-	-	-	50.00
JP42-2018-06336 TR18-6359-J42	12/26/18	12/10/18	Driver			19.20	1.44	0.48		-	-	-	-	-	-	2.40	-	0.96	-	1.92	1.92	2.0	-	-	-	0.29	2.59	-	-	14.40	-	0.48	0.48	1.44	-	-	50.00

Justice of the Peace Homero Jasso
Schedule of Adjustments
For the Month Ended December 31, 2018

Receipt Cause # Please enter disposition date.	Date	Off Date	Charge	Offense	Desi	CCC	CHS	CHSIP	CMI	CO	CRF	CSS	CVCA	DEL	DPS	DPSr	FA	IDRF	JCD	JCPT	JCTF	JSF	LTF	MVF	SCOF	SJFC	SJFS	SO	SOR	STF	SV50	TPDC	TPDS	UTFC	WARr	WFPREC42	TOTAL			
JP42-2018-06252 TR18-5958-J42	12/18/18	11/3/18	VEH	19.20	1.44	0.48	-	-	-	-	-	-	-	-	-	2.40	-	0.96	-	-	1.92	1.92	2.0	-	-	0.29	2.59	-	-	14.40	-	0.48	0.48	1.44	-	-	50.00			
Safety Belt, Child <17, Required to be Secured by In Pass																																								
SAFETY SEAT																																								
SYS.CHILD																																								
PASS.CHILD<8																																								
UNLESS TALLER																																								
THAN 4'9 NOT																																								
JP42-2018-06313 TR18-6333-J42	12/20/18	12/6/18	SECURED BY"	19.16	1.44	0.48	-	-	-	-	-	-	-	-	-	2.40	-	0.96	-	-	1.92	1.92	2.0	0.05	-	0.29	2.59	-	-	14.39	-	0.48	0.48	1.44	-	-	50.00			
Speeding 10																																								
percent or more																																								
above posted																																								
JP42-2018-06333 TR18-6072-J42	12/26/18	11/16/18	speed limit	10.80	0.81	0.27	-	-	-	-	-	-	-	-	-	1.35	-	0.52	-	-	1.08	1.08	-	0.02	-	0.16	1.46	-	-	8.10	-	0.27	0.27	0.81	-	-	27.00			
Speeding 10																																								
percent or more																																								
above posted																																								
JP42-2018-06238 TR18-6078-J42	12/17/18	11/17/18	speed limit	19.16	1.44	0.48	-	-	-	-	-	-	-	-	-	2.40	-	0.96	-	-	1.92	1.92	2.0	0.05	-	0.29	2.59	-	-	14.39	-	0.48	0.48	1.44	-	-	50.00			
Speeding 10																																								
percent or more																																								
above posted																																								
JP42-2018-06367 TR18-6347-J42	12/27/2018	12/9/2018	speed limit	19.16	1.44	0.48	-	-	-	-	-	-	-	-	-	2.40	-	0.96	-	-	1.92	1.92	2.0	0.05	-	0.29	2.59	-	-	14.39	-	0.48	0.48	1.44	-	-	50.00			
Speeding 10																																								
percent or more																																								
above posted																																								

Justice of the Peace Homero A. Jasso
Precinct 4, Place 2
Schedule of Bonds on Deposit
As of December 31, 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	6/25/2015	29349J42	JP08-06-383	283.00
	4	11/13/2015	JP42-2015-00987	CRNT15-0017-J42	0.10
	5	12/17/2015	JP42-2015-01310	JP42-2015-01310	283.00
2016					
	6	2/1/2016	JP42-2016-00362	JP05-02-976	327.00
	7	2/9/2016	JP42-2016-00480	-	79.00
	8	2/26/2016	JP42-2016-00810	CRNT16-0035-J42	153.00
	9	3/1/2016	JP42-2016-00846	JP07-06-829	179.00
	10	3/7/2016	JP42-2016-00965	JP15-07-111	172.00
	11	3/14/2016	JP42-2016-01071	-	179.00
	12	4/18/2016	JP42-2016-01618	TR16-1348-J42	32.10
	13	5/4/2016	JP42-2016-01860	TR16-1492-J42	450.00
	14	5/5/2016	JP42-2016-01883	CRNT16-0030-J42	78.00
	15	6/30/2016	JP42-2016-02567		50.00
	16	6/30/2016	JP42-2016-02568	TR16-2308-J42	50.00
	17	6/30/2016	JP42-2016-02570	TR16-2278-J42	50.00
	18	7/6/2016	JP42-2016-02647	JP15-03-440	5.00
	19	7/11/2016	JP42-2016-02697	JP14-08-283	100.00
	20	7/19/2016	JP42-2016-02779	JP09-10-723	93.90
	21	7/19/2016	JP42-2016-02781	JP09-10-724	119.90
	22	7/29/2016	JP42-2016-02900		299.00
	23	10/21/2016	JP42-2016-03609	CRNT16-0181-J42	129.00
2017					
Total					\$ 3,591.00

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

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

City: EDINBURG, TX
Hidalgo County, Texas

PBC

Part III: SUMMARY OF COLLECTIONS PAYABLE TO THE COUNTY TREASURER PAGE 2 OF 2

Name of Fine, Fee, Court Cost	# Issued/ Filed	Statute Reference	Detail of 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	\$ 14,740.35
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 (f)		1100-207-20-000-028-0-000	266.00
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)		1100-207-30-000-011-0-000	88.50
LOCAL COURT COSTS AND FEES:					
Courthouse Security Adm. Fee (\$3)		C.C.P. Art. 102.017 (b)		1241-341-10-060-001-0-000	761.90
Courthouse Security Fund JP (\$1)		C.C.P. Art. 102.017		1245-341-10-068-000-0-000	252.93
Justice Court Technology Fund (\$4)		C.C.P. Art. 102.0173		1242-341-10-060-000-0-000	1,015.89
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	635.90
Motor Vehicle Adm. Fee (\$10-\$20) (Dismissal Fee for Exp. DL; Exp Insp Cert; Exp Nv Reg.)		TRC Sec 548.605, 521.026, 502.407		1100-341-10-060-004-0-000	40.00
Special Fees				1100-341-10-068-000-0-000	-
Deferred Disposition		C.C.P. Art. 45.051			-
Administrative Fee - "Drivers Safety Course" (\$10)		C.C.P. Art. 45.051 (f)			-
Support of Judiciary Fund (\$.60)		LGC 133.105		1100-341-10-060-009-0-000	151.14
Traffic Fee (\$3)		T.R.C. 542.403		1100-341-10-068-000-0-000	430.15
Child Safety (\$20-\$25)		C.C.P. Art. 102.014 (c)		1100-341-10-060-011-0-000	20.00
Failure to Appear (\$4)		TRC 706.006/TRC 706.007(d)(2)		1100-341-10-060-012-0-000	-
Scotflaw Fee (\$20)		TRC 502.010(a)		1100-341-10-140-049-0-000	1,676.49
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-341-10-060-013-0-000	243.51
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	0.50
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	10,095.83
Compensation Victims Of Crime Fund (____\$3, ____\$5, ____\$15, ____\$35)		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 (\$5.00)		CCP Art. 102.075		1100-207-20-000-029-0-000	0.50
Indigent legal Services Fee-JP (\$6)		Govt. Code Sec. 101.141(2)(B)		1100-207-20-000-004-0-000	198.00
State Traffic Fee- Subtitle C (\$30)		TRC Sec 542.4031		1100-207-20-000-035-0-000	4,301.62
Jury Service Fee (\$4)		C.C.P. Art. 102.0045		1100-207-20-000-053-0-000	1,007.93
Support of Judiciary Fund (\$5.40)		LGC 133.105		1100-207-20-000-054-0-000	1,352.68
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	495.74
Moving Violation Fee (\$0.10)		C.C.P. Art. 102.022/GC		1100-207-20-000-061-0-000	18.77
Safety Seat Violation Fee (\$0.15)		TRC 545.412 (b-1)		1100-207-20-000-062-0-000	0.15
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	330.00
Truancy Prevention and Diversion Fund (\$1)		C.C.P. Art. 102.015		1100-207-20-000-073-0-000	243.66
Texas Home Visiting Program Contribution (\$5)		HSC 191.0048/LGC 118.018 (c)		1100-207-20-000-074-0-000	-
ARREST /WARRANT FEES: STATE					
D.P.S. (____\$3, ____\$5, ____\$35, ____\$50)		C.C.P. Art. 102.011		1100-207-20-000-019-0-000	1,075.33
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	-
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	164.53
Constable Fees:				1100-342-10-291-000-0-000	-
Precinct #1				1100-342-10-292-000-0-000	-
Precinct #2				1100-342-10-293-000-0-000	-
Precinct #3				1100-342-10-294-000-0-000	2,047.76
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	10.00
School District Arrest Fee				1100-342-10-060-001-0-000	-
Fire Marshal Fee					-
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				1100-202-00-000-014-0-000	7.67
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	3,896.95
Justice Fees (Local Fees)				1100-341-10-060-001-0-000	965.00
Small Claims Court Filing Fee (\$25)		LGC 118.121/118.122	825.00		-
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	-		-
Lit. Transcript Fees (\$10)		LGC 118.121/118.123 (b)	-		-
Appeal Fees (\$10)			-		-
Abstract Fees (\$5)		LGC 118.121/118.123 (c)	20.00		-
Writ Filing Fee (\$5)		LGC 118.121/118.123 (d)	-820.00		-
Issuing other Document (\$1 1st pg., .25 for each add'l pg)		LGC 118.121/118.123 (e)	-		-
Certified Copies of Court Papers (\$2 1st pg., .25 for each add'l pg)		LGC 118.121	-		-
Probable Cause Tow Hearing Fee (\$20)		LGC 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	1,007.93

TOTAL AMOUNT DUE TO THE COUNTY TREASURER: \$ 46,622.58

THIS REPORT IS DUE IN THE OFFICE OF THE COUNTY AUDITOR BEFORE THE FIFTH (5TH) DAY OF THE FOLLOWING MONTH: LGC § 114.601.

COUNTY AUDITOR'S NAME: DE. ED. 001 DE. ED. 001

RECEIVED

JAN - 4 2019

HIDALGO COUNTY

CLERK'S OFFICE

AUDITOR'S OFFICE

JAN - 4 2019

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COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

June 20, 2018

The Honorable J.E. "Eddie" Guerra, Sheriff
Hidalgo County Sheriff's Office
711 El Cibolo Rd.
Edinburg, Texas 78541

Re: Sheriff's Investigation Fund Financial Statements for the months ended January 31, 2018 through March 31, 2018

Dear Sheriff Guerra:

We conducted a limited scope review of the Sheriff's Investigation Fund financial statements for the months ended January 31, 2018 through March 31, 2018 pursuant to Local Government Code §112.006 (a), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for the preparation of the financial statements including the design, implementation, and maintenance of internal controls relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that the financial statements are free from material misstatements.

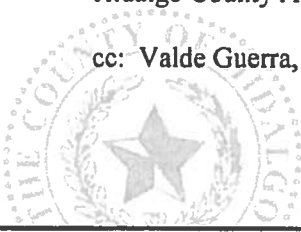
Based on our review, nothing came to our attention that caused us to believe that the financial statements contained any material misstatements.

If you have any questions, please contact 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



HIDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 83RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 208TH 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, 383RD D.C.

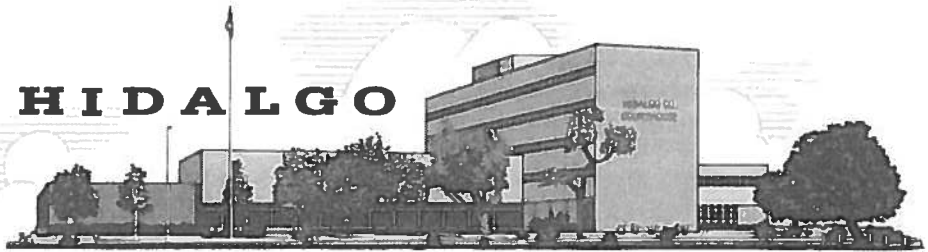
L. KENO VASQUEZ
JUDGE, 398TH D.C.

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

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

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EDINBURG, TEXAS 78539

September 19, 2018

The Honorable J.E. "Eddie" Guerra, Sheriff
Hidalgo County Sheriff's Office
711 El Cibolo Rd.
Edinburg, Texas 78541

Re: Sheriff's Investigation Fund Financial Statements for April 2018 through July 2018

Dear Sheriff Guerra:

We conducted a limited scope review of the Sheriff's Investigation Fund financial statements for the months ended April 30, 2018 through July 31, 2018 pursuant to Local Government Code §112.006 (a), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatements.

Management is responsible for the preparation of the financial statements including the design, implementation, and maintenance of internal controls relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that the financial statements are free from material misstatements.

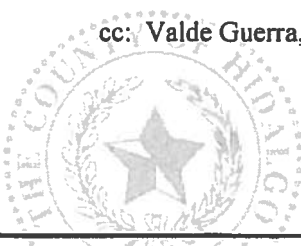
Based on our review, nothing came to our attention that caused us to believe that the financial statements contained any material misstatements.

If you have any questions, 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: Valde Guerra, County Executive Officer



HIDALGO COUNTY DISTRICT JUDGES

LUIS M SINGLETERRY
JUDGE, 12TH D.C.

JAMIE E. TUSHERA
JUDGE, 13TH D.C.

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

ROSE GUERRA REYNA
JUDGE, 20TH D.C.

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

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

NOE GONZALEZ
JUDGE, 37TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38TH D.C.

L. XENIO VASQUEZ
JUDGE, 38TH D.C.

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

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

COUNTY of HIDALGO

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EDINBURG, TEXAS 78539

June 21, 2018

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

Re: Sheriff's Regular Trust Financial Statements for the months ended January 31, 2018 through March 31, 2018

Dear Sheriff Guerra:

We conducted a limited scope review of the Regular Trust Fund financial statements 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 including the design, implementation, and maintenance of internal controls relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that there are no material modifications that need to be made to the financial statements.

Based on our review, nothing came to our attention that caused us to believe that the financial statements contained any material misstatements. However, we noted that the system of internal controls relevant to the preparation of the financial statements requires improvements as noted in the following observations:

Observation No. 1:

We noted that *Odyssey* check numbers 8158 through 8162 issued in March 2018 were not on the "Check Register" report generated from *Odyssey*. The Sheriff's Office staff was not able to explain why the checks did not appear on the "Check Register Report." The assistance of the Information Technology Department and Tyler Technologies was requested; however, the issue has not been resolved.

Checks issued through *Odyssey* should be on the "Check Register" report generated from *Odyssey*. The "Check Register" report should agree to the checks listed on the financial statements.

Failure to ensure that the "Check Register" report generated from *Odyssey* agrees to the checks issued on the financial statements may result in the improper reporting of County funds.

Recommendation:

We recommend that the Sheriff's Office continue to communicate with the IT Department and Tyler Technologies to ensure that the issue is resolved.

Observation No. 2

We noted that the Sheriff's Office conducted tax sales of foreclosed properties during the months of February 2018 and March 2018. The Sheriff's Office distributed the proceeds from the tax sales and tax

HIDALGO COUNTY DISTRICT JUDGES

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

RODOLFO DELGADO
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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

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

HOE GONZALEZ
JUDGE, 379TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 388TH D.C.

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

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

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

re-sales to the delinquent tax attorney firm. The delinquent tax attorney firm distributed the tax sale proceeds to all the tax sale participants instead of the distribution being made by the Sheriff as required by Tax Code § 34.02.

According to the Sheriff's Office, they were instructed to issue the proceeds, after the Sheriff's fees were deducted, to the delinquent tax attorney firm for them to distribute the proceeds to the proper entities. In addition, if the proceeds were generated from a tax re-sale, Odyssey is programmed to automatically issue the check for all proceeds, including the Sheriff's fees, to the delinquent tax attorney firm.

Pursuant to Tax Code §34.01 (a), "real property seized under a tax warrant issued under subchapter E, Chapter 33, or ordered sold pursuant to foreclosure of a tax lien shall be sold by the officer charged with selling the property..."

Pursuant to Tax Code §34.02 (d), "the officer conducting a sale under section 33.94 or 34.01 shall pay any excess proceeds after payment of all amounts due all participants in the sale as specified by subsection (b) to the clerk of the court issuing the warrant or order of sale."

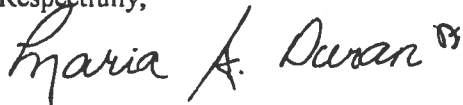
Recommendation:

We recommend that the Sheriff's Office distribute the tax sale proceeds to all participating entities pursuant to Tax Code §34.02. In addition, management should contact Tyler Technology and request that *Odyssey* be programmed to allow the Sheriff's Office to distribute the tax re-sale proceeds to all participating entities.

Please provide a management response to the observations noted above by July 6, 2018.

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. SINGETERARY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 83RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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JUDGE, 273RD D.C.

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JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

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JUDGE, 399TH D.C.

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JUDGE, 439TH D.C.

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COUNTY of HIDALGO

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



October 2, 2018

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

Re: Sheriff's "B" Account Financial Statements for January 2018 through May 2018

Dear Sheriff Guerra:

We conducted a limited scope review of the "B" Account financial statements for the months ended January 31, 2018 through May 31, 2018 pursuant to Local Government Code §112.006 (a), §115.001, §115.002 (b), and §115.901. The objective of the review was to obtain limited assurance that the financial statements are free from material misstatement.

Management is responsible for the preparation of the financial statements including the design, implementation, and maintenance of internal controls relevant to the preparation of the financial statements. Our responsibility is to perform procedures to obtain limited assurance that the financial statements are free from material misstatement.

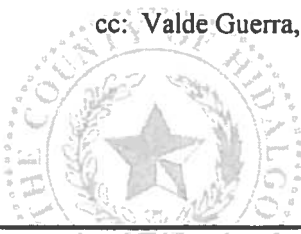
Based on our review, nothing came to our attention that caused us to believe that the financial statements contained any material misstatements.

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. BINGOLETERRY
JUDGE, 62ND D.C.

JANIE E. TIERNEY
JUDGE, 63RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

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

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

NOE GONZALEZ
JUDGE, 379TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

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



EDINBURG, TEXAS 78539

January 22, 2019

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

Re: *Fee Monthly Report* for October 2018, November 2018 and December 2018

Dear Mr. Guajardo:

We conducted a limited scope review of the *Fee Monthly Report (Monthly Report)* for October 2018, November 2018 and December 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 October 2018, November 2018 and December 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.

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
JUDGE, 275TH D.C.

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

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

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

Conclusion:

Total collections for the months of October 2018, November 2018 and December 2018 were \$451,954.86, \$388,359.69, and \$359,172.97, 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 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 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 December 31, 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.

HIDALGO COUNTY DISTRICT JUDGES

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 there was a \$5.00 shortage in the month of November 2018. As of today, the shortage has not been replenished. According to staff, they were not able to identify the receipt that originated the shortage.

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. Local Government Code §157.903, authorizes a Commissioners Court to indemnify an elected or appointed county officer against personal liability for the loss of county funds, or loss of or damage to personal property, if the loss was not the result of the officer's negligence or criminal action. Shortages must be replenished.

Failure to replenish a shortage results in the loss of County funds.

Recommendation:

Management should deposit \$5.00 with the County Treasurer or request indemnification from Commissioners Court.

Please provide written management responses to the observations noted above and action plans for observations 1 and 2 by Friday, February 1, 2019 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: Mr. Valde Guerra, County Executive Officer
Ms. Annette Muniz, Hidalgo County Clerk Chief Deputy
Ms. Berenize Alvarado, Hidalgo County Clerk Internal Auditor

ACTION PLAN (AP)

Audit Project	Monthly Fines and Fees Report for October through December 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 October through December 2018
Observation No. 2	As of December 31, 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

December 20, 2018

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

Re: Commissioner Precinct No. 4 Asset Inventory Listing Audit No. 2018-76

Dear Commissioner Palacios:

It is the practice of the County Auditor's Office to conduct an asset inventory audit when a change in administration occurs; therefore, we conducted an audit of the Commissioner Precinct No. 4 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 Precinct No. 4.

BACKGROUND:

Commissioner Precinct No. 4, as an elected official, is inherently responsible for ensuring that County assets in the custody of the Precinct No. 4 Office are properly accounted, safeguarded, and disposed. Some of these responsibilities include:

- Verifying the receipt of all assets purchased and/or assigned to the Precinct No. 4;
- 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 Precinct No. 4 are also inherently responsible for protecting County property entrusted to them. This includes the proper care, maintenance, control, and reasonable safeguards to prevent loss, damage or theft of such assets.

As of October 26, 2018, the Precinct No. 4 asset inventory listing consisted of 1,058 assets with a total acquisition cost of \$12,378,114.19.

SCOPE AND METHODOLOGY:

The scope of our audit was limited to the asset inventory listing as of October 26, 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.

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

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. TIJERINA
JUDGE, 31ST D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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JUDGE, 398TH D.C.

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JUDGE, 430TH D.C.

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

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 conducting our audit, the following procedures were performed:

- Selected all 1,058 assets on the asset inventory listing for physical identification to determine whether the assets were properly tagged; and
- Compared assets located at the Precinct No. 4 premises to the asset inventory listing to determine whether the asset inventory listing was complete.

CONCLUSION:

Based on the results of our review, we have concluded that the Precinct No. 4's inventory listing per *alio* was not accurate and complete. More specifically, the following was noted regarding the 1058 assets:

- 988 (93%) assets were physically located. Of the 988 assets:
 - 859 contained an asset tag.
 - 3 assets (oil reel balcrank – asset tag number 30666, Dell OptiPlex – asset tag number 50935, and an HP tower – asset 54545) were approved by Commissioners Court to be removed from the Precinct 4 inventory listing (October 30, 2018); however, the assets were not removed. On December 18, 2018 Commissioners Court approved to rescind action taken on October 30, 2018 since the assets were located during our review. The assets were never removed from the Precinct No. 4 asset inventory listing.
 - 129 did not contain an asset tag.
 - 28 assets (see Exhibit A) were traced to the asset inventory listing utilizing the serial/VIN number;
 - 100 assets (see Exhibit B) were traced to the asset inventory listing utilizing the assets description; and
 - 1 asset (Champion Motorgrader-asset tag number 32391) was affixed with the incorrect asset tag number 42220 (Kenwood Radio). The asset was traced to the asset inventory listing utilizing the assets description and license plate number.
- 70 (7%) assets were not physically located. Of the 70 assets:
 - 2 (Light force mount-asset tag numbers 59325 and 59326) were declared surplus. The assets were removed from Precinct No. 4's inventory listing during our review. A copy of the "Asset Transfer Form" was provided.
 - 1 (breaker-asset tag number 51020) was reported stolen on January 6, 2014. On December 18, 2018, Commissioners Court approved to remove the asset from the inventory listing. A copy of the police report was provided. The asset has not been removed from the asset inventory listing.
 - 67 assets (see Exhibit C) with a total acquisition cost of \$147,728.91 were not physically located. In addition, Precinct No. 4 was not able provide the location of the assets. Commissioners Court approved to remove the assets from the Precinct No. 4 inventory listing on October 30, 2018 (24 assets) and December 18, 2018(43 assets). The assets have not been removed from the asset inventory listing.

We physically located 121 assets that were not included on the asset inventory listing. Of the 121 assets:

- 25 assets contained an asset tag. Of the 25 assets:
 - 21 (see Exhibit D) were on the asset inventory listing of other County departments (i.e., Executive Office, Fire Marshal, Health Department, Information Technology Department, Surplus Warehouse, Tax Assessor-Collector, and Location 7777 (Purchasing Department's list of minor assets). Copies of "Asset Transfer Forms" were not provided.
 - 4 (buffer-asset tag number 62364, desk- asset tag number 15773, filing cabinet- asset tag number 19104, and gray bag for equipment- asset tag number 74636) were tagged; however, they did not have an asset record in *alio*.
- 90 assets (see Exhibit E) did not contain an asset tag; however, the assets appear to be capital or minor assets that should have been included in the asset inventory listing.

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 449TH D.C.

- 6 assets (see Exhibit F) were previously removed from the Precinct No. 4 asset inventory listing as approved by Commissioners Court on October 23, 2018. On December 18, 2018 Commissioners Court approved to rescind action taken on October 23, 2018 since the assets were located during our review.

RECOMMENDATION:

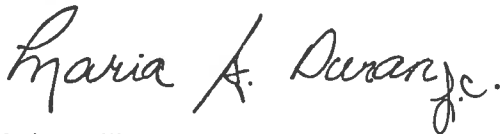
Management should coordinate with the Purchasing Department to take corrective action to address the deficiencies identified in the audit and ensure the asset inventory listing is updated, as follows:

1. Purchasing Department should affix asset tags to the 128 assets that did not contain an asset tag (see Exhibits A and B).
2. Purchasing Department should remove asset tag 42220 (Kenwood Radio) from the Champion Motorgrader, and affix the correct tag number 32391.
3. Purchasing Department should remove the 68 assets, as approved by Commissioners Court, from the Precinct No. 4 asset inventory listing (asset tag number 51020 and assets on Exhibit C).
4. "Asset Transfer Forms" should be prepared to transfer the 21 assets to the Precinct No. 4 asset inventory listing (see Exhibit D). Please contact the Purchasing Department for assistance.
5. Purchasing Department should record in *alio*, asset tag numbers 62364, 15773, 19104, 74636 that were not on the inventory listing.
6. Purchasing Department should conduct research on the 90 assets that did not contain an asset tag to determine if the assets are subject to inventory control (see Exhibit E).
7. Purchasing Department should add the 6 assets, as approved by Commissioners Court, to the Precinct No. 4 asset inventory listing (see Exhibit F).

Please ensure that corrective action is finalized and an updated asset inventory listing is submitted to the County Auditor's Office by Friday, December 28, 2018.

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: Exhibit A- Exhibit F

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

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
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JUDGE, 43RD D.C.

