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Executive Summary

Fiscal Year 2019 – 3rd Quarter Report

The Internal Audit Division respectfully submits departmental follow-up reviews as well as their respective cash counts. Departmental follow-up reviews encompassed performing cash counts, reviewing daily cash reports, and inquiring on the progress toward resolving the findings included in our prior Internal Audit Report.

Findings and recommendations herein are limited to the study procedures noted above and are based on the information provided by the Departments and our understanding that the information presented was accurate and to the best of their knowledge.

Follow-up Reviews

Follow-up reviews were conducted for the following offices and we find that they complied with implementing the recommendations brought forth in our prior Internal Audit Report presented to Management:

- Constable Precinct 2
- Indigent Health
- Justice of the Peace Precinct 4
- Constable Precinct 4
- Water Utilities
- Records Management

The following Offices have also complied with implementing recommendations set forth in our prior review, with exception(s):

Justice of the Peace Precinct 1 Place 2 | Justice of the Peace Precinct 2 Place 2

These Offices have failed to timely submit the Office of Court Administration (OCA) Official Justice of the Peace Monthly Report pursuant to Texas Administrative Code (TAC) § 171.2 and the weekly conviction reports as required by Transportation Code §543.203 to the Texas Department of Public Safety. We respectfully request that the required reports be completed and submitted as soon as practicable.

Road & Bridge Solid Waste

The current process for assessing Court approved Solid Waste fees and discounts require manual accounting even though a computerized system receipt is provided. We recommend that the use of the Utilities Module in the Tyler New World System (NWS) be reassessed for implementation of the Solid Waste customer base and respective billing and receipting. This will enable the department to provide an up-to-date receivable listing as well as sales and receipting reports.

Cash Counts

No material deviations were noted in the following cash counts conducted at each department, nor in the examination of the corresponding prior month's receipts, deposits, and daily cash reports.

DEPARTMENT	DATE	FINDINGS
Constable Precinct 2	04/11/2019	None
Justice of the Peace Precinct 2 Place 2	04/11/2019	None
Indigent Health	04/16/2019	None
Justice of the Peace Precinct 1 Place 2	04/17/2019	None
Justice of the Peace Precinct 4	04/25/2019	None
Constable Precinct 4	04/25/2019	None
Justice of the Peace Precinct 1 Place 1	05/02/2019	None
Water Utilities	05/07/2019	None
CSCD – South	05/07/2019	None
Justice of the Peace Precinct 2 Place 1	05/07/2019	None
Records Management	05/14/2019	None
Road & Bridge Solid Waste	05/14/2019	None
Medical Examiner	05/14/2019	None

Ongoing Project – Countywide Depository Change

On May 13th the Commissioner's Court awarded the Depository Contract to Falcon International Bank, marking an end to over two decades of banking with Commerce Bank and its affiliates. Currently, the division is assisting in various aspects of this transition including:

- Determining the effects and solutions for managing the change of the depository on the Tyler NWS financial system and the Tyler Odyssey financial subsidiary. In Tyler NWS we were able to minimize recoding of general ledger accounts and revenue coding by utilizing bank code functionality. However, in the Tyler Odyssey Financial subsidiaries the vendor advised that we will need to establish balanced and separate trust activity general ledger accounts for Falcon International Bank activity. We are working closely with District Clerk, Sheriff and IT staff to ensure a successful transition of the subsidiaries by the end of July.
- Assisting the Treasurer's Office in evaluating the bank accounts maintained and consolidating accounts.
- Coordinating the start date of new depository use by collecting Commerce depositing materials and ordering and issuing preliminary Falcon depository supplies.
- Evaluating which departments could benefit from remote depositing technology and coordinating the setup of such with Falcon personnel.
- Facilitating communication between Falcon's ancillary credit card merchant provider, Harbortouch, and County departments. Since there is no required buy or lease of credit card equipment, more County departments will now be able to accept credit card payments. Moreover, Harbortouch will also assist in the transition to internet based payments for our Utility clients, providing for another payment option.