



Rafael Pérez, C.P.A.
Webb County Auditor

1110 Washington Street, Suite 201
Laredo, Texas 78040

Telephone (956) 523-4016
Fax No. (956) 523-5001

Executive Summary

April 4, 2018

For the months of January through March, our office conducted and completed two departmental reviews which encompassed cash counts, facility tours, internal control questionnaires and segregation of duties questionnaires, to assist in the determination of each department's risk assessment.

The findings and recommendations herein are limited to the study procedures noted above and do not express an opinion on the department's entire financial and operational system. The representations are based on the assertions made by department personnel and our understanding that the information provided was accurate to the best of their knowledge.

No material deviations were noted in the cash counts nor in the examination of the prior month's receipts, deposits and daily cash reports. However, we bring the following to your attention:

Webb County Treasurer's Office Delia Perales

- The office implements continuous internal controls and an appropriate level of segregation of duties which allow for prevention and detection measures minimizing the office's financial risk by monitoring the collection and disbursements of County funds and reporting the information to Commissioners Court and outside entities.

Justice of the Peace Precinct 1 Place 2 Oscar Liendo

- Since fiscal year 2012, the office has not submitted or correctly filed the Office of Court Administration Official Justice of the Peace Monthly Report pursuant to Texas Administrative Code § 171.2. We recommend the office contact the State Department to rectify the missing criminal information for reports filed prior to January 2017, and submit in its entirety any lacking monthly reports to comply with statute.
- The office does not prepare the weekly conviction reports as required by the Texas Department of Public Safety as per Transportation Code § 543.203. We recommend the office prepare and submit the required weekly conviction reports to be in compliance with statute.
- The office creates manual receipts and issues them to the public in place of an "official" County receipt when the Odyssey judicial receipting system is not functioning. We recommend the office obtain official manual receipts from the Internal Audit Division to provide the public ensuring the accountability and the reconciliation of funds collected to receipts issued and deposits.



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Executive Summary

May 2, 2018

For the month of April, our office completed the Justice of the Peace Precinct 1 Place 2 review which encompassed cash count, facility tour, internal control questionnaire, and segregation of duties questionnaire to assist in the assessment of the department's risk.

The findings and recommendations herein are limited to the study procedures noted above and do not express an opinion on the department's entire financial and operational system. The representations are based on the assertions made by department personnel and our understanding that the information provided was accurate to the best of their knowledge.

No material deviations were noted in the cash count nor in the examination of the prior month's receipts, deposits, and daily cash reports. However, we bring the following to your attention:

Justice of the Peace Precinct 1 Place 2 Oscar Liendo

- Since fiscal year 2012, the office has not submitted or correctly filed the Office of Court Administration Official Justice of the Peace Monthly Report pursuant to Texas Administrative Code § 171.2. We recommend the office contact the State Department to rectify the missing criminal information for reports filed prior to January 2017 and submit in its entirety any lacking monthly reports to comply with statute.
- The office does not prepare the weekly conviction reports as required by the Texas Department of Public Safety as per Transportation Code § 543.203. We recommend the office prepare and submit the required weekly conviction reports to be in compliance with statute.
- The office creates manual receipts and issues them to the public in place of an "official" County receipt when the Odyssey judicial receipting system is not functioning. We recommend the office obtain their official manual receipt book from the Internal Audit Division to provide to the public ensuring the accountability and the reconciliation of funds collected to receipts issued and deposits.



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Executive Summary June 13, 2018

For the months of April and May, our office completed the Webb County Casa Blanca Golf Course review which encompassed cash count, facility tour, internal control questionnaire, and segregation of duties questionnaire to assist in the assessment of the department's risk.

The findings and recommendations herein are limited to the study procedures noted above and do not express an opinion on the department's entire financial and operational system. The representations are based on the assertions made by department personnel and our understanding that the information provided was accurate to the best of their knowledge.

We bring the following to your attention:

Casa Blanca Golf Course

- Cash counts revealed a shortage of \$4,446.19 (\$3,598.82 on April 10th cash count and \$847.37 on April 25th), commingled deposits, lax depositing procedures, and the use of daily golf course receipts for the purchase of golf course supplies and restaurant inventory.
- Funds were kept in golf course safe and/or, in the case of the second cash count, the general manager's home safe until deposited into County's bank taking an average 17 days not abiding by state statute LGC §113.022 with the Management Agreement §6 Banking.
- Cashiers are receipting payments at the restaurant for green fees and vice versa requiring the office manager to review each cash and credit card transaction and classify the monies between the county and management company which delays the daily deposit of funds.
- Management Company was paying sales tax on goods and services on the county's behalf but then opted to deposit the sales amount only and withhold the sales tax to avoid having to wait for reimbursement funds from the county. Management Company neglected to advise all pertinent personnel of the amendment which affects reimbursement amounts.

Overall, lax segregation of duties, lack of internal controls, untimely deposits, cash shortages, and miscommunication between the Management Company and the County have all contributed to the delay of monthly reimbursements completed by the County. In order to resolve issues regarding proper payment on both parties, the Management Company and the County must abide with contract which delineates the proper accounting procedures to be followed.