

**2018**

**Travis County Auditor's Office Review of  
Constable, Precinct 1 Off-Duty Vehicle  
Donations**

**Travis County Auditor's Office  
Risk Evaluation & Consulting Division**

**10/26/2018**

TRAVIS COUNTY  
AUDITOR'S OFFICE

NICKI RILEY, CPA  
COUNTY AUDITOR



TRAVIS COUNTY  
700 LAVACA  
P.O. BOX 1748  
AUSTIN, TX 78767  
(512) 854-9125  
FAX: (512)854-9164

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Date: October 26, 2018

To: Danny Thomas  
Constable, Precinct 1

From: Nicki Riley, CPA  
Travis County Auditor

Subject: Off-Duty Vehicle Donations Examination

Scheduled as part of our statutory requirements, particularly those in Section 115 of the Local Government Code and Article 59 of the Texas Code of Criminal Procedure, the Risk Evaluation and Consulting Division of the Travis County Auditor's Office has completed an examination of the accounting protocols for the off-duty vehicle donation function of the Constable, Precinct 1 Office (CN1). 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.

## **BACKGROUND**

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Constables Offices serve as law enforcement agencies for Travis County, with county-wide jurisdiction in civil and criminal matters. They process and execute civil legal notices, summonses, and citations from various courts including forcible entry and detainers, writs of possession, citations, and executions issued from the Justice of the Peace courts. Constables also process and execute misdemeanor traffic and hot check warrants of arrest for the Travis County Justices of the Peace courts, as well as other municipalities and counties. Law enforcement personnel periodically perform services for outside parties while off duty. These services include, for example, security for large events and directing traffic at construction sites.

## **SCOPE**

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This report details an assessment of the adequacy and effectiveness of the overall system of financial controls in place for CN1 off-duty vehicle donations during the period of October 1, 2016 through March 31, 2018.

## **EXAMINATION METHODOLOGY**

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Our work was based on applying sampling procedures to office records and on verbal and written representations from CN1. 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 material issues and weaknesses in this functional area. In regard to the written and verbal representations made by CN1, 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.

## **SUMMARY OF FINDINGS & RECOMMENDATIONS**

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We noted internal control issues related to a lack of supporting documentation for off-duty vehicle transactions, utilization of an unapproved hourly rate for donations, and the collection of revenue for “on-duty” activities without a contract. Our findings and recommendations are detailed in the Areas of Concern Section of this report. Each finding has a listed severity of “Most Serious”, “Serious”, or “Less Serious”.

## **EXAMINATION TEAM**

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Amanda Muehlberg, Lead Auditor

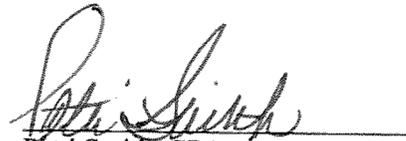
## **CLOSING**

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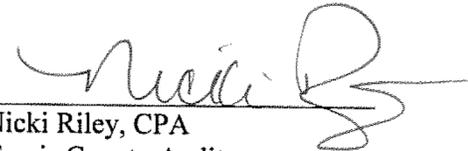
This report is intended solely for the information and use of the Constable’s Office and the Commissioners Court. We greatly appreciate the cooperation and assistance received from the management and staff of the Travis County Constable, Precinct 1 Office during our review. Please contact us if you have any questions or concerns regarding this report.



David Jungeman, CIA  
Chief Assistant County Auditor -  
Risk Evaluation & Consulting



Patti Smith, CPA  
First Assistant County Auditor



Nicki Riley, CPA  
Travis County Auditor

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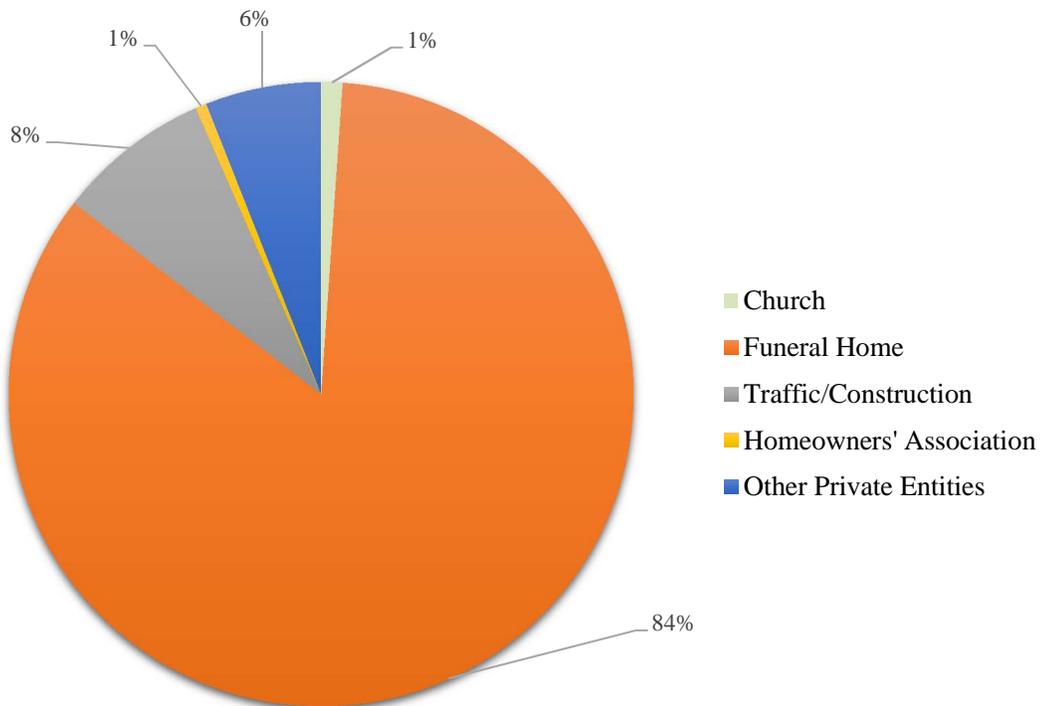
## Background