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

EXHIBIT A

	Tag Number	Tag Description	VIN/Serial
1	20284	30 YD ROLL-OFF CONTAINER	98482
2	33758	1999 CHAMP MOTORGRADER 720A	X030281X
3	38431	2002 FORD F150	1FTRW08LX2KE23969
4	38808	4-1 BUCKET FOR LOADER	948800
5	45329	2006 FORD F150 XLT 4X4 PU	1FTRW14W56FA97437
6	45574	2006 KUBOTA M9540FC TRACTOR	10162
7	46779	S-327 AIR BURNER/KUBOTA V3300 DSL ENGINE	S27FBN07316
8	46924	2007 FORD F150 PICK UP	1FTRF12W57KD11127
9	47648	2008 GALBREATH COMPACTOR 38 CY	13SCP2640
10	47692	2008-CAT-416E BACKHOE LDR	CAT0416EPSHA04276
11	48464	30 YD ROLL-OFF CONTAINER	332484
12	48994	PIPE LASER DG511-9	17715
13	49037	ELECTRIC FUEL PUMP PD3	BY-247,977
14	54561	BR 600 BACK PACK BLOWER	15398
15	54675	2011 JOHN DEERE 4105 TRACTOR	1LV4105HVBH411106
16	55060	PEMB BRUSH GRAPPLE 96" WIDE	LRP191541111
17	55064	18" CHAIN SAW	C09212083433
18	57311	ECHO TELESCOPING PRUNER	E04212008817
19	58455	MOTOROLA APX 4500 MOBILE	471CNZ0131
20	60474	BUSH HOG BH27 ROTARY CUTTER	12-00255
21	62868	APC SMART UPS 1500V	A51438136559
22	62869	APC SMART-UPS 1500V	A51438136585
23	63498	2015 TOP HAT UTILITY TRAILER	4R7BU1820FT146160
24	65658	CATALYST 2960 XR	FD0193DIO97
25	69008	STIHL MS 291 CHAIN SAW	507016074
26	69365	2017 CHEVY SILVERADO 2500	1GC1KUE47HF102912
27	69412	2016 TEREX V3505 LOADER	ASVV350SC0WS00900
28	70501	CENTRY AIR COMPRESSOR	14116J2

EXHIBIT B

	Tag Number	Tag Description	VIN/Serial
1	19136	1977 FIAT ALLIS -545B	21C06371
2	30699	GALBREATH COMPACTOR	SCP0418
3	30751	HI LIFT TRANSMISSION JACK	1016/96
4	34025	C30 AUTO LEVEL W/ALUMINUM TRIPOD	370120
5	34084	CONFERENCE TABLE	
6	36275	30 YD ROLL-OFF CONTAINER	247788
7	36276	30 YD ROLL-OFF CONTAINER	247790
8	36960	30 YD ROLL-OFF CONTAINER	253882
9	37953	10 FT FLEX WING CUTTER	
10	38243	30 YD ROLL-OFF CONTAINER	104116
11	39740	LUBE BARREL RACK FOR 55 GAL	
12	43271	2004 KUBOTA HST TRACTOR L3130 W/CANOPY	42907
13	45606	30 YD ROLL-OFF CONTAINER	20305426
14	45681	30 YD ROLL-OFF CONTAINER	20306291
15	45682	30 YD ROLL-OFF CONTAINER	20306295
16	47296	30 YD ROLL-OFF CONTAINER	20315165
17	47299	30 YD ROLL-OFF CONTAINER	20315162
18	47970	30 YD ROLL-OFF CONTAINER	247349
19	49024	RKI BLK TOOL BOX PD4	MAGGCM2605
20	49028	100 GAL - SHAPE TANK PD4	16357
21	49230	30 YD ROLL-OFF CONTAINER	4557
22	49591	RKI TOOL BOX	
23	49593	HEAD RACK FOR UNIT #60RB	
24	49730	2010 TANDEM 7X16 UTIL TRAILER	5NHULE625AY061214
25	50966	EME LIGHT BAR AMBER UT#41-P	
26	52875	DMI-EXECUTIVE DESK " U" STATION	01768458AC
27	52876	DMI EXECUTIVE HUTCH STORAGE	
28	52897	2001 HYPAC C350D TANDEM STEEL ROLLER	109D08906565
29	53959	TOSHIBA THRIVE TABLET DROID	6B052516R
30	54656	BIG JOHN PORTABLE TOILET	618466
31	54677	2011 JOHN DEERE X300 TRACTOR	1M0X300FBM208975
32	55136	2012 CHEYENNE TRAILER	5VNBU1622CT097307
33	55208	STHIL HT 101 31.4CC W/12" EXT	287848924
34	55268	TOOL BOX BLK UT# 100	
35	55273	STEEL-SHAPE TANK UT# 105	
36	55621	OIL METER	
37	56865	ARCGIS FOR DESKTOP BASIC LIC	10.X: SINGLE LIC
38	56923	HEAD RACK	
39	57088	HEAD RACK W/LIGHT	
40	57319	ECHO TRIMMER	T42112038831
41	57321	ECHO TRIMMER	T421120139006
42	57322	ECHO TRIMMER	T42112013859
43	57325	ECHO 16" CHAINSAW	C09212172403
44	57328	ECHO 16" CHAINSAW	C09212172711
45	58454	MOTOROLA APX 4500 MOBILE	471CNZ0130
46	58457	MOTOROLA APX 4500 MOBILE	471CNZ0133
47	58459	MOTOROLA APX 4500 MOBILE	471CNZ0135
48	58463	MOTOROLA APX 4500 MOBILE	471CNZ0139
49	58464	MOTOROLA APX 4500 MOBILE	471CNZ0140
50	58993	SNAPPER TILLER REAR TINE	ARD8104689

	Tag Number	Tag Description	VIN/Serial
51	59986	2013 DOOSAN EXCAVATOR DX490LC-3	DWGCCECAMLD1010012
52	59987	DOOSAN DL-250 LOADER W/ATTACHMENTS	DWGCWLAWCD1010045
53	60183	GREASE PUMP	27499
54	60262	MAKITA EK7301 SAW	2.01211E+11
55	60881	PARTY TENT 20X40	
56	60888	RIGID 18V 5PC CORDLESS KIT	
57	61933	MONITOR AVENVIEW	TRX-MC-B-140808-0003
58	62853	SMARTNET CATALYST 2960-XR	DCB1826B19M
59	62860	MAKITA CUT OFF SAW WET/DRY	451882
60	63106	RAZBERI INDOOR IP CAMRA 2.1 MP	
61	63107	RAZBERI INDOOR IP CAMERA 2.1 MP	
62	63108	RAZBERI INDOOR IP CAMERA 2.1 MP	
63	63109	RAZBERI INDOOR IP CAMERA 2.1 MP	
64	63110	RAZBERI INDOOR IP CAMERA 2.1 MP	
65	63111	RAZBERI INDOOR IP CAMERA 2.1 MP	
66	63116	RAZBERI 2.2 MP ANTI VANDAL DOME	
67	63117	RAZBERI 2.1 MP ANTI VANDAL DOME	
68	63118	RAZBERI 2.1 MP ANTI VANDAL DOME	
69	63119	RAZBERI 2.1 MP ANTI VANDAL DOME	
70	63120	RAZBERI 2.1 MP ANTI VANDAL DOME	
71	63121	RAZBERI 2.1 MP ANTI VANDAL DOME	
72	63122	RAZBERI 2.1 MP ANTI VANDAL DOME	
73	63123	RAZBERI 2.1 MP ANTI VANDAL DOME	
74	65047	22" MACHETE II BOOM W/60" ROTERY HEAD	
75	65048	22" MAACHETE II BOOM W/60" ROTARY HEAD	
76	65051	DITCHER	831924808
77	65052	DITCHER	831924808
78	65464	PAK PRESS (TIRE MACHINE)	A1403215
79	65660	10GBASE MODULE	FNS19350EL8
80	65661	10GBASE MODULE	FN519350ELA
81	66205	HON DESK W/RTN & 2 FLOOR STAND PED	
82	66206	HON DESK W/RTN & 2 FLOOR STAND PED	
83	66212	MOTIVATE TABLE RECTANGLER 24X60	8FN5AA
84	68075	AVENVIEW HDMI 5PLAY X2	15V38300612096
85	68076	AVENVIEW HDMI 5PLAY X 2	612096/38300612437
86	68077	AVENVIEW HDMI 5PLAY X2	
87	68078	AVENVIEW HDMI 5PLAY X 2	
88	68316	FX HON MOTIVATE TABLE	
89	68326	FX HON MOTIVATE TABLE	CFRLNJ
90	68328	FX HON MOTIVATE TABLE	CFRLNK
91	68332	FX HON MOTIVATE TABLE	CFRLNR
92	69119	TRANFER TANK 100GAL	
93	69121	STEP BLK 3" PRO MAX	
94	69349	TOUGHDOG 2MP DOME CAMERA	2E01EC4PAG00012
95	69351	TOUGHDOG 2MP DOME CAMERA	2E01EC4PAG00020
96	69352	TOUGHDOG 2MP DOME CAMERA	2E01EC4PAG00183
97	69358	IP PTZ 2MP 30XZOOM IP66 24 VAC SD CARD	1M03101PAN00009
98	70492	SAMSUNG KU6500 55" LED TV	05213CTHA261434
99	70513	TOUGHDOG 3MP IP DOME CAMERA	2G02520PAG00097
100	73273	SIDEBARS 85-02290T	

EXHIBIT C

	Tag Number	Tag Description	VIN/Serial
1	24260	WGV 2 DOUBLE STACK FILTER VESSEL	90238
2	26546	PROFILE 465 GALLON OIL CONTAINMENT UNIT	
3	29313	GENEVO LEGAL SIZE FILE CABINET	
4	38166	PORTABLE 5" WATER SPICKET	AF49239
5	43096	SHO-ME MINI - LIGHT BAR	
6	43873	30 YD ROLL-OFF CONTAINER	104117
7	43876	HOIST W/HYDRAULIC PUMP	106
8	44197	12 HP GAS COMPRESSOR	H0P254057
9	47674	AT3000 PRO CABLE LOCATER	C314AM-545/G3-AM-536
10	47982	1999 HOME 16' FLAT BED	TR184113
11	48439	JOHN DEERE MX 7 SHREDDER W/CUTTER	W00MX7X016165
12	48442	JOHN DEERE MX 7 SHREDDER W/CUTTER	W00MX7X016153
13	48920	HONDA 3800 WATT GENERATOR	EAJC-1015789
14	48923	HONDA 3800 WATT GENERATOR	1810682
15	49036	ELECTRIC FUEL PUMP PD6	BY-261,289
16	49189	35 TON DUAL STAGE TRUCK JACK	G0606002310
17	49294	EME LIGHT BAR AMBER PD6	
18	49426	PRUNER PPT-265	
19	49821	80GAL FUEL TANK UT#6	15886
20	49917	GARCO FI/BALL 300 PUMP OIL	K54981
21	50231	2009 HIGH SHOULDER PLANER	622009/04
22	50278	FULL POLISH MECHANIC'S TOOL ST.	
23	50993	STIHL CS 450 CHAIN SAW #18	CO5812008947
24	51539	ECHO CS 510/20 CHAIN SAW	C02803005800
25	51540	ECHO CS 510/20 CHAIN SAW	C02803013000
26	51541	ECHO CS 510/20 CHAIN SAW	14528C02803014528
27	51542	ECHO CS 510/20 CHAIN SAW	14538C02803014538
28	52029	PNEUMATIC HD IMPACT WRENCH	O8199K
29	52952	HONEYWELL 9700 DATA TERMINAL	10247D0289
30	53080	SAFCO MOBILE STAND PLAN CTR	
31	53705	BLOWER	P0541211856
32	53726	BLOWER	P055412120440
33	54655	BIG JOHN PORTABLE TOILET	18494
34	54660	2012 TOP HAT UT TRAILERS 4X8	4R7BU0816CT112916
35	54664	2012 TOP HAT UT TRAILER 4X8	4R7BU0818CT112920
36	55350	DELL OPTIPLEX 790 USFF	F0GNJS1
37	55369	STORMATE ALUM TOOLBOX	
38	55878	TBS-60 RANDER S10 TOOL BOX	
39	56807	SHARP AQUOS 42" LCD TV	3B3200600G1296134215
40	57076	BLACK DEEP TOOL BOX	

41	57142	AXIXTECH FALCON MINI BAR LIGHT	
42	57279	VERSION 2 VEHICLE COUNTER	BCL000298-57279
43	57280	VERSION 2 VEHICLE COUNTER	BCL000299-57280
44	57305	HONDA IND GENERATOR 3500W	EBSC-1002076
45	57318	ECHO TRIMMER	T42112013826
46	57320	ECHO TRIMMER	T42112013874
47	58266	MOTOROLA APX 4000 PORTABLE	426CNX2846
48	58278	MOTOROLA APX 4000 PORTABLE	426CNX2858
49	58282	MOTOROLA APX 4000 PORTABLE	426CNX2862
50	58283	MOTOROLA APX 4000 PORTABLE	426CNX2863
51	58284	MOTOROLA APX 4000 PORTABLE	426CNX2864
52	58468	MOTOROLA APX 4500 MOBILE	471CNZ0144
53	58474	MOTOROLA APX 4500 MOBILE	471CNZ0150
54	60174	COOLER EVAP. 36IN 3 SPD	305589-12
55	60175	COOLER EVAP.36IN 3 SPD	305588-12
56	60472	BUSH HOG BH27 ROTARY CUTTER	12-00263
57	61594	STROBE LIGHT KIT	
58	61949	NETGEAR PROSAFE 48PT SMART SWITCH	3A52455R001A2
59	63186	LED MINI BAR AMBER	
60	63337	SRM-266 TRIMMER	T42112041972
61	65059	WET PRIME GAS PUMP 3"	140301050
62	65659	SMARTNET 8X5NBD	
63	65681	WIRELESS ACCESS POINT 3-WNP	BF0148781
64	68129	LUMINATOR MINI BAR, AMBER	
65	68639	SEMI TRASH PACER PUMP	SE35LE6VCP
66	69009	STIHL MS 291 CHAIN SAW	507172594
67	73986	STIHL 31.44 CC W/ 12" EXT. PRUNER	510033148

EXHIBIT D

	Tag Number	Tag Description	Room No. Description (Asset Location)	VIN/Serial	Allo Location
1	70723	Utility Trailer	Yard/Unit 101		Executive Office
2	70718	Kawasaki FS 481V 10429 w/ Kubota Gas Tank	Milo Ponce Park		Executive Office
3	66954	CAT Model CT660-2015	Yard/Unit 61L	3HTJGKT5FN512963	Executive Office
4	43132	Ford F-150	Yard/Unit 48P	1FTPW14505KC32196	Fire Marshal
5	73620	Conference table	M Road Building/Conference Room		Health
6	52607	Modem Shore Tel	Sanitation Building/IT Room		Information Technology
7	73770	Smart UPS	Admin. Building		Information Technology
8	69482	Datalogic Scanner	Brush Site	TW16061526	Information Technology
9	69483	Scanner	San Manuel	X20-88078	Information Technology
10	74597	Time Clock Scanner	M. Road Building		Information Technology
11	48536	Dell OptiPlex 360	Sunflower Park	B5PWRH1	Information Technology
12	49292	EME Light Bar	Yard/Unit PD4		Surplus Warehouse
13	41167	Mack Truck M#CV713	Annex Yard	1M2AG11C65M022403	Surplus Warehouse
14	49963	Light Bar	Yard/Asset 49409		Surplus Warehouse
15	36936	International Truck	Annex Yard/Unit 4		Surplus Warehouse
16	37760	Peterbilt Truck	Annex Yard	2NPNLD9X52M577223	Surplus Warehouse
17	67872	Ford Ranger	Annex Yard	1FTKR1AD3APA66198	Tax Assessor-Collector
18	44040	Kenwood Radio in Unit #60RB	Yard/Unit 60RB		Location 7777
19	43106	Friedrich A/C Window Unit	Mechanic Shop		Location 7777
20	37455	Hoist	Mechanic Shop		Location 7777
21	36465	Freightliner	Annex Yard	1FVABSC1X1GJ99324	Location 7777

EXHIBIT E

	Tag Description	Room No. Description (Asset Location)	VIN/Serial
1	Bobcat Welding Machine	Admin Building/Unit 20	
2	Holt CAT Power System C4.4	Annex Storage Shed	E5M01266
3	John Deere MX225	Annex Yard	K36151
4	Romco Equipment E-20 Ejector Push-Off	Annex Yard	21920
5	Godwin Dumpbody	Annex Yard/Asset 47645	GM52590-B
6	Galbreath Compressor	Behind Shop	
7	Galbreath Compressor	Behind Shop	
8	Galbreath Compressor	Behind Shop	
9	Terex Skeet Steerer/Bobcat	Brush Site	119598
10	Container(Green)	Brush Site	
11	Container(Green)	Brush Site	
12	Container(Green)	Brush Site	
13	Container(Green)	Brush Site	
14	Utility Trailer	Brush Site	
15	Motorola Radio M#CU1110GYN1BA	Brush Site/Unit 100	134TSWR196
16	Motorola Radio M#CU1110GYN1BA	Brush Site/Unit 101	134TSXE555
17	Motorola Radio M#CU1110GYN1BA	Brush Site/Unit 102	134TSWQ708
18	Motorola Radio M#CU1110GYN1BA	Brush Site/Unit 103	134TSXES64
19	Grabber	Brush Site/Unit L18	
20	Alamo Industrial Blade 3782708	HCSO	201404150086
21	Alamo Industrial Blade 3782708	Job Site Monte Cristo	201408180681
22	Dell Optiplex 7010	M Road Building	93BTJ0Z
23	Godwin Pump	Mechanic Shop	S/N 0852889163
24	Tommy Lift	Mechanic Shop	
25	Excavator	Mechanic Shop	
26	Clarke Metal Worker Drill Press M# BTT029	Mechanic Shop	
27	Alemite Compressor	Mechanic Shop	UMK783T
28	1000 Gallon Oil Tank	Mechanic Shop	
29	OTC Transmission Jack	Mechanic Shop	201200726
30	OTC Clutch Handler 300lb Capacity #5018	Mechanic Shop	1302AK84156
31	Power Pump 4 in.	Mechanic Shop	TE33TBBE8BCK
32	Icon Shelter Systems Roof w/ Bench	Milo Ponce Park	
33	Icon Shelter Systems Roof w/ Bench	Milo Ponce Park	
34	Icon Shelter Systems Roof w/ Bench	Milo Ponce Park	
35	Icon Shelter Systems Roof w/ Bench	Milo Ponce Park	
36	Icon Shelter Systems Roof w/ Bench	Milo Ponce Park	
37	Icon Shelter Systems Roof w/ Bench	Milo Ponce Park	
38	Icon Shelter Systems Roof w/ Bench	Milo Ponce Park	
39	Icon Shelter Systems Roof w/ Bench	Milo Ponce Park	
40	Icon Shelter Systems Roof w/ Bench	Milo Ponce Park	
41	Icon Shelter Systems Roof w/ Bench	Milo Ponce Park	
42	Icon Shelter Systems Roof w/ Bench	Milo Ponce Park	
43	Playground set	Milo Ponce Park	
44	Playground set	Milo Ponce Park	
45	Playground set	Milo Ponce Park	

46	Swingset	Milo Ponce Park	
47	Swingset	Milo Ponce Park	
48	Portable Building	San Manuel	
49	Pipe Spectra Precision Laser	Storage Containers	DG51117827
50	Dell P2214H (Sealed in Box)	Storage Room	CN-0KW14V-74261-587-1F4B
51	John Deere Tractor X300-X500 Series	Storage Shed	FS541V863223
52	Daikin A/C Unit Fan	Sunflower Park	FTXN18NMVUU
53	Kubota Tractor w/Canopy	Yard	
54	Utility Trailer	Yard	J684
55	Holt EAD227 Paving Machine	Yard	CATAP1000D
56	Legend Grapple	Yard	S/N 102463
57	Utility Trailer(Red)	Yard	Vin# 4RTES1016XT021806
58	Utility Trailer	Yard	
59	Sanitation Gatehouse Portable Booth	Yard	B1716091
60	Quick Coupler Forklift DL200/220-3	Yard	ATR600165
61	Petersen Dumpbody 1824TBS	Yard	1B-2839
62	Ox Bodies Dumpbody w/tarp 15-18TD	Yard	M151305259582AL
63	Ox Bodies Dumpbody w/tarp 15-18TD	Yard	M171703290866TXI
64	Godwin Dumpbody 500T w/tarp	Yard	CM53542-B
65	Legend Grapple	Yard	102461
66	Excavating Drill	Yard	AT-5
67	Excavating Drill	Yard	127198
68	MK 13 Horsepower Cutter	Yard	664442
69	CAT Backhoe Model: 2692688-2692696	Yard	WAT 10607
70	CAT Backhoe Model: 2692684-2692692	Yard	WAT 05948
71	Freightliner FL70	Yard/Lic. 866-966	
72	Utility Trailer 18ft	Yard/Lic. 903-3700	
73	Motorola Radio	Yard/Unit 100	WKE0NX03CD
74	Portable Radio	Yard/Unit 103	#13157
75	Jetter	Yard/Unit 105	
76	Godwin Dumpbody 500T w/tarp	Yard/Unit 122	GM62262-BZ
77	Godwin Dumpbody 500T w/tarp	Yard/Unit 14	GM57306-B
78	Godwin Dumpbody 500T w/tarp	Yard/Unit 17	GM57308-B
79	Kenwood Radio	Yard/Unit 41	603731
80	Speed Aire Air Compressor	Yard/Unit 45	40820086082
81	Reefer Trailer(White)	Yard/Unit 492	
82	Dumpbody 15ft	Yard/Unit 50	
83	Galbreath Model U5-0R-174	Yard/Unit 64L	13H38956
84	Godwin Dumpbody 500T w/tarp	Yard/Unit 73	GM54960-B
85	Ox Bodies Dumpbody w/tarp 15-18TD	Yard/Unit 80	M150505259583AL
86	Ox Bodies Dumpbody w/tarp 15-18TD	Yard/Unit 82	M151910467156MS
87	Ox Bodies Dumpbody w/tarp 15-18TD	Yard/Unit 83	M152010457157MS
88	Galbreath Model U5-0R-174	Yard/Unit L58	1122894
89	Utility Trailer	Yard/Unit PD4	
90	Godwin Dumpbody 500T w/tarp	Yard/Unit16	GM57307-B

EXHIBIT F

	Tag Number	Tag Description	Room No. Description (Asset Location)	VIN/Serial
1	54859	Apple iPad	Admin. Building	
2	56170	Sharp Television	Admin. Building	203832315
3	69004	Stihl HT 101/131 Pruner	M Road Building	
4	69005	Stihl Chainsaw	M Road Building	
5	69165	Apple iPad Air	Admin. Building	DMPS5AZ7G5WQ
6	70719	Echo Pruner	Milo Ponce Park	E20814007663

COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

December 27, 2018

The Honorable Ramon Garcia
Hidalgo County Judge
100 E. Cano St. 2nd Floor
Edinburg, Texas 78539

Re: Hidalgo County Judge's Office Asset Inventory Listing Audit No. 2018-78

Dear Judge Garcia:

It is the practice of the County Auditor's Office to conduct an asset inventory listing audit when a change in administration occurs; therefore, we conducted an audit of the County Judge's Office 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 County Judge's Office.

BACKGROUND:

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

- Verifying the receipt of all assets purchased and/or assigned to the County Judge;
- 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 County Judge's Office are also inherently responsible for protecting County property entrusted to them. This includes the proper care, maintenance, control, and reasonable safeguards to prevent loss, damage or theft of such assets.

As of November 8, 2018, the County Judge's Office asset inventory listing consisted of 659 assets with a total acquisition cost of \$4,583,924.73.

SCOPE AND METHODOLOGY:

The scope of our audit was limited to the asset inventory listing as of November 8, 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.

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,

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JUDGE, 449TH D.C.

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 conducting our audit, the following procedures were performed:

- Selected all 659 assets on the asset inventory listing for physical identification to determine whether the assets were properly tagged; and
- Compared assets located at the County Judge's Office premises to the asset inventory listing to determine whether the asset inventory listing was complete.

CONCLUSION:

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

- 383 (58%) assets were physically located. Of the 383 assets:
 - 333 contained an asset tag;
 - 38 (see Exhibit A) did not contain an asset tag; however, the assets were traced to the asset inventory listing utilizing the serial number, VIN number, and/or the asset description.
 - 12 (see Exhibit B) did not contain an asset tag; however, the asset tags were maintained on file by the County Judge's Office.
- 276 (42%) were not physically located. Of the 276 assets:
 - 37 (see Exhibit C) were declared surplus. A copy of the "Asset Transfer Form" was provided; however, the assets had not been removed from the asset inventory listing.
 - 3 (software – asset tag number 44314, light bar – asset tag number 55092, and siren – asset tag number 55093), were inadvertently surplused, according to staff, as follows:
 - The software was installed in a computer (asset tag number 46265) that was surplused. According to the Purchasing Department, the "Asset Transfer Form" will be amended to include the software.
 - The light bar and siren were mounted on a vehicle (asset tag number 36943) that was surplused. Commissioners Court approved to remove the light bar and siren from the County Judge's Office asset inventory listing on December 18, 2018.
 - 1 (vest- asset tag number 47018) was reported stolen. A copy of the incident report was provided, and Commissioners Court approved to remove the asset from the County Judge's Office asset inventory listing on December 18, 2018.
 - 38 (see Exhibit D) were approved by Commissioners Court to be removed from the County Judge's Office asset inventory listing July 25, 2017 (1 asset), August 22, 2017 (1 asset), August 29, 2017 (10 assets), and September 26, 2017 (26 assets); however, the assets were not removed from the County Judge's Office asset inventory listing.
 - 1 (cabinet 83 inch - asset tag number 46336) was erroneously added to the County Judge's office inventory listing.
 - 39 (see Exhibit E) were transferred to other County Departments. A copy of the "Asset Transfer Forms" or "Property Permanent Loan Forms" (grant related asset form) were provided; however, the assets have not been removed from the County Judge's Office asset inventory listing.
 - 63 (see Exhibit F) purchased with Homeland Security Grant funding were transferred to other entities. A copy of the "Property Permanent Loan Forms" (grant form) and agreements between Hidalgo County and the receiving entities were provided. Of the 63 assets:
 - Hidalgo County is the subrecipient for 1 asset. According to the agreement, the County agreed to retain ownership of equipment for a period of 3 years ending April 30, 2008 at which time the equipment shall become the property of the City.
 - Hidalgo County is the Project Participant for 62 assets. According the agreements, the equipment will remain the property of the Federal Emergency Management Agency (FEMA), and in Lower Rio Grande Valley Development Council's (subrecipient) inventory records until specified by the Office of the Governor's- Homeland Security Grant Division.

