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
July 18, 2018

For the month of June, our office completed the following departmental reviews which encompassed a cash count, facility tour, internal control questionnaire, and segregation of duties questionnaire to assist in the assessment of each 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:

Webb County Law Library

- Cash count was over due to comingling of various days' funds, no accounting of daily receipts, and not closing out the cash register at the end of each business day. These practices increase the risk of loss and misappropriation of funds. We recommend staff utilize the computerized receipting capabilities of the County's New Worlds Tyler system to issue receipts as this also serves as a cash report and safeguard funds receipted in a separate secure location from the change fund until deposited allowing for the proper accountability of revenues.

- Revenue collection internal controls are lax for services rendered at the department. We recommend department implement a plan wherein controls are in place to ensure revenue collection for all services rendered to the public.

Webb County Bruni Community Center

- Department issues manual receipts to the public; manual receipts should only be issued when the computerized system is down. We recommend staff utilize the computerized receipting capabilities of the County's New Worlds Tyler system to issue receipts as this also serves as a cash report.

Ernesto J. Salinas Community Center

- The Center has security cameras on site; however, the monitors are located in the library which is not staffed and is not readily accessible. As such, personnel is not aware of the patrons who enter or depart the center posing a potential security threat. We recommend the Director relocate the monitors to an area where staff can view patrons throughout their stay at the center in order to protect employees, patrons, and safeguard assets in the building against loss.

- Department issues manual receipts to the public; manual receipts should only be issued when the computerized system is down. We recommend staff utilize the computerized receipting capabilities of the County's New Worlds Tyler system to issue receipts as this also serves as a cash report.

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Executive Summary

For the month of July, our office finalized the Webb County Hot Checks review which encompassed a review of the County's receivable accounts and subsidiary ledgers maintained by various departments. Interviews were also conducted with those departments to obtain the current hot checks processes and procedures.

The findings and recommendations herein are limited to the study procedures noted above and are based on the information provided made by the departments and our understanding that the information was accurate to the best of their knowledge.

Webb County Hot Checks Review

- The County's returned checks (hot checks) receivables listing is not reconciled and/or adjusted properly overstating the County's receivables. As of September 30, 2017, there are $211,000 outstanding returned checks in the County's receivables. Outstanding items should be reviewed by Departments to determine the correct course of action for resolution of payment.

- Written procedures are lacking to be followed by all Departments. Current practices lack a cohesive process that would enable the County to accurately account, receipt, and appropriately collect hot check items.

- The Auditor's and Treasurer's Offices have been working together to computerize and streamline the process utilizing the Returned Checks module in the New World Logos System; updated procedures would be forthcoming once process has been implemented.

Webb County Internal Audit Report
FY 2018 – 4th Quarter Report

Departmental Reviews

RAFAEL PÉREZ, C.P.A.
COUNTY AUDITOR

Rafael Pérez, CPA
County Auditor

1110 Washington Street, Suite #201
Laredo, Texas 78040

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

Executive Summary
FY 2018 – 4th Quarter Report

For the 4thQuarter of Fiscal Year 2018, the Internal Audit Division finalized various reviews which encompassed conducting cash counts, facility tours, separation of duties questionnaire, and internal control questionnaire. The findings and recommendations herein are limited to the study procedures noted above and are based on the information provided made by the Departments and our understanding that the information was accurate to the best of their knowledge.

Water Utility Department

- Department does not have backup employee that will allow key personnel to take duly authorized leave. We recommend Department contact proper County staff (IT Department, Treasurer's Office, Auditor's Office, etc.) to assign and/or cross-train an alternate staff member to assume the duties and responsibilities of key personnel avoiding disruption of workflow and allowing for leave to be taken.

- Customer service technicians have experienced numerous confrontations with irate customers due to billing issues fearing for their safety. We recommend the Department implement additional security measures to protect employees such as installing bullet proof windows, panic buttons, and a secure lockable door to the customer service technicians' area.

Justice of the Peace Precinct 4 Jose "Pepe" Salinas

- The implementation of new and amended state mandated fees are not addressed and completed by the Office but by staff members within the Internal Audit Division and IT department. We recommend the Office initiate a plan agreed by all Justice of the Peace Offices to internally maintain the new and amended state mandated fees as the Internal Audit Division will no longer have access to link the offense fee codes to the fee schedule in Odyssey.

- The Office does not issue manual receipts when the Odyssey computerized receipt system is down and instructs the public to wait or come back and pay when the system is operational to provide them with a receipt. We recommend the Office obtain manual receipts to continue uninterrupted services when the system is down to make it feasible for the public and not affect revenue collections.

Constable Precinct 3 Adrian Cortez

- No material deviations were noted when cash count was conducted and daily cash reports reviewed. However, we do note the Department does not restrictively endorse checks and money orders "For Deposit Only." We recommend the Department restrictively endorse the checks and money orders upon receipt.

Pre-Trial Services

- While inquiring after the Department's operations, the Pre-Trial Services Director (Director) did inform us that although the Department's workload is current and employees are performing their duties appropriately, the Department is not ideally staffed. The Department provides services to six (6) different Courts that may hold concurrent hearings and only four (4) officers. This may lead to difficulties in providing all Courts with appropriate services. As such, every budget year the Director has been advocating for more officers to better provide services to the Courts.

Community Supervision and Corrections Department

- The Department's safe combinations are not safeguarded and it was discovered that three new, unloaded handguns were being stored in said safe. Storage of weapons in a safe that is readily accessible to various employees does not promote safety within the Department. We recommend safe combinations be changed and issued only to management and authorized personnel to minimize the risk for the misappropriation of safe contents and promote safety within the workplace.