Travis County Constable, Precinct 5
Report of Findings and Recommendations
(Exit Examination)
#13-02

Report Date: April 9, 2013
Issue Date: July 12, 2013

TRAVIS COUNTY
AUDITOR'S OFFICE

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April 9, 2013
Travis County Constable, Precinct 5
Exit Examination
#13-02

Report of Findings and Recommendations

Carlos Lopez
Constable, Precinct 5

Scheduled as part of our statutory requirements, the Revenue and Internal Controls Auditing Division of the Travis County Auditor's Office has completed an exit examination of the Constable, Precinct 5 Office. We conducted our examination in accordance with the applicable statutes governing the County Auditor's Office and those relating to County financial and accounting protocols. As a result of our examination, we are providing this report on our findings and recommendations.

The primary objective of this examination was to verify the validity of the Constable, Precinct 5 Office's books and reports as of the end of the prior constable's term of office. Our examination of this office included an assessment of the adequacy and effectiveness of the overall system of internal controls in place for Constable 5's accounting system as of December 31, 2012. This included examinations of controls over handling and managing collections, liabilities, receivables, bank reconciliations, fixed assets and user access to the County's financial system.

Our work was based on applying sampling procedures to office records and on verbal and written representations from this office. Sampling relates to examining, on a test basis, evidence supporting the amounts and disclosures in the financial records and statements. The use of sampling techniques would not necessarily disclose all matters in Constable, Precinct 5's financial statements, financial records and internal controls that might be material weaknesses or misstatements. In regards to the written and verbal representations made by this office, unless otherwise noted in this report, office management maintains that the assertions we relied upon in the examination were correct to the best of their knowledge.

Based on our examination, we gave the system of internal controls for this functional area our rating of "Adequate", which indicates an overall solid system of internal controls that outweighs the relative number of minor audit findings. See Attachment A for an explanation of our grading system for the overall control environment.

Copies of this office's financial statements for December 31, 2012 are provided in Attachment B. The express purpose of presenting these financial statements and the associated findings is to comply with the applicable local government code statutes and to provide internal control feedback to Travis County officials. This financial statement has not currently been audited by Travis County's external auditors.

These findings and recommendations are intended solely for the information and use of management and Commissioners' Court. We would like to note that this was an exit examination of the previous administration for this office only. No assessment was made of the internal controls put in place by the incoming constable.

We greatly appreciate the cooperation and assistance received from the management and staff of the Constable, Precinct 5 Office during this examination. Please contact our office if you have any questions or concerns regarding this report.

David Jungerman
Manager - Revenue and Internal Controls
Auditing

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First Assistant County Auditor

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Travis County Auditor

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Patti Smith, County Auditor's Office
Mike Crawford, County Auditor's Office
Examination File

EXECUTIVE SUMMARY

Functional Area:
Constables serve as a law enforcement agency for Travis County, with countywide jurisdiction in civil and criminal matters. They process and execute civil processes from various courts, including forcible entry and detainer suits, writs of possession, citations and executions issued from justice of the peace courts. The constables also process and execute misdemeanor traffic and hot check warrants of arrest for Travis County justice of the peace courts and for other municipalities and counties.

Prior Examination Exceptions (#11-11, Dated May 9, 2012):
No prior examination findings noted.

Current Examination Objective (Period – December 31, 2012):
The scope of this examination included a review of receipts and disbursements to verify compliance with statutes and internal policies and procedures. In addition, we evaluated controls over internal functions responsible for handling and managing collections, refunds, fixed assets, user access to the County's financial system, as well as the final disposition of the funds on hand.

Current Examination – Significant Findings:
During this examination, we reviewed only the records of the prior administration of this office. No assessment was made of the new constable's records or internal controls.

Overall Opinion (See Transmittal Letter for Specifics):
The overall system of internal controls in place for this office was rated "Adequate".

Attachment A

Internal Controls Rating Key

Rating Designation	Rating Description
Good	Well established internal controls with few, if any, minor exceptions
Adequate	Overall solid system of internal controls outweighs the relative number of minor or more serious findings
Requires Improvement	Weaknesses exist that negatively impact the overall system of internal controls
Requires Significant Improvement	Significant number of weaknesses that negatively impact the overall system of internal controls
Inadequate	Existing overall system of internal control is ineffective

Note: A good internal control system reduces the risk of errors, defalcations, and misappropriations of funds. Weak internal control systems provide an environment in which errors, defalcations, and misappropriations of funds can go undetected.

Travis County Constable, Precinct 5
Statement of Fiduciary Assets and Liabilities
Agency Fund
December 31, 2012

Assets

Cash	$	21,394
Accounts receivable, net		210
Total assets		21,604

Liabilities

Due to third parties		21,604
Total liabilities		21,604
Net Assets	$	-

NOTE: The express purpose of presenting this financial statement and the appropriate findings is to comply with applicable local government code statutes and to provide internal control feedback to Travis County officials. This financial statement has not currently been audited by Travis County's external auditors.