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- 20 (see Exhibit G) purchased with grant funds were transferred to other entities. Copies of the "Property Permanent Loan Form" were provided; however, there were no agreements with the receiving entities.
- 17 (see Exhibit H) were physically transferred to other County Departments. A copy of the "Hidalgo County Tagging of Asset Certification" (form used to document the transfer of an asset that will remain in the County Judge's Office inventory) was provided.
- 57 (see Exhibit I) with a total acquisition cost of \$236,408.37 were not physically located. In addition, the County Judge's Office was not able to provide the location of the assets.

We physically located 56 assets that were not included on the asset inventory listing. Of the 56 assets:

- 37 (see Exhibit J) were on the asset inventory listing of other County departments. Copies of "Asset Transfer Forms" were not provided.
- 9 (see Exhibit K) contained an asset tag; however, the asset tag number was not recorded in *alio*.
- 2 (see Exhibit L) were added to the County Judge's Office asset inventory listing during our review.
- 8 (see Exhibit M) did not contain an asset tag; however, the assets appear to be capital or minor assets that should be included in the asset inventory listing.

RECOMMENDATION:

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

1. Purchasing Department should affix asset tags to the 38 assets that did not contain an asset tag (see Exhibit A);
2. Purchasing Department should remove the 37 assets that were declared surplus from County Judge's Office asset inventory listing (see Exhibit C).
3. County Judge's Office should prepare an affidavit for the asset (software- asset tag number 44314) installed in a surplused computer. The affidavit should be placed on Commissioners Court for approval to remove the asset from the County Judge's Office asset inventory listing.
4. Purchasing Department should remove the 41 assets, as approved by Commissioners Court, from the County Judge's Office asset inventory listing (asset numbers 55092, 55093, 47018, and assets on Exhibit D).
5. Purchasing Department should remove asset tag number 46336, erroneously added, from the County Judge's Office asset inventory listing.
6. Purchasing Department should transfer the 39 assets from the County Judge's Office asset inventory listing to the other County Departments (see Exhibit E).
7. The Purchasing Department should remove the 63 assets transferred to other entities from the County Judge's Office inventory listing (see Exhibit F).
8. The County Judge's Office should present an agreement to Commissioners Court for approval for the 20 assets transferred to other entities without an agreement. The agreement should include the assets current condition and who is responsible for inventorying the asset. If the asset has been disposed, an affidavit should be requested from the entity and presented to Commissioners Court for removal from the County Judge's asset inventory listing (see Exhibit G).
9. The Purchasing Department should update the physical location in *alio* of the assets listed in Exhibit H.
10. Further research on the 57 assets that were not located should be conducted. If the assets cannot be located, an incident report should be obtained and presented to Commissioners Court for approval to remove the assets from the asset inventory listing (see Exhibit I).
11. An "Asset Transfer Form" should be prepared to transfer the 37 assets to the County Judge's Office asset inventory listing (see Exhibit J). Please contact the Purchasing Department for assistance.
12. Purchasing Department should record in *alio* the 9 assets that were not on the inventory listing (see Exhibit K).
13. Purchasing Department should conduct research on the 8 assets that did not contain an asset tag to determine if the assets are subject to inventory control (see Exhibit M).

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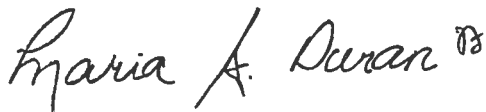
RENEE R. BETANCOURT
JUDGE, 449TH D.C.

Prior to disposing of any grant related assets, the granting agency should be contacted to request disposition instructions.

Please ensure that corrective action is finalized and an updated asset inventory listing is submitted to the County Auditor's Office by Friday, December 28, 2018.

If you have any questions, please contact Rocio Quiroga, Internal Auditor, 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

Enclosures: Exhibits A through Exhibits M

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

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EXHIBIT A

	Tag Number	Tag Description	VIN/Serial
1	41169	GOLD SUPPORT SERVICES SOFTW	ANIXTER INC.
2	41959	OPTIVIEW WORKGROUP ANALYZER	ANIXTER INC.SOFTWARE
3	43344	4.5 50 SCBA 60 CRB CYL W/CSEA	RED501007045AB
4	43985	HON WORKSTATION	
5	44199	REMOTE, SURGE, ANTENNA SYSTEM	GTR8000
6	46334	BASE STATION,CONV MASTER III, 800 MHZ	
7	46346	GENERATOR 8 KW GENERAC TELECOM	
8	46347	TANK 500 GALLON, FUEL INSTALLED	
9	47019	PRO TECH LEVEL IIIA, PTA-TAC6 STEALTH	
10	47020	PRO TECH LEVEL IIIA, PTA-TAC6 STEALTH	
11	47021	PRO TECH LEVEL IIIA, PTA-TAC6 STEALTH	
12	47022	PRO TECH LEVEL IIIA, PTA-TAC6 STEALTH	
13	47023	PRO TECH LEVEL IIIA, PTA-TAC6 STEALTH	
14	47024	PRO TECH LEVEL IIIA, PTA-TAC6 STEALTH	
15	47950	PACE AMERICAN TRAILER 6X12	47ZFB12178X056086
16	48279	2009 CHEVY SILVERADO PU	1GCHK43679F108310
17	48280	2009 CHEVY TAHOE	1GNFK13089R125852
18	49068	APPLE MBP 2.93 LAPTOP	W891247G2QT
19	49394	PELICAN REMOTE AREA LIGHT BLK	9450B
20	50081	SOFTWARE MICROSOFT 2007	
21	50082	SOFTWARE MICROSOFT 2007	
22	50168	LAPTOP VEHICLE DOCK	
23	51790	GT1216-2 MOBILE SOLAR GENERATOR	5SBPT1020BS007579
24	52734	MOTOROLA GTR 8000 BASE RADIO	112CMB0187
25	55094	FENIEX OLYMPIAN SIREN-SPEAKER	
26	56097	ASTRO 25 MOBILE SOFTWARE	
27	56098	DIG APX POR MOB SOFTWARE	
28	62174	MS GSA OFFICE PRO PLUS 2013	
29	62724	SWAFIT EASE CLOUD SERVICES LIC	
30	62725	'SWAGIT EASE MANGLED SERV 50 MTG LIC	
31	62726	SWAGIT COSMOS-HD SDI SOFTWARE LIC	
32	62799	QUARTET INFINITY MARKER BOARD WHITE GLAS	
33	62871	SIREN CONTROLLER	124674
34	65985	OPEN AIR SINGLE AXLE TRAILER 5'X8'	TR215083
35	66284	AMBER/BLEUE/RED RUNNING BOARD	
36	66418	ADOBE CREATIVE CLOUD SOFTWARE	
37	74333	PANARAMA LOW PROFILE ANTENNA	
38	76373	ICE BIN	

EXHIBIT B

	Tag Number	Tag Description
1	46333	BASE STATION, CONV MASTER III, 800 MHZ
2	46337	BASE STATION, CONV MASTER III, 17
3	46341	V7657 DB4057W-VHF DUPLEXER RADIO
4	46342	V7657 DB4057WVHF DUPLEXER RADIO
5	46343	XT 800 MHZ, OMNI, 10DB MOBILE RADIO
6	46344	XT 800 MHZ, OMNI, 10DB MOBILE RADIO
7	46345	GENERATOR 8KW GENERAC TELECOM
8	46348	TANK GALLON, FUEL INSTALLED
9	46349	MISC ANTENNA MOUNTING HARDWARE
10	46350	MISC ANTENNA MOUNTING HARDWARE
11	46351	MISC ANTENNA MOUNTING HARDWARE
12	46352	MISC ANTENNA MOUNTING HARDWARE

EXHIBIT C

	Tag Number	Tag Description	VIN/Serial
1	43322	MOTOROLA-XTS3000 PORT RADIO	620CFA0320
2	43323	MOTOROLA-XTS3000 PORT RADIO	620CFA0321
3	43324	MOTOROLA-XTS3000 PORT RADIO	620CFA0322
4	43325	MOTOROLA-XTS3000 PORT RADIO	620CFA0323
5	43326	MOTOROLA-XTS3000 PORT RADIO	620CFA0312
6	43327	MOTOROLA-XTS3000 PORT RADIO	620CFA0313
7	43328	MOTOROLA-XTS3000 PORT RADIO	620CFA0314
8	43329	MOTOROLA-XTS3000 PORT RADIO	620CFA0315
9	43330	MOTOROLA-XTS3000 PORT RADIO	620CFA0329
10	43332	MOTOROLA-XTS3000 PORT RADIO	620CFA0317
11	43335	MOTOROLA-XTS3000 PORT RADIO	620CFA0319
12	43896	MOTOROLA-XTS3000 PORT RADIO	620CFA0316
13	46327	500 M RADIO KE8MTD W/D TMF MICROPHONE	427506
14	46328	500 M RADIO KE8MTD W/D TMF MICROPHONE	427642
15	46372	CP9012A 12 CH GAITRONICS CONSOL-8 CH	22040000
16	46652	MOTOROLA-XTL 1500 DASH MOUNT RADIO	726TGU1705
17	46653	MOTOROLA-XTL 1500 DASH MOUNT RADIO	726TGU0693
18	46672	MOTOROLA-XTS 1500 PORTABLE RADIO	687TGWE401
19	46673	MOTOROLA-XTS 1500 PORTABLE RADIO	687TGWE402
20	46676	MOTOROLA-XTS 1500 PORTABLE RADIO	687TGWE424
21	46678	MOTOROLA-XTS 1500 PORTABLE RADIO	687TGWE398
22	46688	XTL 1500 DASH MOUNT RADIO	726TGU0698
23	46689	MOTOROLA-XTL 1500 DASH MOUNT RADIO	726TGU1709
24	46690	MOTOROLA-XTL 1500 DASH MOUNT RADIO	726TGU0694
25	46694	MOTOROLA-XTL 1500 DASH MOUNT RADIO	726TGU0689
26	46695	MOTOROLA-XTL 1500 DASH MOUNT RADIO	726TGU0690
27	46696	MOTOROLA-XTL 1500 DASH MOUNT RADIO	726TGU0691
28	46697	MOTOROLA-XTL 1500 DASH MOUNT RADIO	726TGU692
29	46699	MOTOROLA-XTL 1500 DASH MOUNT RADIO	726TGU0687
30	46700	MOTOROLA-XTL 1500 DASH MOUNT RADIO	726TGU0688
31	46709	MOTOROLA-XTS 5000 PORTABLE RADIO	320CGX1913
32	47017	PRO TECH LEVEL IIIA, PTA-TAC6 STEALTH	
33	49046	MOTOROLA-XTS 1500 PORTABLE RADIO	687TGWE425
34	49047	MOTOROLA-XTS 1500 PORTABLE RADIO	687TGWE427
35	49048	MOTOROLA-XTS 1500 PORTABLE RADIO	687TGWE459
36	49049	MOTOROLA-XTS 1500 PORTABLE RADIO	687TGWE458
37	49050	MOTOROLA-XTL 1500 DASH MOUNT RADIO	726TGU1706

Exhibit D

	Tag Number	Tag Description	VIN/Serial
1	46667	MOTOROLA-XTS 1500 PORTABLE RADIO	
2	46706	MOTOROLA-XTL 1500 DASH MOUNT RADIO	
3	46710	MOTOROLA XTL 2500 CONTROL STATION	
4	51898	MOTOROLA APX7000 DIG PORT RADIO	
5	52729	MOTOROLA GTR 8000 BASE RADIO	112CMBD177
6	52730	MOTOROLA GTR 8000 BASE RADIO	112CMB0181
7	52731	MOTOROLA GTR 8000 BASE RADIO	112CMB0179
8	52732	MOTOROLA GTR 8000 BASE RADIO	112CMB0185
9	52733	MOTOROLA GTR 8000 BASE RADIO	112CMB0183
10	52735	MOTOROLA GTR 8000 BASE RADIO	112CMB0278
11	52736	MOTOROLA GTR 8000 BASE RADIO	112CMB0282
12	52739	MOTOROLA GTR 8000 TRANS DLN 6566	112CB0193
13	52740	MOTOROLA GTR 8000 TRANS DLN 6566	112CB0196
14	52741	GTR 8000 TRANS DLN 6566	112CB0192
15	52742	GTR 8000 PA DLN 6566	112CB0205
16	52743	GTR 8000 PA DLN 6567	112CB0201
17	52744	GTR 8000 PA DLN 6567	112CB0203
18	52745	GTR 8000 PWR SUP DLN6568	112CB0212
19	52746	GTR 8000 PWR SUP DLN6568	112CB0214
20	52747	GCP 8000 DLN6569	112CB0210
21	52748	GCP 80000 DLN6569	112CT0947
22	52749	GCP 8000 DLN6569	112CT0945
23	52750	GTR 8000 PWR SUP DLN6568	112CT0946
24	53005	EDGE 95 MXP W/HD CAMERA NETWORK SYS	FTX1508C35W
25	53006	EDGE 95 MXP W/HD CAMERA NETWORK SYS	FTX1508C3QZ
26	53007	EDGE 95 MXP W/HD CAMERA NETWORK SYS	FTX1508C3RO
27	53009	ESS EDGE 95MXP W/HD CAM/PORT/NETWORK SYS	20C02813
28	53010	ESS EDGE 95MXP W/HD CAM/PORT/NETWORK SYS	20C02552
29	53011	ESS EDGE 95MXP W/HD CAM/PORT/NETWORK SYS	20C02524
30	53013	TANDBERG 1000 MXP PRESENTER UNIT	FTZ1508C30U
31	53014	TANDBERG 1000 MXP PRESENTER UNIT	FTX1508C2ZD
32	53015	TANDBERG 1000 MXP PRESENTER UNIT	FTX1508C2Z1
33	53016	TANDBERG 1000 MXP PRESENTER UNIT	FTX1508CZYN
34	53021	TANBERG 1000 NATURAL PRESENTER PKG	
35	53022	TANBERG 1000 NATURAL PRESENTER PKG	
36	53023	TANBERG 1000 NAURAL PRESENTER PKG	
37	53024	TANBERG 1000 NATURAL PRESENTER PKG	
38	56075	APPLE IPAD 4G 16GB BLK VZN	SDMPHR79EDNQR

Exhibit E

	Tag Number	Tag Description	VIN/Serial	County Department
1	48982	MX225 DISK HARROWS	P00225X031484	Commissioner Precinct 1
2	48981	MX225 DISK HARROWS	P00225X031505	Commissioner Precinct 4
3	48983	MX225 DISK HARROW	P00225X031509	Commissioner Precinct 4
4	46680	MOTOROLA-XTS 1500 PORTABLE RADIO		Constable Precinct 1
5	46683	MOTOROLA-XTS 1500 PORTABLE RADIO		Constable Precinct 1
6	46705	MOTOROLA-XTL 1500 DASH MOUNT RADIO		Constable Precinct 1
7	46677	MOTOROLA-XTS 1500 PORTABLE RADIO		Constable Precinct 2
8	46679	MOTOROLA-XTS 1500 PORTABLE RADIO		Constable Precinct 2
9	46698	MOTOROLA-XTL 1500 DASH MOUNT RADIO		Constable Precinct 2
10	46671	MOTOROLA-XTS 1500 PORTABLE RADIO		Constable Precinct 3
11	46674	MOTOROLA-XTS 1500 PORTABLE RADIO	687TGWE403	Constable Precinct 3
12	46675	MOTOROLA-XTS 1500 PORTABLE RADIO		Constable Precinct 3
13	46668	MOTOROLA-XTS 1500 PORTABLE RADIO		Constable Precinct 4
14	46654	MOTOROLA-XTS 1500 PORTABLE RADIO	687TGWE428	Constable Precinct 5
15	46655	MOTOROLA-XTS 1500 PORTABLE RADIO	687TGW429	Constable Precinct 5
16	46656	MOTOROLA-XTS 1500 PORTABLE RADIO	687TGWE430	Constable Precinct 5
17	46658	MOTOROLA-XTS 1500 PORTABLE RADIO		Constable Precinct 5
18	42593	DELL 2300MP PROJECTOR	FN87P51	Fire Marshal
19	46661	MOTOROLA-XTS 1500 PORTABLE RADIO		Fire Marshal
20	46663	MOTOROLA-XTS 1500 PORTABLE RADIO		Fire Marshal
21	46886	SOFTWARE FOR XTS/XTL ASTRO 25		Fire Marshal
22	46707	MOTOROLA-XTL 1500 DASH MOUNT RADIO	726TGU1698	Sheriff's Office
23	46708	MOTOROLA-XTL 1500 DASH MOUNT RADIO		Sheriff's Office
24	46855	XTS 1500 PORTABLE RADIO (SO)		Sheriff's Office
25	46856	XTS 1500 PORTABLE RADIO (SO)		Sheriff's Office
26	46858	XTS 1500 PORTABLE RADIO (SO)		Sheriff's Office
27	46859	XTS 1500 PORTABLE RADIO (SO)		Sheriff's Office
28	46862	XTS 1500 PORTABLE RADIO (SO)		Sheriff's Office
29	46863	XTS 1500 PORTABLE RADIO (SO)		Sheriff's Office
30	46864	XTS 1500 PORTABLE RADIO (SO)		Sheriff's Office
31	46865	XTS 1500 PORTABLE RADIO (SO)		Sheriff's Office
32	46869	XTS 1500 PORTABLE RADIO (SO)		Sheriff's Office
33	46871	XTS 1500 PORTABLE RADIO (SO)		Sheriff's Office
34	46874	XTS 1500 PORTABLE RADIO (SO)		Sheriff's Office
35	46875	XTS 1500 PORTABLE RADIO (SO)		Sheriff's Office
36	46876	XTS 1500 PORTABLE RADIO (SO)		Sheriff's Office
37	46878	XTS 1500 PORTABLE RADIO (SO)		Sheriff's Office
38	46879	XTS 1500 PORTABLE RADIO (SO)		Sheriff's Office
39	46880	XTS 1500 PORTABLE RADIO (SO)		Sheriff's Office

Exhibit F

	Tag Number	Tag Description	VIN/Serial	Entity
1	69337	KENWOOD PORTABLE RADIO NX5400	B6610320	City of Edcouch
2	69338	KENWOOD PORTABLE RADIO NX5400	B6610318	City of Edcouch
3	69339	KENWOOD PORTABLE RADIO NX5400	B6610253	City of Edcouch
4	69340	EM RADIO PORTABLE	B6610319	City of Edcouch
5	69945	KENWOOD PORTABLE RADIO NX 5400	B6610254	City of Edcouch
6	69946	KENWOOD MOBILE BASE STATION NK5900	B6110016	City of Edcouch
7	69947	KENWOOD MOBILE RADIO NK5900	B6110041	City of Edcouch
8	69948	KENWOOD PROTABLE RADIO NX 5400	B6610317	City of Edcouch
9	69311	TAIT PORTABLE RADIO TP9455-K5BB	25776750	City of Elsa
10	69312	TAIT PORTABLE RADIO TP9455-K5BB	25776740	City of Elsa
11	69313	TAIT PORTABLE RADIO TP9455-K5BB	25776747	City of Elsa
12	69314	TAIT PORTABLE RADIO TP9455-K5BB	25776749	City of Elsa
13	69315	TAIT PORTABLE RADIO TP9455-K5BB	25776746	City of Elsa
14	69316	TAIT PORTABLE RADIO TP9455-K5BB	25776741	City of Elsa
15	69317	TAIT PORTABLE RADIO TP9455-K5BB	25776744	City of Elsa
16	69318	TAIT PORTABLE RADIO TP9455-K5BB	25776742	City of Elsa
17	69319	TAIT PORTABLE RADIO TP9455-K5BB	25776743	City of Elsa
18	69320	TAIT PORTABLE RADIO TP9455-H5BB	25776748	City of Elsa
19	69321	TAIT MOBILE RADIO TM9455-K5D0	20380080	City of Elsa
20	69322	TAIT MOBILE RADIO TM9455-K5D0	20380085	City of Elsa
21	69323	TAIT MOBILE RADIO TM9455-K5D0	20380082	City of Elsa
22	69324	TAIT MOBILE RADIO TM9455-K5D0	20380079	City of Elsa
23	69325	TAIT MOBILE RADIO TM9455-K5D0	20375359	City of Elsa
24	69326	TAIT MOBILE RADIO TM9455-K5D0	20380084	City of Elsa
25	69327	TAIT MOBILE RADIO TM9455-K5D0	20380081	City of Elsa
26	69328	TAIT MOBILE RADIO TM455-K5D0	20380076	City of Elsa
27	69329	TAIT MOBILE RADIO TM9455-K5D0	20380083	City of Elsa
28	69330	TAIT MOBILE RADIO TM9455-K5D0	20375360	City of Elsa
29	75262	HARRIS TAIT MOBILE RADIO TM9425		City of La Joya
30	75263	HARRIS TAIT MOBILE RADIO TM9425		City of La Joya
31	75264	HARRIS TAIT MOBILE RADIO TM9425		City of La Joya
32	43350	4.5 50 SCBA 60 CRB CYL W/CSEA	RED501007048AB	City of Mission
33	75265	HARRIS TAIT MOBILE RADIO TM9425		City of Penitas
34	75266	HARRIS TAIT MOBILE RADIO TM9425		City of Penitas
35	75267	HARRIS TAIT MOBILE RADIO TM9425		City of Penitas
36	75268	HARRIS TAIT PORTABLE RADIO TM9425		City of Progreso
37	75269	HARRIS TAIT MOBILE RADIO TM9425		City of Progreso
38	75277	HARRIS TAIT PORTABLE RADIO TP9425		City of Progreso
39	75278	HARRIS TAIT PORTABLE RADIO TP9425		City of Progreso
40	75279	HARRIS TAIT PORTABLE RADIO TP9425		City of Progreso
41	75280	HARRIS TAIT PORTABLE RADIO TP9425		City of Progreso
42	75281	HARRIS TAIT PORTABLE RADIO TP9425		City of Progreso
43	75259	HARRIS TAIT MOBILE RADIO/BASE TM9425		City of Sullivan
44	75260	HARRIS TAIT MOBILE RADIO TM9425		City of Sullivan
45	75261	HARRIS TAIT MOBILE RADIO TM9425		City of Sullivan
46	75272	HARRIS TAIT PORTABLE RADIO TP9425		City of Sullivan
47	75273	HARRIS TAIT PORTALE RADIO TP9425		City of Sullivan
48	75274	HARRIS TAIT PORTABLE RADIO TP9425		City of Sullivan
49	75275	HARRIS TAIT PORTABLE RADIO TP9425		City of Sullivan
50	75276	HARRIS TAIT PORTABLE RAIO TP9425		City of Sullivan
51	75270	HARRIS TAIT MOBILE RADIO TM9425		Linn San Manuel Volunteer Fire Department
52	75271	HARRIS TAIT MOBILE RADIO TM9425		Linn San Manuel Volunteer Fire Department
53	75282	HARRIS TAIT PORTABLE RADIO TP9425		Linn San Manuel Volunteer Fire Department
54	75283	HARRIS TAIT PORTABLE RADIO TP9425		Linn San Manuel Volunteer Fire Department
55	75284	HARRIS TAIT PORTABLE RADIO TP9425		Linn San Manuel Volunteer Fire Department
56	75285	HARRIS TAIT PORTABLE RADIO TP9425		Linn San Manuel Volunteer Fire Department
57	75286	HARRIS TAIT PORTABLE RADIO TP9425		Linn San Manuel Volunteer Fire Department
58	69331	KENWOOD PORTABLE RADIO NX5400	B6610311	Monte Alto Volunteer Fire Department
59	69332	KENWOOD PORTABLE RADIO NX5400	B6610315	Monte Alto Volunteer Fire Department
60	69333	KENWOOD PORTABLE RADIO NX5400	B6610314	Monte Alto Volunteer Fire Department
61	69334	KENWOOD PORTABLE RADIO NX5400	B6610312	Monte Alto Volunteer Fire Department
62	69335	KENWOOD PORTABLE RADIO NX5400	B6610313	Monte Alto Volunteer Fire Department
63	69336	KENWOOD PORTABLE RADIO NX5400	B6610316	Monte Alto Volunteer Fire Department

Exhibit G

	Tag Number	Tag Description	Entity
1	46319	500 M RADIO KE8MTD W/D TMF MICROPHONE	Alamo Police Department
2	46320	500 M RADIO KE8MTD W/D TMF MICROPHONE	Alamo Police Department
3	46369	CP9012A 12 CH GAITRONICS CONSOLE-8CH	Alamo Police Department
4	46355	E.C.I. CONSOLE INTERFACE	City of Edinburg
5	46329	500 M RADIO KE8MTD W/D TMF MICROPHONE	Edinburg Police Department
6	46330	500 M RADIO KE8MTD W/D TMF MICROPHONE	Edinburg Police Department
7	46356	E.C.I. CONSOLE INTERFACE	Edinburg Police Department
8	46317	500 M RADIO KE8MTD W/D TMF MICROPHONE	McAllen Police Department
9	46318	500 M RADIO KE8MTD W/D TMF MICROPHONE	McAllen Police Department
10	46323	500 M RADIO KE8MTD W/D TMF MICROPHONE	Mercedes Police Department
11	46324	500 M RADIO KE8MTD W/D TMF MICROPHONE	Mercedes Police Department
12	46370	CP9012A 12 CH GAITRONICS CONSOLE-8CH	Mercedes Police Department
13	46313	500 M RADIO KE8MTD W/D TMF MICROPHONE	Mission Police Department
14	46314	500 M RADIO KE8MTD W/D TMF MICROPHONE	Mission Police Department
15	46321	500 M RADIO KE8MTD W/D TMF MICROPHONE	Pharr Police Department
16	46322	500 M RADIO KE8MTD W/D TMF MICROPHONE	Pharr Police Department
17	46353	P.C.I. CONSOLE INTERFACE	Pharr Police Department
18	46325	500 M RADIO KE8MTD W/D TMF MICROPHONE	Weslaco Police Department
19	46326	500 M RADIO KE8MTD W/D TMF MICROPHONE	Weslaco Police Department
20	46371	CP9012A 12 CH GAITRONICS CONSOLE 8CH	Weslaco Police Department