At times, outside third parties require specialized assistance from Law Enforcement Officers (LEOs). For example, churches or road construction contractors may need an LEO to direct traffic or a large public event may need LEOs for security. When Constable LEOs provide these services, they typically do so while off duty. When this is the case, the LEO enters into a secondary employment agreement with the approval of the Constable's Office.

In many cases, the LEOs must utilize their County-owned patrol vehicles in order to properly perform these off-duty services for third parties. These vehicles can be particularly helpful for closing road lanes and alerting drivers while LEOs direct traffic. When County vehicles are used for this purpose, fuel, maintenance, and other usage costs are incurred by the County. In order to recoup these costs, the third parties agree to a recommended hourly donation.

These donations are collected by the applicable Constable's office directly, remitting the funds collected to the Treasurer's Office as County revenue. During the period October 1, 2016 through March 31, 2018, Constable, Precinct 1 collected \$35,518 on 143 payments from outside parties. The graph below details the percentages by source type:

**Off-Duty Collections by Source  
October 1, 2016 - March 31, 2018**



## **Areas of Concern**

We reviewed 64 (45%) of the 143 payments received during the period, for which the sampled receipts totaled \$24,098. During this review we noted the following:

### **1. Funeral Escort Collections (Serious)**

During our review of CN1 off-duty vehicle donations, 51 (80%) of the payments in our sample, which totaled \$18,700, actually related to on-duty deputy and vehicle funeral escort services. Upon reviewing these items in detail, we determined that the payments for funeral escort services had been collected without Commissioners Court-approved contracts.

#### **Significance:**

On-duty deputy constables may provide funeral escort services during regular business hours and the Constable's office may charge for both the services provided by the deputy and for the use of a County vehicle. However, Constables may only bill for these on-duty services when a Commissioners Court-approved contract is in place with the entity receiving the services. (See AG Opinion GA-0553 for more information.)

#### **Recommendations:**

We recommend that CN1 only charge for services provided during business hours when Court-approved contracts are in place governing those services.

#### **Management Response:**

Constable One agrees with the Auditors recommendation. As of August 1, 2018 Constable Precinct One will no longer charge for service during business hours. In the event a fee is attached, a contract should be signed between funeral directors and commissioners court.

### **2. Donation Assessment Rate/Rate Analysis (Less Serious)**

CN1 currently charges \$15/hour for off-duty vehicle usage, with a minimum two-hour charge. In 2008, the Commissioners Court approved an increase to all off-duty vehicle donations from \$15/hour to \$20/hour. This increase took effect in January 2013.

#### **Significance:**

In order to be compliant with the decree of the Commissioners Court, donations should be assessed at the approved \$20/hour rate.

#### **Recommendations:**

We recommend that CN1 utilize the Commissioners Court-approved donation rate of \$20/hour. We also recommend that CN1 work with the Planning and Budget Office (PBO) and Transportation and Natural Resources (TNR) to determine if the hourly rate for donations is adequate or if it should be changed, as this rate has not been analyzed since 2008.

Management Response:

Constable Precinct One agrees with approved fee. As of August 1, 2018 the fee will be \$20 per hour for vehicle donations. Constable One will be working with TNR and PBO to update fee analysis.

**3. Supporting Documentation (Less Serious)**

Invoices supporting 41 (65%) of the 64 sampled payments were not available. For the 23 invoices that were available for review, sufficient detail was not provided to verify that the correct amount was charged. Specifically, the number of vehicles provided and the number of hours of the vehicles spent on site were not consistently listed.

Significance:

In order to maintain a sufficient audit trail, copies of all vehicle donation invoices should be maintained. These invoices should include all relevant details, such as the number hours on site and the number of vehicles assigned.

Recommendation:

We recommend CN1 create a standardized and detailed invoice. Invoices should clearly state the date and time of service, the number of vehicles used, the hours for each vehicle, and the vehicle rate per hour. In addition, invoices should be time stamped or printed to PDF with a time marker to provide a reliable audit trail and ensure invoices were not created or altered after the receipt date.

Management Response:

Constable One created a standardized and detailed invoice and will begin utilizing August 1, 2018. An example was included in the response.