Exhibit H

	Tag Number	Tag Description	VIN/Serial	County Department
1	43318	MOTOROLA-XTS3000 PORT RADIO	620CFA0309	Constable Precinct 1
2	43320	MOTOROLA-XTS3000 PORT RADIO	620CFA0311	Constable Precinct 1
3	43321	MOTOROLA-XTS3000 PORT RADIO	620CFA0328	Constable Precinct 1
4	43333	MOTOROLA-XTS3000 PORT RADIO	620CFA0318	Constable Precinct 4
5	43337	MOTOROLA-XTS3000 PORT RADIO	620CFA0325	Constable Precinct 5
6	43338	MOTOROLA-XTS3000 PORT RADIO	620CFA0326	Constable Precinct 5
7	43345	4.5 50 SCBA 60 CRB CYL W/CSEA	RED501007045AB	Fire Marshal
8	43351	MOTOROLA-XTS3000 PORT RADIO	620CFA0307	Fire Marshal
9	43353	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1231	Fire Marshal
10	43354	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1232	Fire Marshal
11	43355	PRT GAMASTER CO/H2S/02/LEL	2469	Fire Marshal
12	43357	XTL5000PKG 28 136-174MHZ	585CFG1249	Fire Marshal
13	40829	MCAFEЕ WEBSHIELD 3200 SOFTW		Information Technology
14	43358	RADIATION MONITOR W/PROBE	362479071614	Sheriff's Office
15	43361	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1235	Sheriff's Office
16	43367	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1241	Sheriff's Office
17	43372	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1246	Sheriff's Office

Exhibit I

	Tag Number	Tag Description	VIN/Serial
1	7616	FILE CABINET-HON 2 DRAWER (LAT BLK)	
2	22757	CONFERENCE TABLE MARBLE	
3	22774	CONFERENCE TABLE MARBLE	
4	23954	ORGANIZER-DESK TOP (44")	
5	29463	HP LASER JET IV	JPGJ023038
6	34058	SYMBOL SPARK LS1000 SCANNER	354020
7	43359	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1233
8	43360	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1234
9	43362	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1236
10	43363	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1237
11	43364	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1238
12	43365	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1239
13	43366	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1240
14	43368	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1242
15	43369	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1243
16	43370	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1244
17	43371	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1245
18	43373	MOTOROLA-XTL5000 MOBILE RADIO	585CFG1247
19	43548	STATION, CONV. MASTR III 150.8-174 MHZ	98775280
20	43566	STATION, CONV. MASTR III 150.8-174 MHZ	98775249
21	43567	STATION, CONV. MASTR III 150.8-174 MHZ	98775247
22	43568	STATION, CONV. MASTR III 150.8-174 MHZ	98775246
23	43569	STATION, CONV. MASTR III 150.8-174 MHZ	98775248
24	45289	MOTOROLA-XTL 5000 MOBILE RADIO	500CFZ2963
25	45305	TM9155 TAIT 25W, VHF P25 MOBILE RADIO	19091535
26	45306	TM9155 TAIT 25W, VHF P25 MOBILE RADIO	19091534
27	45307	TM9155, UHF P25 MOBILE RADIO	19117191
28	46203	MOTOROLA CENTRACOM GOLD INTERFACE	
29	46269	DELL-OPTIPLEX 745 USFF PENT D 925 3GHZ	7M9XGC1
30	46339	NEMA-CABINET OUTDOOR	
31	46340	NEMA-CABINET, OUTDOOR	
32	46361	M7100, 50 WATT, FRONT MOUNT RADIO	
33	46362	M7100, 50 WATT, FRONT MOUNT RADIO	
34	46363	M7100, 50 WATT, FRONT MOUNT RADIO	
35	46364	M7100, 50 WATT, FRONT MOUNT RADIO	
36	46365	M7100, 50 WATT, FRONT MOUNT RADIO	
37	46366	M7100, 50 WATT, FRONT MOUNT RADIO	
38	46367	M7100, 50 WATT, FRONT MOUNT RADIO	9010424
39	46711	MOTOROLA XTL 5000 DASH MOUNT RADIO	
40	46715	MOTOROLA-M7100 MOBILE RADIO	9075081
41	47112	CHROSZIEL LENS SHADE MATTE BOX	
42	47114	GLIDECAM 4000 SHOOTER SUPPORT SYST	
43	47119	ARRI LIGHT FRESNO MINI KIT	
44	47120	MATTHEWS SCRIMS & FLAG KIT	
45	48860	XTL 5000 MOBILE RADIO 10-35 WATT	500CJZ0730
46	52146	MAGLIGHT W/TELESC TRIPOD-180W.	
47	52737	MOTOROLA GTR 8000 BASE RADIO	112CMB0280
48	53652	CAMERA NIKON SB-700 FLASH	2101741
49	54330	APPLE IPAD 16GB	DLXG9VL1DFJ1
50	54470	I PAD APPLE	DLXG9DZMDFJ1
51	54537	IMPRES VECHICULAR CHARGER	1339MK001010A
52	54540	HEAVY DUTY HEADSET	
53	56985	APPLE IPAD 16GB BLK	DN6JK9FUDFJ1
54	61131	DELL OPTIPLEX 7010	GYBKM02
55	61936	DELL LATITUDE E6540 LAPTOP	4T9HH12
56	64826	DELL LATITUDE 15 5000 SERIES	1QVZR3Z
57	73739	DYNAMIC BULLETIN BOARD SYSTEM-PLAYBOOK	

Exhibit J

	Tag Number	Tag Description	Room No. Description (Asset Location)	VIN/Serial	Alto Location
1	60703	Cisco Catalyst	IT Room	S/N FOC1746WOA4	080-Criminal District Attorney
2	30790	Desk(Brown)	Lobby		080-Criminal District Attorney
3	73562	LG 43 in. Television	Conference Room	SN703RUY69710	122-Commissioner Precinct 2
4	40920	APC Netshelter	IT Room		200-Information Technology
5	63800	APC Smart UPS	IT Room	AS1506124030	200-Information Technology
6	63801	APC Smart UPS	IT Room	AS1506123977	200-Information Technology
7	60618	Cisco Catalyst	IT Room	FOC17452530	200-Information Technology
8	57789	Motorola APX 7500	In Asset 48279	656CNZ0174	280-Sheriff's Office
9	57788	Motorola APX 7500	In Asset 63653	656CNZ0173	280-Sheriff's Office
10	58344	Motorola APX 4000 Portable Radio	Mario's Office	426CNX2924	280-Sheriff's Office
11	58345	Motorola APX 4000 Portable Radio	Mario's Office	426CNX2925	280-Sheriff's Office
12	58346	Motorola APX 4000 Portable Radio	Mario's Office	426CNX2926	280-Sheriff's Office
13	58347	Motorola APX 4000 Portable Radio	Mario's Office	426CNX2927	280-Sheriff's Office
14	58348	Motorola APX 4000 Portable Radio	Mario's Office	426CNX2928	280-Sheriff's Office
15	58349	Motorola APX 4000 Portable Radio	Mario's Office	426CNX2929	280-Sheriff's Office
16	58350	Motorola APX 4000 Portable Radio	Mario's Office	426CNX2930	280-Sheriff's Office
17	58351	Motorola APX 4000 Portable Radio	Mario's Office	426CNX2931	280-Sheriff's Office
18	58352	Motorola APX 4000 Portable Radio	Mario's Office	426CNX2932	280-Sheriff's Office
19	58353	Motorola APX 4000 Portable Radio	Mario's Office	426CNX2933	280-Sheriff's Office
20	58354	Motorola APX 4000 Portable Radio	Mario's Office	426CNX2934	280-Sheriff's Office
21	58355	Motorola APX 4000 Portable Radio	Mario's Office	426CNX2935	280-Sheriff's Office
22	58306	Motorola APX 4000 Portable Radio	Mario's Office	426CNX2886	280-Sheriff's Office
23	58307	Motorola APX 4000 Portable Radio	Mario's Office	426CNX2887	280-Sheriff's Office
24	58308	Motorola APX 4000 Portable Radio	Mario's Office	426CNX2888	280-Sheriff's Office
25	58387	Motorola APX 4000 Portable Radio	Mario's Office	426CNX2967	280-Sheriff's Office
26	58368	Motorola APX 4000 Portable Radio	Monica Hinojosa's Office	426CNX2948	280-Sheriff's Office
27	58360	Motorola APX 4000 Portable Radio	Monica Hinojosa's Office	426CNX2940	280-Sheriff's Office
28	No Tag	Motorola Radio Control Station Tag # 58216	Monica Hinojosa's Office	761CNZ0176	280-Sheriff's Office
29	58362	Motorola APX 4000 Portable Radio	Rolando Casas Office	426CNX2942	280-Sheriff's Office
30	58361	Motorola APX 4000 Portable Radio	Rolando Casas Office	426CNX2941	280-Sheriff's Office
31	43828	Pioneer 40 in. Television	Breakroom		340-Health
32	73453	Shoretel 655 Phone	Chief Saldana's Office		340-Health
33	46179	MaCom P7100 IP	Chief Saldana's Office	9148111	340-Health
34	73452	Shoretel 655 Phone	Conference Room	8260-0018-04	340-Health

Exhibit K

	Tag Number	Tag Description	Room No. Description (Asset Location)	VIN/Serial
1	22718	Hot Point Refrigerator	Breakroom	
2	27677	Boston Shredder	Martin Carrasco's Office	
3	62793	HP OfficeJet Pro X476	Monica Hinojosa's Office	
4	62794	HP Printer VCVRA- 1212	Belinda A. Office	3405-11-1130
5	64992	Microsoft Surface Pro Tablet	Mario's Office	41891551653
6	64993	Microsoft Surface Pro Tablet	Monica Hinojosa's Office	
7	64994	Microsoft Surface Pro Tablet	Belinda A. Office	41808751653
8	64995	Microsoft Surface Pro Tablet	Chief Saldana's Office	30555351353
9	70612	Dell Precision Tower 7810	Mario's Office	4SSLNDZ

Exhibit L

	Tag Number	Tag Description	Room No. Description (Asset Location)	VIN/Serial
1	50552	Credenza(Brown)	Morgue	
2	54871	New Communications Solution Gateway	Morgue	L12K11531

Exhibit M

	Description	Room No. Description (Asset Location)	VIN/Serial
1	Marble Table(Green)	County Judge's Breakroom	
2	Motorola MTS 2000	Chief Saldana's Office	466CDE0554Z
3	Motorola MTS 2000	Chief Saldana's Office	466CDE0556Z
4	Microsoft Surface Pro Tablet	Nestor Lopez Office	
5	Motorola XLT 5000	Morgue	585CGT3356
6	Motorola XLT 5000	Morgue	585CGT3354
7	Motorola XLT 5000	Morgue	585CGT3353
8	Scott Air Pack Tank	Delta Building	23L223901340

COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

December 18, 2018

The Honorable Jaime E. Tijerina
93rd State District Court
100 N. Closner
Edinburg, Texas 78539

Re: 93rd District Court Asset Inventory Listing Audit No. 2018-89

Dear Judge Tijerina:

It is the practice of the County Auditor's Office to conduct an asset inventory audit when a change in administration occurs; therefore, we conducted an audit of the 93rd 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 93rd 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 December 3, 2018, the 93rd District Court asset inventory listing consisted of 42 assets with a total acquisition cost of \$39,844.02.

SCOPE AND METHODOLOGY:

The scope of our audit was limited to the asset inventory listing as of December 3, 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, 379TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

ISRAEL RAMON, JR.
JUDGE, 438TH 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 conducting our audit, the following procedures were performed:

- Selected all 42 assets on the asset inventory listing for physical identification to determine whether the assets were properly tagged; and
- Compared assets located at the 93rd 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 93rd District Court's inventory listing per *alio* was generally accurate and complete. More specifically, the following was noted:

- 38 (90%) assets were physically located and were properly tagged. Of the 38 assets:
 - 2 assets (chairs asset tag numbers 37893 and 37894) were located at County Court at Law No. 6. The assets were removed from the 93rd District Court's inventory listing and added to the County Court at Law No. 6 inventory listing during our review.
- 4 (10%) were not physically located. Of the 4 assets:
 - 1 (chair - asset tag number 57293) was transferred to the Indigent Defense Office. A copy of the "Asset Transfer Form" was provided and the asset was added to the Indigent Defense inventory listing during our review.
 - 3 assets (sofa-asset tag number 37973, Shore-Tel communication system-asset tag number 43014, Dell OptiPlex-asset tag number 54977) were not physically located. The location of these assets was not provided by the 93rd District Court.

In addition, we physically located 6 assets that were not included on the 93rd District Court's asset inventory listing. Of the 6 assets:

- 1 asset (Dell Optiplex- asset tag number 50311) was added to the 93rd District Court inventory listing during our review. A copy of the "Asset Transfer Form" was provided.
- 2 assets (rolling rack- asset tag number 44064 and security camera- asset tag number 69456) were added to the 93rd District Court inventory listing in *alio* during our review. According to the Purchasing Department, the assets were not on the 93rd District Court inventory listing since the confirmation form (form used to acknowledge the receipt of the asset) had not been sent to the Purchasing Department.
- 3 assets (chair- asset tag number 00004, hat rack- asset tag number 10496, and filing cabinet- asset tag number 19841) according to the Purchasing Department, contained an asset record in *Carter Pertaine* (County's Legacy System). The assets were added to the 93rd District Court inventory listing in *alio* during our review.

RECOMMENDATION:

Management should coordinate with the Purchasing Department to locate the 3 missing assets identified in the audit. If asset tag numbers 37973, 43014, and 54977 cannot be located, an incident report should be obtained and presented to Commissioners Court for approval to remove the assets from the asset inventory listing.

Please ensure that corrective action is finalized and an updated asset inventory listing is submitted to the County Auditor's Office by Friday, December 28, 2018. Your prompt response is greatly appreciated.

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.

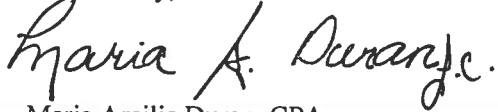
ISRAEL RAMON, JR.
JUDGE, 430th D.C.

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

The Honorable Jaime E. Tijerina
December 18, 2018
Page 3 of 3

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. TIJERINA
JUDGE, 93RD D.C.

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JUDGE, 139TH D.C.

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COUNTY of HIDALGO

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EDINBURG, TEXAS 78539

December 13, 2018

The Honorable Judge Homero Garza
100 N. Closner, 2nd Floor
Edinburg, Texas 78539

Re: Probate Court Asset Inventory Listing Audit No. 2018-90

Dear Judge Garza:

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 Probate 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 Probate Court.

BACKGROUND:

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

As of December 5, 2018, the Probate Court asset inventory listing consisted of 51 assets with a total acquisition cost of \$28,642.58.

SCOPE AND METHODOLOGY:

The scope of our audit was limited to the asset inventory listing as of December 5, 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, 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, 385th 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 conducting our audit, the following procedures were performed:

- Selected all 51 assets on the asset inventory listing for physical identification to determine whether the assets were properly tagged; and
- Compared assets located at the Probate 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 concluded that the Probate Court's inventory listing per *alio* was generally accurate and complete. More specifically, the following was noted

All 51 (100%) assets were physically located and contained an asset tag. In addition, we physically located 9 assets that were on the asset inventory listing of other County Departments, as follows:

- 3 assets (end table-asset tag number 10329, Bretford tray-asset tag number 23399, and a filing cabinet-asset tag number 30843) were listed on location 7777 (Purchasing Department's list of minor assets) inventory listing. The assets were added to the Probate Court's inventory listing during our review.
- 4 assets (desk-asset tag number 10322 and 3 Quadra fans- asset tag numbers 42384, 42385, and 42387) were listed on location 7777 inventory listing. A copy of the "Asset Transfer Form" declaring the assets surplus was provided to the County Auditor's Office.
- 2 assets (Dell Optiplex-asset tag number 60350 and HP Laser jet Pro-asset tag number 62342) were listed on the Information Technology asset inventory listing. A copy of the "Asset Transfer Form" was provided to the County Auditor's Office.

RECOMMENDATION:

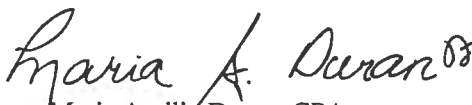
Management should coordinate with the Purchasing Department to take corrective action to address the deficiencies identified in the audit and ensure the asset inventory listing is updated, as follows:

1. Purchasing Department should remove asset tag numbers 10322, 42384, 42385, and 42387, declared surplus, from the Probate Court's inventory listing.
2. Purchasing Department should transfer asset tag numbers 60350 and 62342 from the Information Technology asset inventory listing to the Probate Court's asset inventory listing.

Please ensure that corrective action is finalized and an updated asset inventory listing is submitted to the County Auditor's Office by Thursday, December 20, 2018. Your prompt response is greatly appreciated.

If you have any questions, please contact Rocio Quiroga, Internal Auditor, 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: Valde Guerra, County Executive Officer
Martha Salazar, Hidalgo County Purchasing Agent

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.

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JUDGE, 430TH D.C.

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

COUNTY of HIDALGO

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Hidalgo County Administration Building
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WEBSITE: www.co.hidalgo.tx.us/auditor



EDINBURG, TEXAS 78539

December 14, 2018

The Honorable Marcos Ochoa
Hidalgo County Justice of the Peace Precinct 3 Place 2
730 Breyfogle Rd, Suite A
Mission, Texas 78572

Re: JP Precinct 3 Place 2 Asset Inventory Listing Audit No. 2018-91

Dear Judge Ochoa:

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

BACKGROUND:

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

- Verifying the receipt of all assets purchased and/or assigned to the Justice of the Peace;
- 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 Justice of the Peace are also inherently responsible for protecting County property entrusted to them. This includes the proper care, maintenance, control, and reasonable safeguards to prevent loss, damage, or theft of such assets.

As of December 10, 2018, the JP Precinct 3 Place 2 Office asset inventory listing consisted of 30 assets with a total acquisition cost of \$24,277.57.

SCOPE AND METHODOLOGY:

The scope of our audit was limited to the asset inventory listing as of December 10, 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

LIAS M. SINGLETERRY
JUDGE, 62ND D.C.

JAMIE E. TIJERINA
JUDGE, 63RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

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

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

NOE GONZALEZ
JUDGE, 376TH D.C.
OVERSEER

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JUDGE, 388TH D.C.

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

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

RENEE R. DETANCOURT
JUDGE, 448TH 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 conducting our audit, the following procedures were performed:

- Selected all 30 assets on the asset inventory listing for physical identification to determine whether the assets were properly tagged; and
- Compared assets located at the JP Precinct 3 Place 2 premises to the asset inventory listing to determine whether the asset inventory listing was complete.

CONCLUSION:

Based on the results of our review, we concluded that the JP Precinct 3 Place 2 inventory listing per *alio* was generally accurate and complete. More specifically, the following was noted:

- 27 assets were physically located. Of the 27 assets:
 - 25 contained an asset tag.
 - 2 assets (Samsung television-asset tag number 50824, and Samsung television-asset tag number 50825) were traced to the asset inventory listing using the serial number. Assets were mounted to the wall, and the asset tag was not visible.
- 3 assets (Dell Optiplex computers asset tag numbers 44290, 46199, and 54863) were not physically located. According to staff, the computers were replaced with new computers by the Information Technology Department; however, a copy of the "Asset Transfer Form" was not maintained on file.

In addition, we physically located a Topaz Signature Pad-asset tag number 42576 that was on the asset inventory listing of the Indigent Defense Office. A copy of the "Asset Transfer Form" was not provided.

RECOMMENDATION:

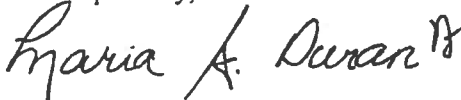
Management should coordinate with the Purchasing Department to take corrective action to address the deficiencies identified in the audit and ensure the asset inventory listing is updated, as follows:

1. An asset transfer form should be prepared to transfer the assets (44290, 46199, and 54863) to the Information Technology asset inventory listing if in fact the assets are in their possession. If the assets cannot be located, an incident report should be obtained and presented to Commissioners Court for approval to remove the assets from the asset inventory listing.
2. An asset transfer form should be prepared to transfer asset tag number 42576 to the JP Precinct 3 Place 2 asset inventory listing.

Please contact the Purchasing Department for assistance. Corrective action should be finalized and an updated asset inventory listing must be submitted to the County Auditor's Office by Friday, December 28, 2018. Your prompt response is greatly appreciated.

If you have any questions, please contact Michael Ramos, Internal Auditor, at 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

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

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SMOLETERNY
JUDGE, 17th D.C.

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

J. R. "BOBBY" FLORES
JUDGE, 15th D.C.

ROSE GUERRA REYNA
JUDGE, 20th D.C.

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

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

NOE GONZALEZ
JUDGE, 37th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38th D.C.

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

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

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

COUNTY HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE
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Edinburg, Texas 78539-6243
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WEBSITE: www.co.hidalgo.tx.us/auditor



EDINBURG, TEXAS 78539

January 16, 2019

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

Re: November 2018 DTA Payment Request Report No. 2019-12

Dear Mr. Villarreal:

We completed a limited scope review of the November 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 November 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 November 2018."
- Reviewed the "Hidalgo County Tax Office Prior Collection Report" to determine if the DTA fees were collected at the 15% rate specified in the contract.
- Reviewed the "Hidalgo County Tax Office Prior Collection Report" to determine if the total amount of DTA fees collected 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 November 2018."
- Although DTA fees for 157 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 (153 tax

HIDALGO COUNTY DISTRICT JUDGES

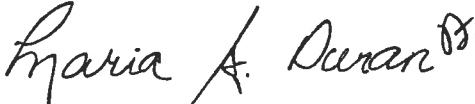
LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	FERNANDO MANCIAS JUDGE, 93 RD D.C.	J. R. "BOBBY" FLORES JUDGE, 139 TH D.C.	ROSE GUERRA REYNA JUDGE, 206 TH D.C.	MARLA CUELLAR JUDGE, 275 TH D.C.	MARIO E. RAMIREZ, JR. JUDGE, 332 ND D.C.	NOE GONZALEZ JUDGE, 370 TH D.C. OVERSEER	LETICIA LOPEZ JUDGE, 389 TH D.C.	L. KENO VASQUEZ JUDGE, 398 TH D.C.	ISRAEL RAMON, JR. JUDGE, 430 TH D.C.	RENEE R. BETANCOURT JUDGE, 449 TH D.C.
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accounts), and small amounts collected (4 tax accounts) (see Exhibit A). The small amounts collected on the tax accounts resulted in a net overage of \$0.01.

We will proceed to process the November 2018 DTA payment request in the amount of \$113,066.43 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

Enclosure: Exhibit A

cc: Ms. Lucy Canales, Linebarger Goggan Blair & Sampson, LLP

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 82 ND D.C.	FERNANDO MANCIAS JUDGE, 93 RD D.C.	J. R. "BOBBY" FLORES JUDGE, 139 TH D.C.	ROSE GUERRA REYNA JUDGE, 206 TH D.C.	MARLA CUELLAR 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.
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Exhibit A

	Tax Unit	Year	Account No.	Levy Paid	Penalty/Interest Paid	Subtotal Paid	Attorney Paid
1	1	2017	W363002001004700	0.46	0.11	0.57	0.08
2	1	2016	W736010000034900	50.65	13.09	63.74	9.04
3	1	2016	W731000000009000	42.02	10.89	52.91	7.44
4	1	2016	W185000000000304	32.79	8.49	41.28	5.81
5	1	2016	M355000130001600	23.44	6.39	29.83	4.29
6	1	2016	A173002000007100	18.16	4.95	23.11	3.32
7	1	2016	M035000003001500	11.95	3.37	15.32	2.22
8	1	2016	S408000000001400	10.88	2.99	13.87	2.01
9	1	2015	S4770000000040300	110.96	38.01	148.97	19.81
10	1	2015	A174302000004500	70.65	24.44	95.09	12.72
11	1	2015	N340000000212006	59.68	22.02	81.7	11.36
12	1	2015	E650000006001000	34.21	13.2	47.41	6.78
13	1	2015	L212101000000300	18.93	7.44	26.37	3.81
14	1	2014	B152000000001500	274.69	116.97	391.66	49.44
15	1	2014	N340000000224405	53.02	26.64	79.66	11.37
16	1	2014	L220001001002000	35.44	15.68	51.12	6.65
17	1	2014	L220001001002000	21.68	9.59	31.27	4.07
18	1	2014	L220001001002000	13.76	6.09	19.85	2.58
19	1	2014	S359302000005300	9.63	4.24	13.87	1.79
20	1	2014	C025000001001200	0.53	0.3	0.83	0.13
21	1	2014	S359302000005300	-3.63	-1.46	-5.09	-0.67
22	1	2014	L220001001002000	-35.44	-15.68	-51.12	-6.65
23	1	2013	T210000239001530	33.52	18.97	52.49	6.94
24	1	2013	N340000000224405	21.83	11.84	33.67	4.81
25	1	2013	N340000000224405	21.88	11.43	33.31	4.76
26	1	2013	L220001001002000	14.6	8.21	22.81	3
27	1	2013	L220001001002000	14.6	8.21	22.81	3
28	1	2013	C465000000000500	16.37	8.18	24.55	2.9
29	1	2013	P320002006001200	3.52	1.8	5.32	0.64
30	1	2013	A210000048001001	3.3	1.74	5.04	0.62
31	1	2013	W380000255000005	0.48	0.35	0.83	0.13
32	1	2013	L220001001002000	-14.6	-8.21	-22.81	-3
33	1	2012	N340000000224405	37.01	27.49	64.5	9.27
34	1	2012	T260000000000402	33.21	19.23	52.44	5.88
35	1	2012	G840000000000100	22.46	13.83	36.29	4.34
36	1	2012	C112200000000400	11.88	7.34	19.22	2.31
37	1	2012	A210000048001001	2.45	1.58	4.03	0.51
38	1	2011	N340000000303513	58.94	42.39	101.33	12.02
39	1	2011	G4000000000002000	11.71	8.26	19.97	2.32
40	1	2011	N340000000303513	2.44	1.75	4.19	0.5
41	1	2010	W380000304000023	216.19	161.23	377.42	38.92
42	1	2010	M593000000002700	100.81	76.54	177.35	18.75
43	1	2010	D175000000001000	40.38	39.54	79.92	11.51

44	1	2010	N340000000303513	50.31	42.22	92.53	11.17
45	1	2010	D175000000001000	38.53	37.72	76.25	10.98
46	1	2010	T475002000001700	38.23	33.74	71.97	9.23
47	1	2010	L5050000000016600	27.99	23.58	51.57	6.26
48	1	2010	N760000004001200	16.39	13.75	30.14	3.64
49	1	2010	B190040000004900	14.09	10.89	24.98	2.71
50	1	2010	H520003000004800	9.48	7.05	16.53	1.7
51	1	2010	B505197000016500	2.52	2.2	4.72	0.6
52	1	2010	M555097000002003	1.93	1.63	3.56	0.43
53	1	2010	W380000304000023	-216.19	-161.23	-377.42	-38.92
54	1	2009	L502500000005520	84.76	77.35	162.11	18.57
55	1	2009	N861301000009900	16.58	16.39	32.97	4.2
56	1	2009	E583002000000100	15.59	15.59	31.18	4.03
57	1	2009	W310000001001200	17.33	14.37	31.7	3.15
58	1	2008	W010000055000206	89.62	95.51	185.13	22.59
59	1	2008	A180000036000406	73.48	80.29	153.77	19.4
60	1	2008	N580000004001500	5.83	5.82	11.65	1.29
61	1	2008	H185000175001200	3.56	4.25	7.81	1.1
62	1	2007	V382000000006900	41.32	49.68	91	11.47
63	1	2007	G450000000000900	47.04	47.15	94.19	8.82
64	1	2007	B310000000005202	21.41	28.6	50.01	7.22
65	1	2007	N120003000001025	17.21	19.39	36.6	4.18
66	1	2007	L6725000000014000	14.04	17.02	31.06	3.96
67	1	2007	A555000000000300	11.77	13.71	25.48	3.07
68	1	2007	B156007000004400	11.24	11.61	22.85	2.26
69	1	2007	S735000004000600	4.04	4.42	8.46	0.93
70	1	2006	S52500144A000900	62.28	69.49	131.77	12.61
71	1	2006	R065000003000100	21.63	28.12	49.75	6.17
72	1	2006	M520000121000910	20.03	23.82	43.85	4.72
73	1	2006	N120003000001025	5.39	6.72	12.11	1.41
74	1	2005	C733000003000900	94.41	139.35	233.76	31.01
75	1	2005	V300000002001800	85.91	119.06	204.97	24.74
76	1	2005	B190018000002800	76.06	90.94	167	15.4
77	1	2005	D600901000000100	26.96	37	63.96	7.6
78	1	2005	S477000000040600	24.27	34.7	58.97	7.47
79	1	2005	S395000002000401	23.02	27.53	50.55	4.66
80	1	2005	L187000002001500	11.63	13.9	25.53	2.36
81	1	2005	M160000000000702	0.19	0.31	0.5	0.07
82	1	2004	B503001000003500	89.96	110.8	200.76	16.6
83	1	2004	H345003000002000	39.74	65.27	105.01	14.6
84	1	2004	B190018000002800	38.75	50.99	89.74	8.54
85	1	2004	H365003000001100	23.39	33.21	56.6	6.25
86	1	2004	T210000250001521	24.81	31.66	56.47	5.03
87	1	2004	M015000062000401	12.53	20.25	32.78	4.46
88	1	2004	M015000062000401	12.53	20.25	32.78	4.46
89	1	2004	S110000002002400	13.51	20.47	33.98	4.19
90	1	2004	W380000238000005	11.36	18.3	29.66	4.02

91	1	2004	E330000123000100	12.79	17.33	30.12	3.05
92	1	2004	S395000002000401	6.61	8.7	15.31	1.46
93	1	2004	V300000002001800	0.12	0.18	0.3	0.04
94	1	2004	M015000062000401	-12.53	-20.25	-32.78	-4.46
95	1	2003	B503001000003500	87.39	118.12	205.51	17.7
96	1	2003	M515000000004700	35.73	54.17	89.9	9.81
97	1	2003	E405002013002000	28.56	38.74	67.3	5.79
98	1	2003	H345003000002000	14.46	25.48	39.94	5.57
99	1	2003	L595002002002100	16.05	21.77	37.82	3.25
100	1	2003	H265000010000500	15.96	20.98	36.94	2.94
101	1	2003	W230000052000300	8.08	13.61	21.69	2.83
102	1	2003	B496504000032900	6.98	12.1	19.08	2.6
103	1	2003	V382000000000100	12.37	16.78	29.15	2.5
104	1	2003	S244002000003500	2.73	3.7	6.43	0.55
105	1	2003	S244002000003500	2.73	3.7	6.43	0.55
106	1	2003	L595002002002100	-16.05	-21.77	-37.82	-3.25
107	1	2002	G212000000000700	90.97	144.88	235.85	24.84
108	1	2002	B503001000003500	87.39	128.6	215.99	19.27
109	1	2002	S477000000009500	35.22	50.57	85.79	7.13
110	1	2002	P200000011000400	18.47	30.91	49.38	5.71
111	1	2002	W010000044001052	7.48	11.05	18.53	1.65
112	1	2002	C690000001000700	2.63	4.08	6.71	0.67
113	1	2001	P200000011000400	94.04	168.57	262.61	30.75
114	1	2001	B503001000003500	76.95	122.48	199.43	18.35
115	1	2001	W380000650000005	56.95	90.88	147.83	13.58
116	1	2001	V3820000000014100	45.29	72.28	117.57	10.8
117	1	2001	G212000000000700	27.86	47.71	75.57	8.11
118	1	2001	R026300000001100	15.54	28.91	44.45	5.55
119	1	2001	B240002005000B00	5.44	9.11	14.55	1.49
120	1	2001	T706000000000200	4.65	7.17	11.82	0.99
121	1	2000	W380000650000005	55.07	94.49	149.56	14.13
122	1	2000	C070000102000315	16.84	26.86	43.7	3.41
123	1	2000	G040000006000100	4.79	9.75	14.54	1.92
124	1	2000	M687000000002600	2.34	4.13	6.47	0.65
125	1	1999	B225000000002000	28	46.93	74.93	5.67
126	1	1999	H419500000006600	6.65	12.21	18.86	1.82
127	1	1998	B225000000002000	21.41	38.44	59.85	4.72
128	1	1998	S165000000001600	7.38	13.79	21.17	1.86
129	1	1998	O330000024001500	3.84	8.13	11.97	1.41
130	1	1997	B010000003000300	15.3	33.1	48.4	5.35
131	1	1997	M490000000009302	12.29	28.13	40.42	5
132	1	1997	E140000001000600	10.06	22.1	32.16	3.67
133	1	1997	A036004000007900	8.56	17.45	26.01	2.51
134	1	1997	L590000005000500	1.93	3.71	5.64	0.47
135	1	1996	L590000005000500	26.63	54.57	81.2	6.99
136	1	1996	M368000000004100	5.42	14.14	19.56	2.79
137	1	1996	Y250000000002500	4.37	9.14	13.51	1.22

138	1	1995	B158003004001400	21.28	54.87	76.15	9.89
139	1	1995	E810000007000800	10.5	25.15	35.65	4.01
140	1	1994	W010000030000728	3.44	9.53	12.97	1.77
141	1	1994	W010000030000728	3.44	9.53	12.97	1.77
142	12	1997	M490000000009302	0.59	1.35	1.94	0.24
143	12	1997	A036004000007900	0.41	0.84	1.25	0.12
144	1	2007	L473500004000100	67.78	90.32	158.1	22.77
145	1	2000	W010000023000416	18.7	39.24	57.94	8.02
146	1	2011	L670000004001800	4.97	4.16	9.13	1.28
147	1	2009	H284000000013400	2.1	1.79	3.89	0.43
148	1	2009	H284000000013400	2.01	1.73	3.74	0.41
149	1	2009	H284000000013400	1.96	1.68	3.64	0.4
150	1	2009	H284000000013400	1.39	1.18	2.57	0.28
151	1	2009	H284000000013400	1.21	1.07	2.28	0.25
152	1	2009	H284000000013400	0.51	0.44	0.95	0.11
153	1	2009	H284000000013400	-1.54	-1.32	-2.86	-0.32
154	1	2009	H284000000013400	-5.89	-5.03	-10.92	-1.21
155	1	2009	H284000000013400	-6.49	-5.57	-12.06	-1.33
156	1	2009	H284000000013400	-6.74	-5.81	-12.55	-1.38
157	1	2004	E540000045000300	3.78	6.09	9.87	1.34

COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

January 8, 2019

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

Ref: Cash Count Report No. 2018-85

Dear Commissioner Cantu:

We conducted a surprise cash count of the cash held at the Alamo CRC Sanitation Office on December 5, 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:

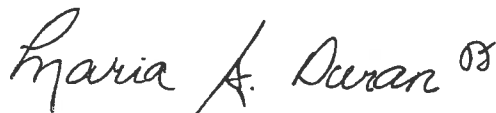
The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

Conclusion:

Total cash on hand at the time of the cash count was \$375.00. Based on the results of our review, we determined 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 \$200.00.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count, please contact Michael Ramos, Internal Auditor I, at 318-2511 ext. 4644, 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: Mr. Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
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.

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EDINBURG, TEXAS 78539

December 12, 2018

The Honorable J.E. "Eddie" Guerra, Sheriff
Hidalgo County Sheriff's Office
711 El Cibolo Rd.
Edinburg, Texas 78541

Re: Cash Count Report No. 2018-87

Dear Sheriff Guerra:

We conducted a surprise cash count of the cash held at the Sheriff's Office for the Inmate Trust account on October 23, 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.

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 21, 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 \$8,936.44. Based on the results of our review, we concluded that total cash on hand reconciled to total receipts issued for the day up to the time of the cash count. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following 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:

The "Cash Handling Guidelines and Procedures" acknowledgement receipts were not maintained on file for all employees responsible for handling cash. According to staff, jail staff is trained on receipting inmate collections; however, jail staff is not required to read and sign the "Cash Handling Guidelines and Procedures."

The County Auditor's Office requires that departments train all employees responsible for handling cash regarding proper cash handling procedures. The employees handling cash must read the "Cash Handling Guidelines and Procedures" and sign a receipt acknowledging their understanding of these guidelines and procedures. The acknowledgment receipt should be kept on file by the department.

Failure to ensure that employees responsible for handling cash are required to read and sign a receipt acknowledging their understanding of the guidelines and procedures increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure all employees responsible for handling cash read the "Cash Handling Guidelines and Procedures" and sign a receipt acknowledging their understanding of the guidelines and procedures. The acknowledgment receipt should be maintained on file for all employees responsible for handling cash.

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.

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JUDGE, 376TH D.C.
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JUDGE, 430TH D.C.

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

Please provide a written management response to the observation noted above by December 21, 2018.

If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Reynaldo Cantu III, 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
Roy Quintanilha, Chief, Adult Detention Division

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
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COUNTY of HIDALGO

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EDINBURG, TEXAS 78539

December 12, 2018

The Honorable Jason Peña
Hidalgo County Justice of the Peace Pct. 5, Pl. 1
P.O. Box 238
Elsa, Texas 78543

Re: Cash Count Report No. 2018-570

Dear Judge Peña:

We conducted a surprise cash count of the cash held at your office on October 15, 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 up to the time of the cash count.

Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, segregation of duties, filing of citations and civil cases, and documenting the authorization of dismissed cases. In addition, we evaluated the procedures in place related to the 1.) collections process; 2.) accounting of citations and civil cases filed with the court; and 3.) documenting the authorization of dismissed criminal cases for the period of August 1, 2018 through August 31, 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:

Total collections at the time of the cash count were \$291.20. Based on the results of our review, we have concluded that total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count. 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 segregation of duties over the handling of collections requires improvement. The Court Coordinator performs the following incompatible duties:

- Custody: Receives money, issues receipts, balances copies of receipts against cash drawer, and maintains a cash drawer
- Recording: Has access to dismiss cases in *Odyssey*, prepares reports of cash received, accounts for numerical sequence of receipts, follows up on delinquencies, and prepares the monthly report
- Authorization: Verifies that voided original receipts are kept and reviewed

In addition, the Assistant Court Coordinators and Clerks perform the following incompatible duties:

- Custody: Receive money, issue receipts, balance copies of receipts against cash drawer, prepare bank deposits, and maintain a cash drawer
- Recording: Account for the numerical sequence of receipts, follow up on delinquencies, and prepare reports of cash received

According to the Court Coordinator, all staff has been cross trained to perform court duties.

Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for receiving money, issuing receipts, balancing copies of receipts against the cash drawer, maintaining a cash drawer, and preparing bank deposits should be different from the individual responsible for dismissing cases in *Odyssey*, preparing reports of cash received, accounting for numerical sequence of receipts, following up on delinquencies, preparing the monthly report, and preparing reports of cash received. In addition, the individuals previously noted should not be responsible for verifying that voided original receipts are kept and reviewed.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to ensure that incompatible duties are adequately segregated or that compensating controls are implemented increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that incompatible duties are adequately segregated such as those noted above. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

Observation No. 2:

Passwords to gain access to *Hamer*, the County's credit card system, are not changed at least every 90 days. According to court coordinator, *Hamer* has never prompted them to change passwords.

The Information Technology (IT) Securities Policy requires that passwords be changed at least every 90 days.

Failure to change passwords may increase the risk of unauthorized access to *Hamer*.

Recommendation:

Management should contact the Information Technology Department to request their assistance regarding this recommendation. If this is not feasible, management should monitor that employees change their passwords at least every 90 days.

Observation No. 3:

We randomly selected 8 of 16 (50%) dismissed criminal cases for the month ended August 31, 2018 to determine if authorization for dismissal of the cases was properly documented. The results of the review revealed the following:

1. 2 cases were not properly documented. The cases did not have the reason for the dismissal noted in *Odyssey*.
2. 6 cases contained the proper documentation authorizing dismissal of the cases and the reason for the dismissal were noted in *Odyssey*.

Pursuant to the Justices of the Peace Manual, Justices of the Peace may dismiss cases in criminal proceedings only when specifically authorized to do so by statute or when directed to do so by the prosecution (i.e. district attorney) in accordance with Code of Criminal Procedure Art. 32.02. All dismissals should be noted in the applicable docket book along with the reason(s) for dismissal.

A properly authorized dismissed criminal case should include in the case files and/or the docket book the following:

- “Motion to Dismiss” submitted by the District Attorney’s Office, an “Order to Dismiss” signed by the Justice of the Peace, and reason(s) for the dismissal noted in the applicable docket; or
- “Order to Dismiss” and/or judgment signed by the Justice of the Peace, copies of documents as proof of dismissal based on the judge’s discretion in accordance with state statutes (i.e. copies of a commercial vehicle service logs, motor vehicle registration, valid driver’s license, etc.), and reason(s) for the dismissal noted in the applicable docket.

Failure to properly document dismissals may result in sanctions from the State Commission on Judicial Conduct and/or loss or misuse of County funds.

Recommendation:

Management should ensure that dismissals are properly documented. At a minimum, the procedures noted above should be implemented.

Observation No. 4:

We noted that a policy is not in place that prohibits cashiers from receipting payments from relatives or personal friends. In addition, cashiers are not required to inform their supervisor if they will be receipting payments from their co-workers. According to the Court Coordinator, the policies will be discussed with Justice of the Peace.

Failure to implement a policy that prohibits cashiers from receipting payments from relatives or personal friends or requiring cashiers to inform their supervisor if they will be receipting payments from their co-workers may increase the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that a policy is implemented to prohibit cashiers from receipting payments from relatives or personal friends and to require cashiers to inform their supervisor if they will be receipting payments from their co-workers

Please provide written management responses to the observations noted above by December 21, 2018 using the attached management response forms.

In addition, management should develop and implement procedures for the handling of cash and cash equivalent transactions. These procedures should include, at a minimum, the following:

- a. Location of cash collection points;
- b. Types of collections made by each cash collection point;
- c. A list of those positions involved with the handling of cash, a description of their duties, and description of how segregation of duties will be maintained;
- d. A complete start to finish description of the following:
 1. Process for accounting and safeguarding of the change fund, if any;
 2. Process for safeguarding cash until it is deposited;

3. Process for accounting and safeguarding mail-in payments;
 4. Process for reconciling collections, including frequency of reconciliation;
 5. Bookkeeping system used, and how it is maintained; and
 6. Computer hardware and software used;
- e. List of the reports prepared/generated for the collection and the reporting of funds, including procedures for preparing the reports, who the reports should be submitted to, and when the reports are due;
- f. A schedule of how often deposits will be made; and
- g. Copies of any related forms/reports.

Please provide a copy of the written procedures by December 21, 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 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
County Auditor

Enclosures: Management Response Forms

cc: Valde Guerra, County Executive Officer



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 contact the Information Technology Department to request their assistance regarding this recommendation. If this is not feasible, management should monitor that employees change their passwords at least every 90 days.

Signature: _____ **Date:** _____



Management should ensure that dismissals are properly documented. 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 a policy is implemented to prohibit cashiers from receipting payments from relatives or personal friends and to require cashiers to inform their supervisor if they will be receipting payments from their co-workers

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

December 12, 2018

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

Re: Cash Count Report No. 2018-538

Dear Mr. Olivarez:

We conducted a surprise cash count of the cash held at the Mission Health Clinic on October 23, 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 November 13, 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 \$185.00. Based on the results of our review, we concluded that total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$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:

We noted that security cameras were not utilized where cash is receipted and safeguarded. According to management, security cameras have not been installed due to budgetary constraints.

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

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, 32nd D.C.

NOE GONZALEZ
JUDGE, 37th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38th D.C.

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

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

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

are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency. Furthermore, a notice stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored.

Failure to ensure that security cameras are utilized where cash is received and safeguarded increases the loss or misuse of County funds.

Recommendation:

Management should contact the Department of Budget and Management to request their assistance in obtaining funding for the purchase of security cameras.

Observation No. 2:

We noted that segregation of duties over the handling of cash requires improvement. The Clerk Manager and two Clerks perform the following incompatible duties:

- Custody: Receive money, issue receipts, balance copies of receipts against the cash drawer, maintain a cash drawer, prepare bank deposits, and have access to the inventory of unused receipts
- Recording: Account for the numerical sequence of receipts and prepare reports of cash received

According to staff, proper segregation of duties has not been implemented due to limited staff.

The responsibility for sound internal controls rests with management. Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for receiving money, issuing receipts, balancing copies of receipts against the cash drawer, maintaining a cash drawer, preparing bank deposits, and having access to the inventory of unused receipts should be different from the individual responsible for accounting for the numerical sequence of receipts and preparing reports of cash received.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with limited numbers of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to ensure that incompatible duties are adequately segregated or that compensating controls are implemented increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that incompatible duties are adequately segregated, such as those noted above. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

Please provide a written management response to the observations noted above by December 21, 2018 using the attached Management Response Forms.

HIDALGO COUNTY DISTRICT JUDGES

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

JAMIE E. TUERINA
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, 396TH D.C.

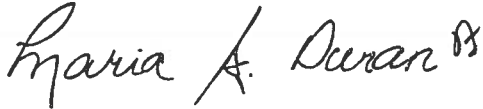
ISRAEL RAMON, JR.
JUDGE, 436TH D.C.

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

Mr. Eduardo Olivarez
December 12, 2018
Page 3 of 3

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 Edgar Alan Escobedo, Internal Auditor I, at (956) 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: 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, 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, 449TH D.C.



Management should contact the Department of Budget and Management to request their assistance in obtaining funding for the purchase of security cameras.

_____ **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 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:** _____

COUNTY OF HIDALGO

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



EDINBURG, TEXAS 78539

December 12, 2018

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

Re: Cash Count Audit No. 2018-571

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the Pharr Tax Office on October 23, 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 17, 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 \$33,375.57. Based on the results of our review, we concluded that total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$300.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following 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 checks received for payment were made payable to either Hidalgo County Tax Assessor Pablo "Paul" Villarreal Jr.; Pablo (Paul) Villarreal Jr. Assessor & Collector; or Pablo (Paul) Villarreal Jr. PCC. In addition, signs were posted for the public's view instructing them to make checks payable to "Pablo (Paul) Villarreal Jr. Tax Assessor & Collector". Furthermore, tax statements sent out to tax payers instruct payers to make checks payable to "Pablo (Paul) Villarreal Jr., PCC." According to staff, they believe the checks can be made payable to the name of the Tax Assessor since he is bonded.

On March 7, 2016, the County Auditor issued a letter to the Tax Assessor requiring cashiers to verify that checks are made payable to the Elected or Public Official's title (i.e. Hidalgo County Tax Assessor/Collector) prior to accepting a check as payment.

Failure to ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector) increases the risk of loss or misuse of County funds.

HIDALGO COUNTY DISTRICT JUDGES

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

JAIME E. THERINA
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.

HOE 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.

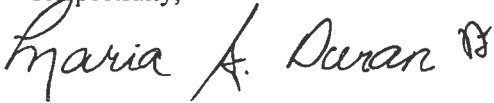
Recommendation:

Management should ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector).

Please provide a written management response to the observation noted above by December 21, 2018 using the attached Management Response Form.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Abigail Guajardo, MSA, Internal Auditor II, at (956) 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

Enclosure: Management Response Form

cc: Valde Guerra, County Executive Officer
Eva Mireles, Chief of Operations
Kristi Torres, Substation Supervisor

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE 1ST DISTRICT

JAMIE E. TIJERINA
JUDGE 2ND DISTRICT

J. R. "BOBBY" FLORES
JUDGE 3RD DISTRICT

ROSE GUERRA REYNA
JUDGE 4TH DISTRICT

JUAN R. PARTIDA
JUDGE 5TH DISTRICT

MARIO E. RAMIREZ, JR.
JUDGE 6TH DISTRICT

NOE GONZALEZ
JUDGE 7TH DISTRICT

LETICIA LOPEZ
JUDGE 8TH DISTRICT

L. KENO VASQUEZ
JUDGE 9TH DISTRICT

ISRAEL RAMON, JR.
JUDGE 10TH DISTRICT

RENEE R. BETANCOURT
JUDGE 11TH DISTRICT



Management should ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector).

_____ **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

January 10, 2019

The Honorable Lita Leo
Hidalgo County Treasurer
2810 South Business Highway 281
Edinburg, TX 78539-6243

Re: Cash Count Report No. 2018-88

Dear Ms. Leo:

We conducted a surprise cash count of the cash held at the County Treasurer's Office on December 11, 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 September 20, 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 \$811,195.66. 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.

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.	FERNANDO MANCIAS JUDGE, 93 RD D.C.	J. R. "BOBBY" FLORES JUDGE, 139 TH D.C.	ROSE GUERRA REYNA JUDGE, 206 TH D.C.	MARLA CUELLAR JUDGE, 275 TH D.C.	MARIO E. RAMIREZ, JR. JUDGE, 332 ND D.C.	NOE GONZALEZ JUDGE, 370 TH D.C. OVERSEER	LETICIA LOPEZ JUDGE, 389 TH D.C.	L. KENO VASQUEZ JUDGE, 394 TH D.C.	ISRAEL RAMON, JR. JUDGE, 430 TH D.C.	RENEE R. BETANCOURT JUDGE, 449 TH D.C.
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Observation No. 2:

We noted that segregation of duties over the handling of collections requires improvement. The Accountant II performs the following incompatible duties:

- o Custody: Opens and lists mail, balances copies of receipts against the cash drawer, and prepares bank deposits
- o Recording: Accounts for numerical sequence of receipts and prepares reports of cash received
- o Authorization: Compares listed mail receipts to recorded cash receipts

According to the Chief Deputy, 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, and preparing reports of cash received. In addition, the individuals previously noted should be different from the individual responsible for comparing listed mail receipts to recorded cash receipts.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to ensure that incompatible duties are adequately segregated or that compensating controls are implemented increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that incompatible duties are adequately segregated such as those noted above. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

Observation No. 3:

We noted that the signature of the person responsible for verifying that an official County receipt was issued for each mail-in payment was not noted on the mail log.

The County Auditor's Office requires that mail-in payments be listed on a daily mail log. The employee responsible for opening the mail and listing the mail-in payments must sign and date the mail log to document responsibility for verifying the cash received and preparing the listing. Mail-in payments must then be transferred to the cashier. After issuing a receipt for the mail-in payment, the cashier must enter the receipt date and receipt number issued for the mail-in payment on the mail log. The cashier must also sign and date the mail log to document responsibility for issuing the receipts. In addition, an employee other than the cashier should verify that an official County receipt was issued for each mail-in payment. The employee conducting this verification must sign and date the mail log to document responsibility for the verification.

Failure to ensure that the mail log is properly prepared may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that the mail log is properly prepared. At a minimum, the procedures listed above should be implemented.

Observation No. 4:

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

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	FERNANDO MANCIAS JUDGE, 93 RD D.C.	J. R. "BOBBY" FLORES JUDGE, 139 TH D.C.	ROSE GUERRA REYNA JUDGE, 206 TH D.C.	MARLA CUELLAR JUDGE, 275 TH D.C.	MARIO E. RAMIREZ, JR. JUDGE, 312 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, 438 TH D.C.	RENEE R. BETANCOURT JUDGE, 449 TH D.C.
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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. New licenses may be purchased; however, a price was not obtained from the District Clerk's Office.

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. 5:

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*.

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.

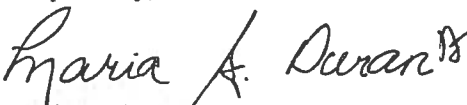
Recommendation:

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 January 18, 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.	FERNANDO MANCIAS JUDGE, 93 RD D.C.	J. R. "BOBBY" FLORES JUDGE, 139 TH D.C.	ROSE GUERRA REYNA JUDGE, 208 TH D.C.	MARLA CUELLAR 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, 381 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.
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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.

_____ **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:** _____



AUDITEE:	<u>Hidalgo County Treasurer</u>	AUDIT NO.:	<u>2018-88</u>
AUDIT:	<u>Cash Count</u>	MANAGEMENT RESPONSE DUE:	<u>January 18, 2019</u>
FINDING No.:	<u>2</u>	RECOMMENDATION:	<u>2</u>

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.

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 the mail log is properly prepared. At a minimum, the procedures listed above should be implemented.

Signature: _____ **Date:** _____



Signature: _____ **Date:** _____



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

AUDITEE: Hidalgo County Treasurer AUDIT NO.: 2018-88

AUDIT: Cash Count MANAGEMENT
RESPONSE DUE: January 18, 2019

FINDING No.: 5 RECOMMENDATION: 5

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.

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

January 17, 2019

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

Re: Cash Count Report No. 2018-533

Dear Mr. Olivarez:

We conducted a surprise cash count of the cash held at the Pharr Health Clinic on December 12, 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 August 30, 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 \$150.00. 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 \$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 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 security cameras were not utilized in areas where cash was receipted and safeguarded. According to staff, security cameras have not been installed where cash is received and safeguarded due to budgetary constraints.

The use of security cameras act as a crime deterrent; therefore, the County Auditor's Office recommends that security alarms and security cameras be installed in areas where cash collections and receipts are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the period of time determined by

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

MARLA CUELLAR
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 investigating agency. Furthermore, a notice stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored.

Failure to utilize security cameras where cash collections are received and safeguarded increases the risk of loss or misuse of County funds.

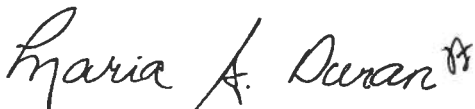
Recommendation:

Management should ensure that security cameras are installed and utilized where cash is receipted and safeguarded. Management should contact the Department of Budget and Management to request funding assistance to purchase the security cameras.

Please provide a written management response to the observation noted above by Friday, January 25, 2019.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you should have any questions, contact Araceli A. Guillen, Internal Auditor I, at 318-2511 ext. 4649, Yvonne Torres, Revenue Internal Audit Supervisor, at ext. 4642, Letty Chavez, Director of Audit Division, at ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or myself 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.

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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JUDGE, 449TH D.C.

COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

January 7, 2019

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

Re: Cash Count Report No. 2018-537

Dear Mr. Olivarez:

We conducted a surprise cash count of the cash held at the Hidalgo Health Clinic on November 28, 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 August 31, 2017. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

Conclusion:

Total cash on hand at the time of the cash count was \$188.00. Based on the results of our review, we concluded that total cash on hand reconciled to the receipts issued at 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:

We noted that security cameras were not utilized where cash is receipted and safeguarded. According to management, security cameras have not been installed due to budgetary constraints.

Security cameras serve as a crime deterrent; therefore, the County Auditor's Office recommends that security alarms and security cameras be installed in areas where cash collections and receipts are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency. Furthermore, a notice stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored.

Failure to utilize security cameras in areas where cash is receipted and safeguarded increases the risk of loss or misuse of County funds.

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
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, 449TH D.C.

Recommendation:

Management should ensure that security cameras are utilized in areas where cash is receipted and safeguarded. In addition, management should contact the Department of Budget and Management to request their assistance in obtaining approval and funding for the purchase of security cameras.

Observation No. 2:

We noted that segregation of duties over the handling of cash requires improvement. The Clerk manager and Clerk perform the following incompatible duties:

- Custody: Receive money, issue receipts, balance copies of receipts against the cash drawer, maintain a cash drawer, prepare bank deposits, and have access to the inventory of unused receipts
- Recording: Account for the numerical sequence of receipts, maintain an inventory log of unused receipts, and prepare reports of cash received

According to staff, proper segregation of duties has not been implemented due to limited staff.

Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for receiving money, issuing receipts, balancing copies of receipts against the cash drawer, maintaining a cash drawer, preparing bank deposits, and having access to the inventory of unused receipts should be different from the individual responsible for accounting for the numerical sequence of receipts, maintaining an inventory log of unused receipts, and preparing reports of cash received.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with limited numbers of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to have adequate segregation of duties increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that incompatible duties are adequately segregated. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

Observation No. 3:

We noted that a fee schedule is used to determine the amount an individual is required to pay; however, a form is not used to document the individual's income, family size, or the amount the client is eligible to pay.

On April 17, 2018, the Hidalgo County Commissioners Court approved an "Income Guidelines and Schedule of Charges-Sliding Fee Schedule" to be used to determine if a client is eligible to pay pursuant to Health and Safety Code §121.006. Pursuant to Health and Safety Code §121.006 (b), a county may not deny public health services. A county shall provide for the reduction or waiver of a fee for an individual who cannot pay for services in whole or part. In order to establish an audit trail, the individual's inability to pay for services in whole or part should be documented on a form. The form should include the individual's name and signature, the employee's name and signature, income, number of family members, and the amount of fee, if any.

Failure to ensure that the individual's inability to pay for a service, in whole or part, is documented may increase the risk that the fee is not collected when the individual is eligible to pay.

Recommendation:

We recommend that management develop a form to document the individual's inability to pay for a service, in whole or part. A copy of the form should be provided to the County Auditor's Office.

Please provide written management responses to the observations noted above by January 11, 2019.

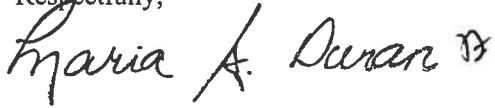
We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you should have any questions, do not hesitate to contact

HIDALGO COUNTY DISTRICT JUDGES

Mr. Eduardo Olivarez
January 7, 2019
Page 3 of 3

Marissa Castillo, Internal Auditor II, at 318-2511 ext. 4650, Yvonne Torres, Revenue Audit Supervisor, at ext. 4642, Letty Chavez, Director of Audit, at ext. 4651, Linda Fong, First Assistant County Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Mr. Valde Guerra, County Executive Office

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

MARLA CUELLAR
JUDGE, 275TH D.C.

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

NOE GONZALEZ
JUDGE, 378TH D.C.
PUEBLO

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE
County Administration Building
2808 South Business Highway 281
Edinburg, Texas 78539-3587
PHONE: (956) 318-2511
FAX: (956) 318-2577
WEBSITE: www.co.hidalgo.tx.us/auditor



EDINBURG, TEXAS 78539

January 4, 2019

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

Re: Cash Count Report No. 2018-539

Dear Mr. Olivarez:

We conducted a surprise cash count of the cash held at the Pulmonary Health Clinic on October 25, 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 6, 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:

At the time of the cash count, receipts had not been issued and collections had not been made. Based on the results of our review, we concluded that total cash on hand did reconcile to the approved change fund of \$25.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

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 receipts had not been issued and collections had not been made since July 2014. According to staff, a fee scale is used to determine the amount an individual is required to pay. They are not required to charge if the individual falls under a certain income and family size. At times, the individual is not required to present any documentation to demonstrate their inability to pay. In addition, a form is not used to document the individual's income and family size.

On April 17, 2018, the Hidalgo County Commissioners Court approved an "Income Guidelines and Schedule of Charges-Sliding Fee Schedule" to be used to determine if a client is eligible to pay pursuant to Health and Safety Code §121.006. Pursuant to Health and Safety Code 121.006 (b), a county may not deny public health services. A county shall provide for the reduction or waiver of a fee for an individual who cannot pay for services in whole or part. In order to establish an audit trail, the individual's inability to pay for services in whole or part should be documented on a form. The form should include the individual's name and signature, the employee's name and signature, income, number of family members, and the amount of fee, if any.

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
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.

Failure to ensure that the individual's inability to pay for a service, in whole or part, is documented may increase the risk that the fee is not collected when the individual is eligible to pay.

Recommendation:

We recommend that management develop a form to document the individual's inability to pay for a service, in whole or part. A copy of the form should be provided to the County Auditor's Office.

Observation No. 2:

We noted that security cameras were not utilized where cash is received and safeguarded. According to management, security cameras have not been installed due to budgetary constraints.

Security cameras serve as a crime deterrent; therefore, the County Auditor's Office recommends that security alarms and security cameras be installed in areas where cash collections and receipts are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they must be retained for the period of time determined by the investigating agency. Furthermore, a notice stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored.

Failure to utilize security cameras increases the risk of loss or misuse of County funds.

Recommendation:

Management should contact the Department of Budget and Management to request funding to purchase the security cameras.

Observation No. 3:

We noted that segregation of duties over the handling of cash requires improvement. The Clerk Manager performs the following incompatible duties:

- Custody: Receives collections, issues receipts, balances copies of receipts against the cash drawer, maintains a cash drawer, prepares bank deposits, and has access to the inventory of unused cash receipts
- Recording: Accounts for numerical sequence of cash receipts, has the ability to wave the collection of fees, and prepares reports of cash received

According to management, segregation of duties is difficult to implement due to limited staff.

Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for receiving collections, issuing receipts, balancing copies of receipts against the cash drawer, maintaining a cash drawer, preparing bank deposits, and having access to the inventory of unused cash receipts should be different from the individual responsible for accounting for the numerical sequence of cash receipts, having the ability to wave the collection of fees, and preparing reports of cash received.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with limited numbers of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to have adequate segregation of duties or implementing compensating controls increases the risk of loss or misuse of County funds.

Recommendation:

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
JUDGE, 275TH D.C.

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

NOE GONZALEZ
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LETICIA LOPEZ
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JUDGE, 398TH D.C.

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

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

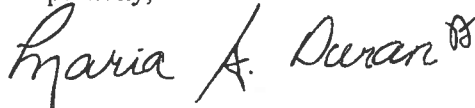
Mr. Eduardo Olivarez
January 4, 2019
Page 3 of 3

Management should ensure that incompatible duties, such as those noted above, are adequately segregated. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

Please provide written management responses to the observations noted above by January 11, 2019.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you should have any questions, do not hesitate to contact Marissa Castillo, Internal Auditor I, at 318-2511 ext. 4650, Yvonne Torres, Revenue 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 Office
Ms. Jeanne Salinas, Supervisor, Edinburg Pulmonary Clinic

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

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JUDGE, 273TH D.C.

MARIO E. RAMIREZ, JR.
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JUDGE, 398TH D.C.

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

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

COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

January 7, 2019

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

Re: Cash Count Report No. 2018-544

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the Mission Tax Office on November 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 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 \$337,814.60. Based on the results of our review, we concluded that total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$300.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

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 "A \$__ fee will be collected on all returned checks" was not posted. According to the Supervisor, they will request a notice from the main office.

The County Auditor's Office requires that a notice stating "A \$__ fee will be collected on all returned checks" is posted in a conspicuous location for the public's view.

If individuals are informed that a fee is collected for returned checks, it reduces the risk that a "hot check" will be presented for payment.

Recommendation:

Management should ensure that a notice stating "A \$__ fee will be collected on all returned checks" is posted in a conspicuous location for the public's view.

Observation No. 2:

We noted that checks received for payment were made payable to either Hidalgo County Tax Assessor Pablo "Paul" Villarreal Jr.; Pablo (Paul) Villarreal Jr. Assessor & Collector; or Pablo (Paul) Villarreal Jr. PCC. In addition, signs were posted for the public's view instructing them to make checks payable to "Pablo (Paul)

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
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.

Villarreal Jr. Tax Assessor & Collector." Furthermore, tax statements sent out to tax payers instruct payers to make checks payable to "Pablo (Paul) Villarreal Jr., PCC."

On March 7, 2016, the County Auditor issued a letter to the Tax Assessor requiring cashiers to verify that checks are made payable to the Elected or Public Official's title (i.e. Hidalgo County Tax Assessor/Collector) prior to accepting a check as payment. Pursuant to Local Government Code Sections 112.002 and 112.006, the county auditor has financial oversight for all county offices and may dictate the accounting procedures and internal controls to be implemented by each County office.

Failure to ensure that checks are made payable to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector) increases the risk of loss or misuse of County funds.

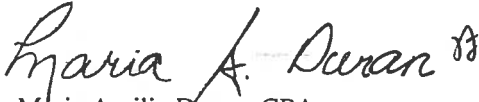
Recommendation:

Management should ensure that checks are made payable to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector).

Please provide written management responses to the observations noted above by January 11, 2019.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Abigail Guajardo, MSA, Internal Auditor II, at (956) 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 County Auditor, at ext. 4668, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Eva Mireles, Chief of Operations
Norma L. Ochoa, Substation Supervisor
Valde Guerra, Commissioners Court Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

January 8, 2019

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. 2018-545

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the Elsa Tax Office on December 13, 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.

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 November 15, 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 \$109,742.78. Based on the results of our review, we concluded that total cash on hand did not reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$500.00 (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:

At the time of the cash count, the change fund for the Elsa Property Tax Division was over \$200.00. According to Substation Supervisor, \$200.00 was taken from the Elsa Auto Division's main till to create two additional \$100.00 change funds needed during lunch breaks and/or when additional employees are sent to the substation. At the time of the cash count, the additional change funds were locked in two cash bags and stored in the safe. On November 14, 2108, the County Auditor's Office sent correspondence to the Tax Office recommending that a letter be submitted requesting a change fund increase. On December 4, 2018, Commissioners Court approved a \$200.00 change fund increase for the Elsa Tax Office; however, a check had not been processed.

The County Auditor's Office requires that change funds not be comingled amongst County Office Divisions (e.g., Tax and Motor Vehicle Divisions). Each Division's change fund amount must agree to the amount approved by Commissioners Court; the amount recorded in *alio*, the County's financial accounting system;

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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JUDGE, 275TH D.C.

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

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JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 388TH D.C.

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

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

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

and the amount recorded in the Departments' financial statements. In addition, the change funds must be maintained in the currency and coin quantities needed to maintain an effective cash handling operation.

Failure to ensure change funds are maintained in accordance with financial records may result in the loss or misuse of County funds and improper accounting.

Recommendation:

Management should ensure that the change funds are not comingled. In addition, the \$200.00 should be returned to the Elsa Auto Division.

Observation No. 2:

We noted that checks received for payment were made payable to either Hidalgo County Tax Assessor Pablo "Paul" Villarreal Jr.; Pablo (Paul) Villarreal Jr. Assessor & Collector; or Pablo (Paul) Villarreal Jr. PCC. In addition, signs were posted for the public's view instructing them to make checks payable to "Pablo (Paul) Villarreal Jr. Tax Assessor & Collector." Furthermore, tax statements sent out to tax payers instruct payers to make checks payable to "Pablo (Paul) Villarreal Jr., PCC."

On March 7, 2016, the County Auditor issued a letter to the Tax Assessor requiring cashiers to verify that checks are made payable to the Elected or Public Official's title (i.e. Hidalgo County Tax Assessor/Collector) prior to accepting a check as payment. Pursuant to Local Government Code Sections 112.002 and 112.006, the county auditor has financial oversight for all county offices and may dictate the accounting procedures and internal controls to be implemented by each county office.

Failure to ensure that checks are made payable to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector) increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that checks received are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector).

Please provide a written management response to the observations noted above by January 18, 2019.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Abigail Guajardo, MSA, Internal Auditor II, at (956) 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. 4468, or me at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Eva Mireles, Chief of Operations
Hermelinda Esparza, Substation Supervisor
Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 430TH D.C.

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



EDINBURG, TEXAS 78539

January 7, 2019

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. 2018-546

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the McAllen Tax Office on December 4, 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 13, 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 \$1,298,282.82. Based on the results of our review, we concluded that total cash on hand did not reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$700.00 (see Observation 1). In addition, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

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 \$66,402.48 due to 27 checks that were dropped off the morning of the cash count and pending to be receipted at the time of the cash count. 22 of 27 checks were receipted in the amount of \$54,622.20 on December 4, 2018, after the cash count. According to the Substation Supervisor, the remaining 5 checks totaling \$11,780.28 were returned to the sender since the tax accounts had no balance. We were not able to verify that the checks were returned to the sender since a log is not used to document when checks are returned.

The County Auditor's Office requires that all payments, including mail-in payments, be promptly recorded and controlled using pre-numbered official County receipts. If a payment discrepancy occurs (i.e. lack of tax account number, tax account paid in full, etc.), a pre-numbered manual Official County receipt should be issued. Once

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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OVERSEER

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JUDGE, 398TH D.C.

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

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

the discrepancy is resolved, an Official County receipt from the electronic receipting system should be issued and refund check issued, if applicable. In the alternative, the department may return the payment to the sender. If the department returns the payment, a log should be utilized to document the return of checks that includes: the name of the person/entity to whom the check is returned; return address; check date; check amount; date returned; and reason for return. A copy of all checks returned should be maintained on file. Payments that cannot be processed for any reason should be returned to the sender no later than two weeks from the date received.

Failure to ensure that checks returned to sender are recorded on a log increases the risk that loss or theft can occur.

Recommendation:

Management should ensure that a log is used to document payments returned to the sender. At a minimum, the procedures noted above should be implemented.

Observation No. 2:

We noted that checks received for payment were made payable to either Hidalgo County Tax Assessor Pablo "Paul" Villarreal Jr.; Pablo (Paul) Villarreal Jr. Assessor & Collector; or Pablo (Paul) Villarreal Jr. PCC. In addition, signs were posted for the public's view instructing them to make checks payable to "Pablo (Paul) Villarreal Jr. Tax Assessor & Collector." Furthermore, tax statements sent out to tax payers instruct payers to make checks payable to "Pablo (Paul) Villarreal Jr., PCC."

On March 7, 2016, the County Auditor issued a letter to the Tax Assessor requiring cashiers to verify that checks are made payable to the Elected or Public Official's title (i.e. Hidalgo County Tax Assessor/Collector) prior to accepting a check as payment. Pursuant to Local Government Code Sections 112.002 and 112.006, the county auditor has financial oversight for all county offices and may dictate the accounting procedures and internal controls to be implemented by each county office.

Failure to ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector) increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that checks received are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector).

Please provide a written management response to the observations noted above by January 18, 2019.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Abigail Guajardo, MSA, Internal Auditor II, at (956) 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, MBA
Hidalgo County Auditor

cc: Eva Mireles, Chief of Operations
Kristi Torres, Substation Supervisor
Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
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JUDGE, 430TH D.C.

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

COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

January 17, 2019

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

Re: Cash Count Report No. 2018-548

Dear Mr. Guajardo:

We conducted a surprise cash count of the cash held at the Hidalgo County Clerk's Collections Department on December 6, 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 August 29, 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:

The total cash on hand at the time of the cash count was \$11,881.60. Based on the results of our review, we concluded that total cash on hand did not reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$300.00 (See Observation No. 1). In addition, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

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:

At the time of the cash count, cash on hand did not reconcile to the total receipts issued. Cash on hand was over by \$350.00. The overage consisted of one check and six money orders that had not been receipted or restrictively endorsed "For Deposit Only." The checks were subsequently receipted after the cash count was performed.

The County Auditor's Office requires that all payments, including mail-in payments, be promptly recorded and controlled using pre-numbered official County receipts and restrictively endorsed "For Deposit Only." If a payment discrepancy occurs (i.e., check made out to the incorrect person, check made out for the incorrect amount, insufficient/incorrect information, etc.), a pre-numbered manual receipt should be issued. Once the discrepancy is resolved, an Official County receipt from the electronic receipting system should be issued and

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 398TH D.C.

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

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

refund check issued, if applicable. In the alternative, the department may return the payment to the sender. If the department returns the payment, a log should be utilized in order to maintain an adequate audit trail of the checks returned that includes: the name of the person/entity to whom the check is returned; return address; check date; check amount; date returned; and reason for return. A copy of all checks returned should be maintained on file.

The longer money remains undeposited, the greater the risk that loss or theft can occur. In addition, immediately limiting the negotiability of checks ensures that checks received can only be deposited into the County's bank account.

Recommendation:

Management should ensure that payments are promptly receipted and restrictively endorsed "For Deposit Only." At a minimum, the procedures noted above should be implemented.

Observation No. 2:

We noted that the same cash box is used to safeguard County Clerk and District Clerk collections. According to staff, they discussed several alternatives to properly separate the County Clerk and District Clerk collections and they determined that labeling the trays inside the cash box "County Clerk" and "District Clerk" would be sufficient to distinguish who the collections belong to.

The County Auditor's Office requires that cash received for payment on behalf of other departments not be comingled.

Failure to utilize a separate cash bag or cash box for payments received on behalf of other departments increases the risk that collections will be comingled.

Recommendation:

Management should ensure that cash received for payment is not comingled with cash received on behalf of other departments. An additional cash bag or cash box should be used to ensure the collections are not comingled.

Observation No. 3:

The County Clerk's Office has implemented "Daily Cashiering Procedures." Employees are required to read and sign an acknowledgment of their understanding of the procedures. However, we noted that the County's Clerk's "Daily Cashiering Procedures" do not include all of the minimum requirements established by the County Auditor's Office "Cash Handling Guidelines and Procedures." In addition, we noted that the employees are not required to read and sign an acknowledgment of their understanding of the County Auditor's Office "Cash Handling Guidelines and Procedures."

The County Auditor's Office requires that departments train all employees responsible for handling cash regarding proper cash handling procedures. The employees handling cash must read the "Cash Handling Guidelines and Procedures" and sign a receipt acknowledging their understanding of these guidelines and procedures. The acknowledgment receipt should be kept on file by the department. In addition, each department responsible for handling cash must establish and implement their own internal cash handling procedures based on the minimum requirements established by the County Auditor's Office "Cash Handling Guidelines and Procedures."

Failure to ensure that staff is trained on the minimum requirements established by the County Auditor's Office "Cash Handling Guidelines and Procedures" increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that the County Clerk's Office "Daily Cashiering Procedures" includes the minimum requirements established by the County Auditor's Office "Cash Handling Guidelines and Procedures." In addition, employees should be required to read and sign a receipt acknowledging their understanding of the County Auditor's Office "Cash Handling Guidelines and Procedures." The acknowledgment receipt should be kept on file by the department.

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 430TH D.C.

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

Observation No. 4:

We noted that daily cash reconciliations are not documented on the *Cashier's Daily Close-out Report* (Close-out Report). Instead, cash on hand is reconciled to receipts issued and the change fund on a daily basis by generating a Till Balance Report from Odyssey and by running a tape to confirm collections. According to staff, they do not believe it is necessary to prepare a Close-out Report at the Collections Department since the reconciliation is performed by the bookkeepers at the County Clerk's main office.

The County Auditor's Office requires that cash on hand be reconciled to receipts issued and the change fund on a daily basis utilizing the *Cashier's Daily Close-out Report* (Close-out Report). The following procedures should be implemented consistently when preparing the Close-out Report:

1. The Cashier must count the money and record the appropriate amounts on the Close-out Report.
2. The Witness must generate a daily recap report of collections issued for the day and record the total and beginning and ending receipt numbers on the Close-out Report.
3. The Witness must confirm that the amount recorded by the Cashier agrees to the daily recap report of collections and the change fund, if any. Any variances must be noted with a detailed explanation.
4. Both the Cashier and the Witness must verify that the Close-out Report is completed in its entirety. Both the Cashier and Witness must sign the Close-out Report to document their responsibility for this verification.
5. Copies of the Close-out Report and checks/money orders/cashier's checks etc., shall be maintained by the department. This documentation shall be made available to the County Auditor's Office for review upon request.

Daily close-out procedures documented on the Close-out Report help to uncover discrepancies between actual cash collected and recorded amounts in a timely manner.

Recommendation:

Management should ensure that the daily cash reconciliation is documented by the cashiers on the Close-out Report.

Observation No. 5:

We noted that a sample of the official County receipt was not posted for the public's view. According to staff, the size of the receipt is too large to place on a frame.

The County Auditor's Office requires departments to post a notice visible to the public stating "Make sure you receive an official County receipt when making payments at this office." A sample of each official County receipt issued by the department must be posted by the notice so the public will know what type of receipt to expect.

Involving the customer in ensuring they receive a receipt reduces the risk that the employee collecting the cash may not record all receipts or record the receipt for a lesser amount.

Recommendation:

Management should ensure that a sample receipt is posted in a conspicuous location for the public's view.

Observation No. 6:

We noted that cashiers and collectors (Collection Department agents responsible to contact defendants to inform them of their delinquent status in an effort to collect fees due by submitting payment at the Collections Department office) accept over the phone credit card payments. According to staff, over the phone credit card payments are done through the County Clerk's EZ Justice Portal. The cashiers are required to obtain the cardholder's name, address, and credit card security code to process the credit card payment. Once the credit card payment is processed and accepted, Hamer's credit card receipt is sent to the defendant's or to the cashier/collector's e-mail, if defendant does not have an e-mail address. Subsequently, the credit card payment is receipted into Odyssey and the system generated receipt is sent to the defendant through mail. Staff has indicated that the credit card payment is processed as if the defendant would have made the payment from their home and the acceptance of credit card payments over the phone has increased their collections.

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 448TH D.C.

Honorable Arturo Guajardo, Jr.
January 17, 2019
Page 4 of 4

The County Auditor's Office requires that the cashier request identification from the payer when a debit or credit card is presented as payment. The identification is required to verify that the card belongs to the payer. After the card is swiped or processed and the transaction has been authorized, the cashier must obtain the payer's signature on the credit card receipt. Over-the-phone credit card payments should not be accepted due to the inability to verify the identity of the card user which is necessary to ensure proper credit card authorization.

Failure to ensure that cashiers request a valid form of identification to verify that the payers name agrees to the card being presented for payment may result in credit card fraud. In addition, taking over-the-phone credit card payments increases the risk of credit card disputes which may result in the loss of County funds.

Recommendation:

Management should refrain from processing over-the-phone credit card transactions. Individuals calling and requesting to pay fines should be notified that payments can be made online and referred to the EZ Justice Portal on the Hidalgo County Clerk Website.

Please provide written management responses to the observations noted above by Friday, January 25, 2019.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count, please contact Gricelda Quintero, Internal Auditor II, at 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, MBA
Hidalgo County Auditor

cc: Honorable Laura Hinojosa, Hidalgo County District Clerk
Mr. Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
JUDGE, 275TH D.C.

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

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

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

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

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

COUNTY OF HIDALGO

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



EDINBURG, TEXAS 78539

January 7, 2019

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

Ref: Cash Count Report No. 2018-549

Dear Mr. Guajardo:

We conducted a surprise cash count of the cash held at the Hidalgo County Clerk's McAllen Substation on November 14, 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 15, 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 \$5,684.00. Based on the results of our review, we concluded that total cash on hand did not reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$300.00 (see Observation No. 1). In addition, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

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:

At the time of the cash count, cash on hand was over \$40.00. The overage consisted of one check dated September 11, 2018 that had not been receipted or restrictively endorsed "For Deposit Only." According to staff, the check was not receipted since it was for less than the amount due and was going to be returned to the sender.

The County Auditor's Office requires that all payments, including mail-in payments, be promptly recorded and controlled using pre-numbered official County receipts and restrictively endorsed "For Deposit Only." If a payment discrepancy occurs (i.e., check made out to the incorrect person, check made out for the incorrect amount, insufficient/incorrect information, etc.), a pre-numbered manual receipt should be issued. Once the discrepancy is resolved, an Official County receipt from the electronic receipting system should be issued and refund check issued, if applicable. In the alternative, the department may return the payment to the sender. If the department returns the payment, a log should be utilized in order to maintain an adequate audit trail of the

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY JUDGE, 92 ND D.C.	FERNANDO MANCIAS JUDGE, 93 RD D.C.	J. R. "BOBBY" FLORES JUDGE, 139 TH D.C.	ROSE GUERRA REYNA JUDGE, 206 TH D.C.	MARLA CUELLAR JUDGE, 275 TH D.C.	MARIO E. RAMIREZ, JR. JUDGE, 312 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.
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checks returned that includes: the name of the person/entity to whom the check is returned; return address; check date; check amount; date returned; and reason for return. A copy of all checks returned should be maintained on file.

The longer money remains undeposited and not returned to sender, the greater the risk that loss or theft can occur. In addition, immediately limiting the negotiability of checks ensures that checks received can only be deposited into the County's bank account.

Recommendation:

Management should ensure that payments are promptly receipted and restrictively endorsed "For Deposit Only" or returned to the sender. At a minimum, the procedures noted above should be implemented.

Observation No. 2:

We noted that daily cash reconciliations are not documented on the *Cashier's Daily Close-out Report* (Close-out Report). Instead, collections are reconciled by counting the collections for the day and signing the *Kofile's* cash drawer summary report as a confirmation that cash on hand reconciled to cash and checks reported on the cash drawer summary report. According to cashiers, they were not aware of the formal Close-out Report procedures. In addition, the County Clerk's Main Office has not implemented formal Close-out Report procedures.

The County Auditor's Office requires that cash on hand be reconciled to receipts issued and the change fund on a daily basis utilizing the Close-out Report. The following procedures should be implemented consistently when preparing the Close-out Report:

1. The Cashier must count the money and record the appropriate amounts on the Close-out Report.
2. The Witness must generate a recap of collections report issued for the day and record the total amount collected and beginning and ending receipt numbers on the Close-out Report.
3. The Witness must confirm that the amount recorded by the Cashier agrees to the daily recap of collections report and the change fund, if any. Any variances must be noted with a detailed explanation.
4. Both the Cashier and the Witness must verify that the Close-out Report is completed in its entirety. Both the Cashier and Witness must sign the Close-out Report to document their responsibility for this verification.
5. Copies of the Close-out Report and checks/money orders/cashier's checks etc., shall be maintained by the department. This documentation shall be made available to the County Auditor's Office for review upon request.

Daily close-out procedures documented on the Close-out Report help to uncover discrepancies between actual cash collected and recorded amounts in a timely manner.

Recommendation:

Management should ensure that the daily cash reconciliation is documented by the cashiers on the Close-out Report.

Observation No. 3:

We noted that cashiers accept over the phone credit card payments. According to staff, over the phone credit card payments are accepted once approval of management from the County Clerk's Main Office is obtained.

The County Auditor's Office requires that the cashier request identification from the payer when a debit or credit card is presented as payment. The identification is required to verify that the card belongs to the payer. After the card is swiped or processed and the transaction has been authorized, the cashier must obtain the payer's signature on the credit card receipt. Over the phone credit card payments should not be accepted due to the inability to verify the identity of the card user which is necessary to ensure proper credit card authorization.

Failure to ensure that cashiers request a valid form of identification to verify that the payer's name agrees to the card being presented for payment may result in credit card fraud. In addition, taking over the phone credit card payments increases the risk of credit card disputes which may result in the loss of County funds.

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
JUDGE, 275TH D.C.

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JUDGE, 312ND D.C.

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JUDGE, 370TH D.C.
OVERSEER

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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 refrain from processing over the phone credit card transactions. Individuals calling and requesting to pay fines should be notified that payments can be made online.

Observation No. 4:

We noted that the clerk responsible for opening the mail; records the mail-in payment on the mail log and receipts the mail-in payment in *Kofile*. In addition, we noted that the mail log did not include all mail-in payments. According to staff, mail-in payments that will not be processed are not included on the mail log. They were not aware that all mail-in payments needed to be recorded on the mail log.

The County Auditor's Office requires that the mail be opened by an employee who is not responsible for receipting or maintaining account records. Mail-in payments must be listed on a mail log. The employee responsible for opening the mail and listing the mail-in payments must sign and date the mail log to document responsibility for verifying the cash received and preparing the listing. Mail-in payments must then be transferred to the cashier. After issuing a receipt for the mail-in payment, the cashier must enter the receipt date and receipt number issued for the mail-in payment on the mail log. The cashier must sign and date the mail log to document responsibility for issuing the receipts. If a mail-in payment is not receipted and returned to the sender, a note should be made on the mail log to document the reason the payment was not receipted. In addition, an employee other than the cashier should verify that an official County receipt was issued for each mail-in payment. The employee conducting this verification must sign and date the mail log to document responsibility for the verification.

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

Recommendation:

Management should ensure that the daily mail log is properly prepared. At a minimum, the procedures listed above should be implemented.

Observation No. 5:

We noted that segregation of duties over the handling of collections requires improvement. Cashiers perform the following incompatible duties:

- Custody: Receive money, issue receipts, open and lists mail receipts, balance copies of receipts against the cash drawer, maintain a cash drawer, prepare bank deposits, and have access to the inventory of unused cash receipts
- Recording: Account for numerical sequence of receipts, have the ability to write-off fees, and prepare reports of cash received
- Authorization: Compare listed mail receipts to recorded cash receipts and verify that voided original receipts are kept and reviewed

According to staff, due to limited staff, it is difficult to properly segregate the duties over the handling of collections.

Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for receiving money, issuing receipts, opening and listing mail receipts, balancing copies of receipts against the cash drawer, maintaining a cash drawer, preparing bank deposits, and having access to the inventory of unused cash receipts should be different from the individual responsible for the accounting for the numerical sequence of receipts, having the ability to write-off fees, 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

HIDALGO COUNTY DISTRICT JUDGES

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

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JUDGE, 119TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
JUDGE, 275TH D.C.

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JUDGE, 332ND D.C.

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JUDGE, 398TH D.C.

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

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

and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to ensure that incompatible duties are adequately segregated or that compensating controls are implemented increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that incompatible duties are adequately segregated such as those noted above. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

Observation No. 6:

We noted that when a cash overage is discovered and staff is able to determine who the funds belong to, the customer is contacted and the funds are returned instead of depositing the funds with all other collections.

The County Auditor's Office requires that all overages be deposited with all other collections. All refund requests should be submitted to the County Auditor's Office to process.

Failure to ensure proper refund procedures are followed may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that overages are deposited and a refund request is submitted to the County Auditor's Office to process.

Observation No. 7:

We noted that a mail-in payment was not properly safeguarded. The check was on a tray above a filing cabinet. According to staff, the office procedure is to safeguard un-receipted checks in a locked filing cabinet. The check was not properly safeguarded, in error.

The County Auditor's Office requires that all cash be protected immediately by using a cash drawer, safe, or other secure place until it is deposited. A secure area for processing and safeguarding cash received, petty cash funds, change funds, and unissued receipts must be provided and restricted to authorized personnel.

Failure to ensure all payments are properly safeguarded may result in the loss or misuse of County funds.

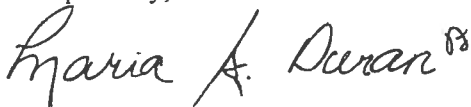
Recommendation:

Management should ensure that all payments are properly safeguarded in a secure place until deposited

Please provide written management responses to the observations noted above by January 11, 2019.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count, please contact Gricelda Quintero, Internal Auditor 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

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 33RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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JUDGE, 273TH D.C.

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JUDGE, 398TH D.C.

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

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

COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

January 18, 2019

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. 2018-553

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the Alamo Motor Vehicle Substation on December 11, 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.

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 21, 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.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

Conclusion:

Total cash on hand at the time of the cash count was \$16,987.51. 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, change order form (request for change from financial institution via armored company), and the approved change fund of \$2,300.00. In addition, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

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 individuals not employed by the Motor Vehicle Office and Precinct 2 Sanitation Program have access to enter the cashier's area/collection site. Motor Vehicle Office and Precinct 2 Sanitation Program share

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIA
JUDGE, 13th D.C.

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

ROSE GUERRA REYNA
JUDGE, 20th D.C.

MARLA CUELLAR
JUDGE, 27th D.C.

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

NOE GONZALEZ
JUDGE, 37th D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 38th D.C.

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

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

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

the cashier's area/collection site. According to staff, all employees of the Precinct 2 Community Recreational Center have access to the cashier area/collection site by using their County badge.

The County Auditor's Office requires that access to the cashier area/collection site be limited to employees with collection responsibilities.

Failure to ensure that access to the cashier area/collection site is limited to Motor Vehicle Office and Precinct 2 Sanitation Program employees may result in the loss or misuse of County funds.

Recommendation:

Management should ensure that access to the cashier's area/collection site is limited to Motor Vehicle Office and Precinct 2 Sanitation Program employees. In addition, management should contact the IT Department to request that access be removed from employees not employed by the Motor Vehicle Office and Precinct 2 Sanitation Program.

Observation No. 2:

We noted that staff does not request a copy of the Justice of the Peace official County receipt to verify proof of payment when accepting Scofflaw Release Forms. According to the Deputy Clerk, they were informed that as long as the customer presents a signed and sealed (approved) Scofflaw Release Form by the authorized representative of the court, employees are authorized to renew the registration.

On January 9, 2017, the County Auditor issued a letter to the Tax Assessor addressing the requirements should be met prior to issuing a renewal of a motor vehicle registration. The following requirements should be met whenever an outstanding balance that has been paid in full is presented:

- a. The amount receipted in *Odyssey* must agree to the outstanding balance noted on the Scofflaw Release Form.
- b. If the Justice of the Peace exercises his discretion to reduce the outstanding fine, the new outstanding balance must be handwritten by the Justice of the Peace and his signature provided on the Scofflaw Release Form as approval of the change.
- c. The outstanding balance must be zeroed out and a case disposition entered in *Odyssey* prior to approving the Scofflaw Release Form. The case disposition must agree to the disposition entered on the Scofflaw Release Form.
- d. The Scofflaw Release Form must be signed and sealed (approved) by the authorized representative of the court only after issuance of an official County receipt.
- e. A copy of the official County receipt must be attached to the Scofflaw Release Form as proof of payment. An approved Scofflaw Release Form without a copy of the official County receipt is not valid.

Failure to ensure that the official County receipt is attached to the Scofflaw Release Form as proof of payment may result in an individual who has outstanding fees receiving a registration of a vehicle.

Recommendation:

Management should ensure that employees verify that a copy of the official County receipt is attached to the Scofflaw Release Form as proof of payment of outstanding fines.

Observation No. 3:

We noted that checks received for payment were made payable to either Hidalgo County Tax Assessor Pablo "Paul" Villarreal Jr.; Pablo (Paul) Villarreal Jr. Assessor & Collector; or Pablo (Paul) Villarreal Jr. PCC. In addition, signs were posted for the public's view instructing them to make checks payable to "Pablo (Paul) Villarreal Jr. Tax Assessor & Collector."

On March 7, 2016, the County Auditor issued a letter to the Tax Assessor requiring cashiers to verify that checks are made payable to the Elected or Public Official's title (i.e. Hidalgo County Tax Assessor/Collector) prior to accepting a check as payment. Pursuant to Local Government Code Sections 112.002 and 112.006, the county

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

MARLA CUELLAR
JUDGE, 275TH D.C.

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JUDGE, 332ND D.C.

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JUDGE, 370TH D.C.
OVERSEER

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JUDGE, 398TH D.C.

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

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

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 payable to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector).

Observation No. 4:

We were informed by the Deputy Clerk that the change fund assigned to the Alamo Motor Vehicle Division is also used to make change for the Alamo Tax Division. According to the Deputy Clerk, the change fund is used to make change for both Divisions since the Tax Division does not have a change fund.

The County Auditor's Office requires that change funds not be comingled amongst County Office Divisions (e.g., Tax and Motor Vehicle Divisions). Each Division's change fund amount must agree to the amount approved by Commissioners Court; the amount recorded in *alio*, the County's financial accounting system; and the amount recorded in the Department's financial statements.

Failure to ensure change funds are maintained in accordance with financial records may result in the loss or misuse of County funds and improper accounting.

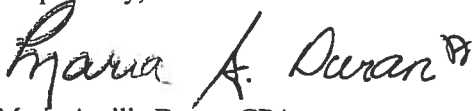
Recommendation:

Management should send a letter to the County Auditor's Office requesting a change fund for the Alamo Tax Division. On the recommendation of the County Auditor, the Commissioners Court may approve the change fund. The practice of sharing a change fund should be immediately discontinued.

Please provide written management responses to the observations noted above by Thursday, January 31, 2019.

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

cc: Mr. Valde Guerra, County Executive Officer
Mr. Santos Castilleja, Motor Vehicle Division Manager
Ms. Lucy Flores, Alamo Motor Vehicle Substation Supervisor

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

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JUDGE, 449TH D.C.

COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE
Hidalgo County Administration Building
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WEBSITE: www.co.hidalgo.tx.us/auditor



EDINBURG, TEXAS 78539

January 4, 2019

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. 2018-554

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the San Juan Motor Vehicle Substation on October 25, 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 10, 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 \$15,458.15. Based on the results of our review, we have concluded that generally total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$4,000.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

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 supervisors are able to reverse/void credit card transactions. According to management, Hamer Enterprises provided an online portal in which supervisors were given the ability to reverse same-day credit card transactions. Reversals/voids are done when the incorrect amount is processed on the transaction or when an individual wants to cancel the transaction.

The County Auditor's Office requires that credit card transaction reversals be prohibited. Prior to taking a credit card payment, the amount being charged to the credit card should be checked to ensure that it is accurate. If after the payment has been processed, it is determined that the credit card transaction amount is incorrect, then the difference should be treated as an overpayment. If a refund needs to be issued, the refund

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
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.

should not be credited back to the individuals' credit card through a reversal; instead it must follow the same procedures as any other refund and be issued by check.

Failure to ensure that credit card transactions are not reversed/voided may result in the loss of County funds.

Recommendation:

Management should ensure that access to the online credit card portal to reverse/void transactions is revoked. If a refund is due to the payer, it must be processed as a refund check.

Observation No. 2:

We were informed by the Substation Supervisor that the change fund assigned to the Motor Vehicle Division is used to make change for Motor Vehicle Division and Tax Division.

The County Auditor's Office requires that change fund advances be used only by the approved division.

Failure to ensure that change fund advances are used only by the approved division may increase the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that change funds are used for their respective divisions. On the recommendation of the County Auditor, the Commissioners Court may increase or decrease the change fund at any time, if the change fund advance for the Tax Division is not adequate to run the daily operations.

Observation No. 3:

We noted that checks received for payment were made payable to either Hidalgo County Tax Assessor Pablo "Paul" Villarreal Jr.; Pablo (Paul) Villarreal Jr. Assessor & Collector; or Pablo (Paul) Villarreal Jr. PCC. In addition, signs were posted for the public's view instructing them to make checks payable to "Pablo (Paul) Villarreal Jr. Tax Assessor & Collector.

On March 7, 2016, the County Auditor issued a letter to the Tax Assessor requiring cashiers to verify that checks are made payable to the Elected or Public Official's title (i.e. Hidalgo County Tax Assessor/Collector) prior to accepting a check as payment. Pursuant to Local Government Code Sections 112.002 and 112.006, the county auditor has financial oversight for all county offices and may dictate the accounting procedures and internal controls to be implemented by each county office.

Failure to ensure to ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector) increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector).

Observation No. 4:

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 continue requesting assistance from Hamer Enterprises until the problem has been resolved.

Please provide written management responses to the observations noted above by January 11, 2019.

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 92ND D.C.

FERNANDO MANCIAS
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JUDGE, 430TH D.C.

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

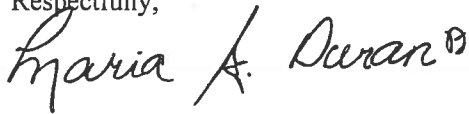
Honorable Pablo "Paul" Villarreal, Jr.

January 4, 2019

Page 3 of 3

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

cc: Valde Guerra, County Executive Officer
Eva Mireles, Chief of Operations
Santos Castilleja, Motor Vehicle Division Manager
Herlinda Lara, San Juan Motor Vehicle Substation Supervisor

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
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COUNTY of HIDALGO

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



EDINBURG, TEXAS 78539

January 15, 2019

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. 2018-556

Dear Mr. Villarreal:

We conducted a surprise cash count of the cash held at the Elsa Motor Vehicle Substation on November 8, 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.

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 August 21, 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.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

Conclusion:

Total cash on hand at the time of the cash count was \$131,214.85. Based on the results of our review, we concluded that cash on hand did not reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$4,000.00 (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.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
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JUDGE, 398TH D.C.

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

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

Observation No. 1:

At the time of the cash count, cash on hand did not reconcile to the total receipts issued. Cash on hand was over by \$69,365.11. The overage consisted of an overage of \$1.25 for November 7, 2018 collections and 53 dealer work checks that had not been receipted or restrictively endorsed "For Deposit Only." Of the 53 checks:

- 51 checks totaling \$68,078.30 were subsequently receipted after the cash count.
- 2 checks totaling \$1,285.56 were returned back to the dealer company

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 and restrictively endorsed "For Deposit Only." 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. In the alternative, the department may return the payment to the sender. If the department returns the payment, a log should be utilized in order to maintain an adequate audit trail of the checks returned that includes: the name of the person/entity to whom the check is returned; return address; check date; check amount; date returned; and reason for return. A copy of all checks returned should be maintained on file.

The longer money remains undeposited, the greater the risk that loss or theft can occur. In addition, immediately limiting the negotiability of checks ensures that checks received can only be deposited into the County's bank account.

Recommendation:

Management should ensure that payments are promptly receipted and restrictively endorsed "For Deposit Only." At a minimum, the procedures noted above should be implemented.

Observation No. 2:

At the time of the cash count, the change fund for the Elsa Motor Vehicle division was over \$200.00. According to the cashiers, the Motor Vehicle Main Office provided the Elsa Substation with \$200.00 of additional change fund for backup clerks that cashier during lunch time hours.

The County Auditor's Office requires that change funds not be comingled amongst County Office Divisions (e.g., Tax and Motor Vehicle Divisions). Each Division's change fund amount must agree to the amount approved by Commissioners Court; the amount recorded in *alio*, the County's financial accounting system; and the amount recorded in the Departments' financial statements. In addition, the change funds must be maintained in the currency and coin quantities needed to maintain an effective cash handling operation.

Failure to ensure change funds are maintained in accordance with financial records may result in the loss or misuse of County funds and improper accounting.

Recommendation:

Management should ensure that the change funds are not comingled. In addition, the \$200.00 should be returned to the Motor Vehicle Main Office. A change fund increase request should be submitted to the County Auditor's Office.

Observation No. 3:

Passwords to gain access to EZ Justice are not changed at least every 90 days. According to staff, passwords have never been changed since the substation was granted access to EZ Justice.

The Information Technology (IT) Securities Policy requires that passwords be changed at least every 90 days.

Failure to ensure that passwords are not changed at least every 90 days may increase the risk of unauthorized access to EZ Justice.

Recommendation:

Management should ensure that passwords are changed at least every 90 days. If necessary, the department should contact Hammer Enterprises and request passwords be updated.

HIDALGO COUNTY DISTRICT JUDGES

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

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NOE GONZALEZ
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OVERSEER

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JUDGE, 389TH D.C.

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

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

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

Observation No. 4:

We noted that checks received for payment were made payable to either Hidalgo County Tax Assessor Pablo "Paul" Villarreal Jr.; Pablo (Paul) Villarreal Jr. Assessor & Collector; or Pablo (Paul) Villarreal Jr. PCC. In addition, signs were posted for the public's view instructing them to make checks payable to "Pablo (Paul) Villarreal Jr. Tax Assessor & Collector." Furthermore, tax statements sent out to tax payers instruct payers to make checks payable to "Pablo (Paul) Villarreal Jr., PCC."

On March 7, 2016, the County Auditor issued a letter to the Tax Assessor requiring cashiers to verify that checks are made payable to the Elected or Public Official's title (i.e., Hidalgo County Tax Assessor/Collector) prior to accepting a check as payment. Pursuant to Local Government Code Sections 112.002 and 112.006, the county auditor has financial oversight for all county offices and may dictate the accounting procedures and internal controls to be implemented by each county office.

Failure to ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector) increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that checks are made out to the Elected Official's title (i.e., Hidalgo County Tax Assessor/Collector).

Observation No. 5:

We noted that the safe used to safeguard collections was left open for a short period of time. According to the Supervisor, the safe must remain closed and locked at all times. The safe can only be opened by authorized personnel. The safe was left open due to an oversight.

The County Auditor's Office requires that the safe used to safeguard collections must be locked at all times and restricted to authorized personnel.

Failure to ensure that safe is locked at all times increases the risk of loss or misuse of County funds.

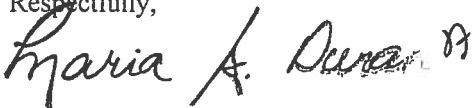
Recommendation:

Management should ensure that the safe is locked at all times to prevent unauthorized access.

Please provide a written management response to the observations noted above by Friday, January 25, 2019.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions regarding this cash count or would like to schedule a meeting to discuss this cash count, please contact Gricelda Quintero, Internal Auditor II, 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

cc: Mr. Valde Guerra, County Executive Officer
Mr. Santos Castilleja, Motor Vehicle Division Manager
Ms. Hermelinda Esparza, Elsa Motor Vehicle Substation Supervisor

HIDALGO COUNTY DISTRICT JUDGES

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

fernando Mancias
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

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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

December 27, 2018

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

Re: Cash Count Report No. 2018-562

Dear Judge Saenz:

We conducted a surprise cash count of the cash held at your office on October 10, 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 up to the time of the cash count.

Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash bags, proper authorization of voided transactions, segregation of duties, filing of citations and civil cases, and documenting the authorization of dismissed cases. In addition, we evaluated the procedures in place related to 1.) the collections process; 2.) accounting of citations and civil cases filed with the court; and 3.) documenting the authorization of dismissed criminal cases for the period of August 1, 2018 through August 31, 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:

Total cash on hand at the time of the cash count was \$447.25. Based on the results of our review, we concluded that total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

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 segregation of duties over the handling of cash requires improvement. The Court Clerk and the Court Coordinator perform the following incompatible duties:

- Custody: Receive money, issue receipts, balance copies of receipts issued against the cash bag, maintain cash bag, open and list mail receipts, and prepare deposits
- Recording: Account for the numerical sequence of cash receipts, have the ability to dismiss cases, and prepare reports of cash received

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE 0360 D.C.

JAMIE E. TIERINA
JUDGE 0160 D.C.

J. R. "BOBBY" FLORES
JUDGE 1160 D.C.

ROSE GUERRA REYNA
JUDGE 0660 D.C.

JUAN R. PARTIDA
JUDGE 1260 D.C.

MARIO E. RAMIREZ, JR.
JUDGE 1360 D.C.

NOE GONZALEZ
JUDGE 1460 D.C.

LETICIA LOPEZ
JUDGE 1560 D.C.

L. KENO VASQUEZ
JUDGE 1660 D.C.

ISRAEL RAMON, JR.
JUDGE 1760 D.C.

RENEE R. BETANCOURT
JUDGE 1860 D.C.

- o Authorization: Verify that voided original receipts are kept and reviewed and compare listed mail receipts to recorded cash receipts

According to the Court Coordinator, segregation of duties is not enforced since the Justice of the Peace prefers for an employee to perform a transaction from beginning to end in order to be cross-trained in all aspects of court duties.

Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for receiving money, issuing receipts, balancing copies of receipts issued against the cash bag, maintaining a cash bag, opening and listing mail receipts, and preparing deposits should be different from the individual responsible for accounting for the numerical sequence of cash receipts, having the ability to dismiss cases, and preparing reports of cash received. In addition, the individuals previously noted should be different from the individual responsible for verifying that voided original receipts are kept and reviewed and comparing listed mail receipts to recorded cash receipts.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to have adequate segregation of duties increases the risk of loss or misuse of County revenues.

Recommendation:

Management should implement formal procedures to ensure that incompatible duties, such as those noted above, are adequately segregated. Duties should be periodically rotated to allow all employees to be cross-trained while ensuring incompatible duties are adequately segregated. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

Observation No. 2:

Procedures for the accounting of citations received from law enforcement agencies and civil cases filed with the court require improvement as follows:

1. Citations received from law enforcement agencies, except for Department of Public Safety (DPS), and civil cases were not recorded on a log. DPS automatically uploads the citations into *Odyssey*.
2. A reconciliation of citations and civil cases filed at the court to those recorded in *Odyssey*, the case management system, was not conducted and formally documented; and
3. Duties related to citations and civil cases are not properly segregated. Individuals responsible for issuing receipts (custody responsibility) are also responsible for entering citations into *Odyssey* (recording responsibility).

According to the Court Coordinator, due to a heavy case load and limited staff, procedures for the accounting of citations and civil case filings have not been improved.

The County Auditor's Office requires that a reconciliation of citations and civil cases filed at the court be conducted and formally documented. This reconciliation may be conducted and formally documented by completing a citation/civil cases filed log (log). Citations/civil cases should be entered into *Odyssey*, the case management system, the same day they are received. Any exceptions should be brought to the attention of the Supervisor, placed in a locked area, and processed on the next business day. The following procedures should be followed when processing citations:

- a. The person responsible for opening the mail and/or accepting the delivery of citations/civil cases should immediately list citations/civil cases on the log before distribution to the person responsible for entering them into *Odyssey*. Since the person responsible for entering the citations/civil cases into *Odyssey* has recording responsibilities, he/she should not be responsible for accepting payments.

- b. The person responsible for opening the mail and/or accepting the delivery of citations/civil cases should note, at a minimum, the following on the log: date received, citation number, name of violator/plaintiff, and name of officer who issued the citation, as applicable. The person responsible for noting this information should provide his/her signature on the "Prepared by" line of the log.
- c. The person responsible for entering the citations into *Odyssey* should enter the date of entry and docket number assigned to the citation/civil case on the log and provide his/her signature on the "Entered by" line of the log.
- d. The "New Cases" and "Cases Filed" reports for the specified date should be generated from *Odyssey* and reconciled to the log by a person other than the person responsible for entering the citations into *Odyssey*. Any variances should be noted on the log, with a detailed explanation, and immediately brought up to the attention of the Justice of the Peace. In addition, the person conducting this reconciliation should provide his/her signature on the log as acknowledgment of the reconciliation.
- e. Citations should be placed in the applicable file.
- f. The Justice of the Peace should request periodic reports regarding the citations filed with the courts from law enforcement agencies and reconcile the reports to the citations recorded in *Odyssey*.
- g. Copies of the citation logs and periodic reports received from law enforcement agencies shall be maintained by the Justice of the Peace Office. This documentation shall be made available to the County Auditor's Office for review upon request.

Maintaining adequate internal controls over citations is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations.

Failure to ensure that citations and civil cases are properly accounted and reconciled or that compensating controls are implemented increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that citations and civil cases are properly accounted and reconciled. The procedures noted above should be implemented. If the procedures cannot be implemented, management should ensure that compensating controls are implemented.

Observation No. 3:

We randomly selected 39 of 392 (10%) dismissed criminal cases for the month ended August 31, 2018 to determine if authorization for dismissal of the cases was properly documented. The results of the review revealed the following:

- 29 cases contained the proper documentation authorizing dismissal of the case. The dismissals contained the "Motion to Dismiss" and "Order to Dismiss" signed by the Justice of the Peace and the District Attorney, and reason(s) for the dismissal were noted in *Odyssey*.
- 10 cases did not contain proper documentation authorizing dismissal of the case. The cases did not have the dismissal noted in *Odyssey*, documents as proof of dismissal, "Motion to Dismiss" or "Order to Dismiss," and/or reason for dismissal on the "Motion to Dismiss" form.

According to staff, the cases did not contain proper documentation authorizing dismissal due to an oversight.

Pursuant to the Justices of the Peace Manual, Justices of the Peace may dismiss cases in criminal proceedings only when specifically authorized to do so by statute or when directed to do so by the prosecution (i.e. district attorney) in accordance with Code of Criminal Procedure Art. 32.02. All dismissals should be noted in the applicable docket book along with the reason(s) for dismissal.

A properly authorized dismissed criminal case should include in the case files and/or the docket book the following:

- "Motion to Dismiss" submitted by the District Attorney's Office, an "Order to Dismiss" signed by the Justice of the Peace, and reason(s) for the dismissal noted in the applicable docket; or
- "Order to Dismiss" and/or judgment signed by the Justice of the Peace, copies of documents as proof of dismissal based on the judge's discretion in accordance with state statutes (i.e. copies of a commercial

vehicle service logs, motor vehicle registration, valid driver's license, etc.), and reason(s) for the dismissal noted in the applicable docket.

Failure to properly document dismissals may result in sanctions from the State Commission on Judicial Conduct and/or loss or misuse of County funds.

Recommendation:

Management should ensure that dismissals are properly documented. At a minimum, the procedures noted above should be implemented.

Observation No. 4:

Passwords to gain access to *Hamer*, the County's credit card system, are not changed at least every 90 days. According to staff, *Hamer* is not programmed to require users to change passwords at least every 90 days.

The Information Technology (IT) Securities Policy requires that passwords be changed at least every 90 days.

Failure to change passwords may increase the risk of unauthorized access to *Hamer*.

Recommendation:

Management should contact the Information Technology Department to request their assistance regarding this recommendation. If this is not feasible, management should monitor that employees change their passwords at least every 90 days.

Observation No. 5:

We noted that when employees leave to lunch and/or on breaks the cash bags are left unlocked in their desks. According to staff, the bags are left in the desk since they are temporarily housed at Constable Precinct 1's Office due to flooding; however, the bags are safeguarded in a vault overnight.

The County Auditor's Office requires that cash be secured in a locked cash bag when employees are away from their work station.

Failure to ensure that the employees lock their cash bags when they are away from their workstation increases the risk of theft or misuse of County funds.

Recommendation:

Management should ensure that the employees lock their cash bags when away from their workstation.

Observation No. 6:

The notices stating "A \$ _ fee will be collected on all returned checks" and "Gifts, gratuities, and tips will not be accepted"; a notice stating that an area is being monitored by a security camera; and a schedule of acceptable fees and fines collected by the department were not posted in a conspicuous location for the public's view. According to the Court Coordinator, they failed to post the notices when they were temporarily relocated to Constable Precinct 1's Office.

The County Auditor's Office requires that notices stating "A \$ _ fee will be collected on all returned checks" and "Gifts, gratuities, and tips will not be accepted"; a notice stating that an area is being monitored by a security camera; and a schedule of acceptable fees and fines collected by the department be posted in a conspicuous location for the public's view.

Failure to post the required notices and schedule increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that the notices and schedule are posted in a conspicuous location for the public's view.

Observation No. 7:

We noted that the mail log is prepared when mail-in payments are receipted instead of when they are received. According to the Court Coordinator, when mail-in payments were recorded in the mail log prior to being receipted, sometimes, there were discrepancies between the number of checks receipted and those noted on the mail log. Therefore, mail-in payments are recorded on the log after they are receipted and no discrepancies have occurred. According to the Court Coordinator, this process will not be changed.

The County Auditor's Office requires that mail be opened and listed on a daily mail log prior to being receipted. 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., check or money order), and the check or money order number.

Failure to ensure mail-in payments are recorded on a mail log prior to being receipted 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 prior to being receipted. 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 by January 11, 2019.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you should have any questions, do not hesitate to contact Araceli A. Guillen, Internal Auditor I, at 318-2511 ext. 4649, Yvonne Torres, Revenue Internal Audit Supervisor, at ext. 4642, Letty Chavez, Director of Audit Division, at ext. 4651, Linda Fong, First Assistant Auditor, at ext. 4668, or myself at ext. 4645.

Respectfully,



Maria Arcilia Duran, CPA
Hidalgo County Auditor

cc: Valde Guerra, County Executive Officer

COUNTY of HIDALGO

HIDALGO COUNTY AUDITOR'S OFFICE
County Administration Building
2808 South Business Highway 281
Edinburg, Texas 78539-3587
PHONE: (956) 318-2511
FAX: (956) 318-2577
WEBSITE: www.co.hidalgo.tx.us/auditor



EDINBURG, TEXAS 78539

January 4, 2019

The Honorable Luis J. Garza
Justice of the Peace Precinct 3, Place 1
730 N. Breyfogle Rd., Suite C
Mission, TX 78572

Ref: Cash Count Report No. 2018-566

Dear Judge Garza:

We conducted a surprise cash count of the cash held at your office on November 5, 2018, as required by Local Government Code § 115.0035. The objective of the cash count was to determine that total cash on hand reconciled to the total receipts issued up to the time of the cash count.

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 August 15, 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:

The total cash on hand at the time of the cash count was \$4,580.83. Based on the results of our review, we concluded that total cash on hand reconciled to total receipts issued for the day up to the time of the cash count. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

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:

Procedures for the accounting of citations received from law enforcement agencies and civil cases filed with the court require improvement as follows:

1. Citations received from law enforcement agencies, except for Department of Public Safety (DPS), and civil cases were not recorded on a log. DPS automatically uploads the citations into *Odyssey*.
2. A reconciliation of citations and civil cases filed at the court to those recorded on *Odyssey*, the case management system, was not conducted and formally documented; and
3. Duties related to citations and civil cases are not properly segregated. Individuals responsible for issuing receipts (custody responsibility) are also responsible for entering citations into *Odyssey* (recording responsibility).

According to staff, due to a heavy case load and limited staff, procedures for the accounting of citations and civil case filings have not been improved.

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
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.

The County Auditor's Office requires that a reconciliation of citations and civil cases filed at the court be conducted and formally documented. This reconciliation may be conducted and formally documented by completing a citation/civil cases filed log (log). Citations/civil cases should be entered into *Odyssey*, the case management system, the same day they are received. Any exceptions should be brought to the attention of the Supervisor, placed in a locked area, and processed on the next business day. The following procedures should be followed when processing citations:

- a. The person responsible for opening the mail and/or accepting the delivery of citations/civil cases should immediately list citations/civil cases on the log before distribution to the person responsible for entering them into *Odyssey*. Since the person responsible for entering the citations/civil cases into *Odyssey* has recording responsibilities, he/she should not be responsible for accepting payments.
- b. The person responsible for opening the mail and/or accepting the delivery of citations/civil cases should note, at a minimum, the following on the log: date received, citation number, name of violator/plaintiff, and name of officer who issued the citation, as applicable. The person responsible for noting this information should provide his/her signature on the "Prepared by" line of the log.
- c. The person responsible for entering the citations into *Odyssey* should enter the date of entry and docket number assigned to the citation/civil case on the log and provide his/her signature on the "Entered by" line of the log.
- d. The "New Cases" and "Cases Filed" reports for the specified date should be generated from *Odyssey* and reconciled to the log by a person other than the person responsible for entering the citations into *Odyssey*. Any variances should be noted on the log, with a detailed explanation, and immediately brought up to the attention of the Justice of the Peace. In addition, the person conducting this reconciliation should provide his/her signature on the log as acknowledgment of the reconciliation.
- e. Citations should be placed in the applicable file.
- f. The Justice of the Peace should request periodic reports regarding the citations filed with the courts from law enforcement agencies and reconcile the reports to the citations recorded in *Odyssey*.
- g. Copies of the citation logs and periodic reports received from law enforcement agencies shall be maintained by the Justice of the Peace Office. This documentation shall be made available to the County Auditor's Office for review upon request.

Maintaining adequate internal controls over citations is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations.

Failure to ensure that citations and civil cases are properly accounted and reconciled or that compensating controls are implemented increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that citations and civil cases are properly accounted and reconciled. If these procedures cannot be implemented, management should ensure that compensating controls are implemented.

Observation No. 2:

We noted that segregation of duties over the handling of collections requires improvement.

The Court Coordinator performs the following incompatible duties:

- o Custody: Receives money, issues receipts, balances receipts issued to cash on hand, and maintains a cash drawer.
- o Recording: Accounts for numerical sequence of cash receipts and prepares monthly reports
- o Authorization: Subsequently compares listed mail receipts to recorded cash receipts

According to staff, segregation of duties is difficult to implement due to limited staff and heavy workload.

HIDALGO COUNTY DISTRICT JUDGES

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

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
JUDGE, 275TH D.C.

MARIO E. RAMIREZ, JR.
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OVERSEER

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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 sound internal controls rests with management. Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for receiving money, issuing receipts, balancing receipts issued to cash on hand, and maintaining a cash drawer should be different from the individual responsible for accounting for numerical sequence of cash receipts and preparing monthly reports. In addition, the individuals previously noted should be different from the individual responsible for subsequently comparing listed mail receipts to recorded cash receipts.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Failure to ensure that incompatible duties are adequately segregated or that compensating controls are implemented increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that incompatible duties are adequately segregated such as those noted above. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

Observation No. 3:

We randomly selected 16 of 313 (5%) dismissed criminal cases for the month ended October 31, 2018 to determine if authorization for dismissal of the cases was properly documented. The results of the review revealed that 6 cases did not contain the proper documentation authorizing dismissal of the case, as follows:

- 1 case did not have the reason for the dismissal noted on the "Motion to Dismiss."
- 5 cases did not have the reason for the dismissal noted in *Odyssey*.

Pursuant to the Justices of the Peace Manual, Justices of the Peace may dismiss cases in criminal proceedings only when specifically authorized to do so by statute or when directed to do so by the prosecution (i.e. district attorney) in accordance with Code of Criminal Procedure Art. 32.02. All dismissals should be noted in the applicable docket book along with the reason(s) for dismissal.

A properly authorized dismissed criminal case should include in the case files and/or the docket book the following:

- "Motion to Dismiss" submitted by the District Attorney's Office, an "Order to Dismiss" signed by the Justice of the Peace, and reason(s) for the dismissal noted in the applicable docket; or
- "Order to Dismiss" and/or judgment signed by the Justice of the Peace, copies of documents as proof of dismissal based on the judge's discretion in accordance with state statutes (i.e. copies of a commercial vehicle service logs, motor vehicle registration, valid driver's license, etc.), and reason(s) for the dismissal noted in the applicable docket.

Failure to properly document dismissals may result in sanctions from the State Commission on Judicial Conduct and/or loss or misuse of County funds.

Recommendation:

Management should ensure that dismissals are properly documented. At a minimum, the procedures noted above should be implemented.

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

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JUDGE, 398TH D.C.

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

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

Observation No. 4:

A notice stating that "A \$_____ fee will be collected on all returned checks" was not posted in a conspicuous location for the public's view. According to staff, the notice was not posted since only money orders and company checks are accepted.

The County Auditor's Office requires that a notice stating, "A \$_____ fee will be collected on all returned checks" is posted in a conspicuous location for the public's view. In addition, money orders are to be treated like checks. Although it is unlikely for a money order to be returned for insufficient funds, it is possible. Posting the required notice will deter customers from issuing checks that will not clear the bank.

Recommendation:

Management should ensure that a notice stating, "A \$_____ fee will be collected on all returned checks" is posted in a conspicuous location for the public's view.

Observation No.5:

We noted that mail-in payments are not restrictively endorsed immediately upon receipt, instead they are restrictively endorsed when they are receipted. According to staff, mail-in payments are not restrictively endorsed until they are receipted since payments might be returned to the sender.

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. All checks received must be restrictively endorsed immediately upon receipt.

Failure to ensure that all mail-in payments are restrictively endorsed upon receipt may result in the loss or misuse of County funds.

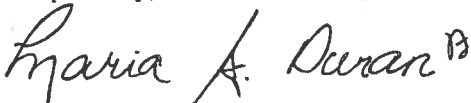
Recommendation:

Management should ensure that all mail-in payments are restrictively endorsed upon receipt. Please refer to the mail log section of the "Cash Handling Guidelines and Procedures" prescribed by the County Auditor's Office for the minimum procedures to be implemented for processing mail-in payments. If the payment needs to be returned to sender, supporting documentation can be attached to the mail log to support the reason the mail-in payment was not receipted.

Please provide written management responses to the observations noted above by January 11, 2019.

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 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: Mr. Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIAS
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
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JUDGE, 430TH D.C.

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

COUNTY OF HIDALGO

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



EDINBURG, TEXAS 78539

January 4, 2019

The Honorable Homer Jasso, Sr.
Justice of the Peace, Pct. 4, Pl.2
224 N. 12th Avenue
Edinburg, TX 78539

Re: Cash Count Report No. 2018-569

Dear Judge Jasso:

We conducted a surprise cash count of the cash held at your office on November 13, 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.

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 November 20, 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 \$2,111.41. Based on the results of our review, we concluded that total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

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 listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds has not been requested from the County Treasurer's Office. According to staff, the possibility of accepting a hot check is minimal since they only accept checks from businesses and attorneys.

The County Auditor's Office requires that a listing of the names of customers whose checks have been returned by the bank ("hot checks") due to insufficient funds, closed accounts, unauthorized signatures, or drawn on uncollected funds be maintained. The hot check list should be referenced when receiving checks from customers.

Referring to a "hot checks" list ensures that a check is not collected from a business or an attorney who has previously presented a "hot check" as payment. Failure to maintain a hot check list may result in the loss of County funds.

HIDALGO COUNTY DISTRICT JUDGES

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

FERNANDO MANCIA
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
JUDGE, 275TH D.C.

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JUDGE, 398TH D.C.

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

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

Recommendation:

Management should request the “hot check” listing from the County Treasurer’s Office.

Observation No. 2:

We noted that segregation of duties over the handling of collections requires improvement. The Assistant Court Coordinators perform the following incompatible duties:

- Custody: Receive money, issue receipts, list mail receipts, maintain a cash drawer
- Recording: Have access to dismiss cases in *Odyssey*

According to staff, due to a heavy case load and limited number of staff, proper segregation of duties over the handling of collections has not been implemented.

The responsibility for sound internal controls rests with management. Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for receiving money, issuing receipts, listing mail receipts, and maintaining a cash drawer should be different from the individual responsible for having access to dismiss cases in *Odyssey*.

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:

A notice stating “A \$__ fee will be collected on all returned checks” was not posted where the collections are taken. According to the Court Coordinator, the notice is not needed since only checks received from businesses and attorneys are accepted.

The County Auditor’s Office requires that a notice stating “A \$__ fee will be collected on all returned checks” is posted in a conspicuous location for the public’s view.

If individuals are informed that a fee is collected for returned checks, it reduces the risk that a “hot check” will be presented for payment.

Recommendation:

Management should ensure that a notice stating “A \$__ fee will be collected on all returned checks” is posted in a conspicuous location for the public’s view.

Observation No. 4:

A notice stating “Gifts, gratuities, and tips will not be accepted” and a notice stating that the area is being monitored by security cameras were not posted in a conspicuous location for the public’s view. According to the Court Coordinator, they were not aware that the notices were not posted.

HIDALGO COUNTY DISTRICT JUDGES

The County Auditor's Office requires that a notice stating "Gifts, gratuities, and tips will not be accepted" and a notice stating that the area is being monitored by security cameras are posted in a conspicuous location for the public's view.

Failure to post the required notices increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that these notices are posted in a conspicuous location for the public's view.

Observation No. 5:

Procedures for the accounting of citations received from law enforcement agencies and civil cases filed with the court require improvement as follows:

1. Citations received from law enforcement agencies, except for Department of Public Safety (DPS) were not recorded on a log. DPS automatically uploads the citations into *Odyssey*.
2. A reconciliation of citations and civil cases filed at the court to those recorded on *Odyssey*, the case management system, was not conducted and formally documented; and
3. Duties related to citations and civil cases are not properly segregated. Individuals responsible for issuing receipts (custody responsibility) are also responsible for entering citations into *Odyssey* (recording responsibility).

According to the Court Coordinator, due to a heavy case load and limited staff, procedures for the accounting of citations and civil case filings have not been improved.

The County Auditor's Office requires that a reconciliation of citations and civil cases filed at the court be conducted and formally documented. This reconciliation may be conducted and formally documented by completing a citation/civil cases filed log (log). Citations/civil cases should be entered into *Odyssey*, the case management system, the same day they are received. Any exceptions should be brought to the attention of the Supervisor, placed in a locked area, and processed on the next business day. The following procedures should be followed when processing citations:

- a. The person responsible for opening the mail and/or accepting the delivery of citations/civil cases should immediately list citations/civil cases on the log before distribution to the person responsible for entering them into *Odyssey*. Since the person responsible for entering the citations/civil cases into *Odyssey* has recording responsibilities, he/she should not be responsible for accepting payments.
- b. The person responsible for opening the mail and/or accepting the delivery of citations/civil cases should note, at a minimum, the following on the log: date received, citation number, name of violator/plaintiff, and name of officer who issued the citation, as applicable. The person responsible for noting this information should provide his/her signature on the "Prepared by" line of the log.
- c. The person responsible for entering the citations into *Odyssey* should enter the date of entry and docket number assigned to the citation/civil case on the log and provide his/her signature on the "Entered by" line of the log.
- d. The "New Cases" and "Cases Filed" reports for the specified date should be generated from *Odyssey* and reconciled to the log by a person other than the person responsible for entering the citations into *Odyssey*. Any variances should be noted on the log, with a detailed explanation, and immediately brought up to the attention of the Justice of the Peace. In addition, the person conducting this reconciliation should provide his/her signature on the log as acknowledgment of the reconciliation.
- e. Citations should be placed in the applicable file.
- f. The Justice of the Peace should request periodic reports regarding the citations filed with the courts from law enforcement agencies and reconcile the reports to the citations recorded in *Odyssey*.
- g. Copies of the citation logs and periodic reports received from law enforcement agencies shall be maintained by the Justice of the Peace Office. This documentation shall be made available to the County Auditor's Office for review upon request.

HIDALGO COUNTY DISTRICT JUDGES

Maintaining adequate internal controls over citations is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with a limited number of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations.

Failure to ensure that citations and civil cases are properly accounted and reconciled or that compensating controls are implemented increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that citations and civil cases are properly accounted and reconciled. The procedures noted above should be implemented. If the procedures cannot be implemented, management should ensure that compensating controls are implemented.

Observation No. 6:

We randomly selected 9 of 44 (20%) dismissed criminal cases for the period of September 1, 2018 through September 30, 2018 to determine if authorization for the dismissal of the criminal cases was properly documented. The result of the review revealed that 3 cases did not contain proper documentation authorizing dismissal of the case. The case file lacked the "Motion to Dismiss" and "Order to Dismiss" signed by the Justice of the Peace and the District Attorney. The "Motion to Dismiss" and "Order to Dismiss" were subsequently signed and uploaded to *Odyssey*.

Pursuant to the Justices of the Peace Manual, Justices of the Peace may dismiss cases in criminal proceedings only when specifically authorized to do so by statute or when directed to do so by the prosecution (i.e. district attorney) in accordance with Code of Criminal Procedure Art. 32.02. All dismissals should be noted in the applicable docket book along with the reason(s) for dismissal.

A properly authorized dismissed criminal case should include in the case files and/or the docket book the following:

- "Motion to Dismiss" submitted by the District Attorney's Office and an "Order to Dismiss" by the Justice of the Peace;
- Copies of documents as proof of dismissal based on the judge's discretion in accordance with state statutes (i.e. copies of a hunting license, motor vehicle registration, valid driver's license, etc.), and
- Reason(s) for the dismissal noted in the applicable docket book.

Formal monitoring procedures have not been developed and implemented to ensure the authorization for dismissal of criminal cases is properly documented. Failure to properly document dismissals may result in sanctions from the State Commission on Judicial Conduct and/or loss or misuse of County revenues.

Recommendation:

Management should develop and implement formal monitoring procedures to document the authorization of case dismissals. At a minimum, the procedures noted above should be implemented.

Observation No. 7:

A mail log was not consistently utilized to record payments received through the mail. According to the Court Coordinator, a daily mail log was not consistently utilized due to an oversight.

The County Auditor's Office requires that mail-in payments be listed on a daily mail log. The mail log should include the following information for each mail-in payment received: date received, the name of the payer, the amount of the remittance, the form of the remittance (e.g., cash or check), and, if applicable, the check number.

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

HIDALGO COUNTY DISTRICT JUDGES

Recommendation:

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

Observation No. 8:

We noted that the signed "Cash Handling Guidelines and Procedures" acknowledgment form was not maintained on file for two new employees. According to the Court Coordinator, the forms were not maintained on file due to an oversight.

The County Auditor's Office requires that departments train all employees responsible for handling cash regarding proper cash handling procedures. The employees handling cash must read the "Cash Handling Guidelines and Procedures" and sign a receipt acknowledging their understanding of these guidelines and procedures. The acknowledgment receipt should be kept on file.

Failure to ensure that employees handling cash are required to read and sign a receipt acknowledging their understanding of the "Cash Handling Guidelines and Procedures" increases the risk of loss or misuse of County funds.

Recommendation:

Management should ensure that all new employees handling cash are required to read and sign a receipt acknowledging their understanding of the "Cash Handling Guidelines and Procedures." In addition, the forms should be maintained on file for all employees.

Please provide written management responses to the observations noted above by January 11, 2019.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you should have any questions or would like to schedule a meeting to discuss this cash count, please do not hesitate to contact Marissa Castillo, Internal Auditor II, at 318-2511 ext. 4650, 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.

FERNANDO MANCIAS
JUDGE, 93RD D.C.

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

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

MARLA CUELLAR
JUDGE, 275TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 372ND 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.