

2018

Travis County Auditor's Office Review
of the Travis County Constable,
Precinct 5 Office Forfeited Property
Account

#18-25

TRAVIS COUNTY
AUDITOR'S OFFICE

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COUNTY AUDITOR



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To: Carlos Lopez
Travis County Constable, Precinct 5

From: Patti Smith, CPA
Travis County Auditor

Date: December 14, 2018

Subject: Forfeited Property Account 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 (REC) of the Travis County Auditor's Office has completed an examination of the Forfeited Property Accounts (FPA) maintained by the Travis County 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.

BACKGROUND

The Constable's Office maintains accounts to record the proceeds of confiscated funds, which were determined in felony trials to be derived from illegal acts. Article 59.06 of the Code of Criminal Procedure delineates the Constable's authority pertaining to contraband seizure and forfeiture. If it is determined the funds were derived from a felonious act, the funds are forfeited and transferred into the forfeited property account where a constable is able to use the funds according to statute. Additionally, a constable may spend the proceeds after a budget for the expenditure of the proceeds has been submitted to Commissioners Court. The receipts and disbursements of forfeiture proceeds are to be accounted for by this office.

SCOPE OF EXAMINATION

This examination included an assessment of the adequacy and effectiveness of the overall system of financial controls in place for the Constable, Precinct 5 Office's Forfeited Property Account during the period October 1, 2017 to September 30, 2018. While we conducted reviews of

accounting-related controls, this examination did not include operational reviews of the Forfeited Property Account.

The scope of this examination included an examination of the overall internal controls in place with respect to compliance with state guidelines, and deposits and disbursements of forfeited funds, including any accrued interest.

EXAMINATION METHODOLOGY

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 material weaknesses or misstatements in the Constable, Precinct 5 Office's Forfeited Property financial statements, financial records, and financial controls.

In regard to the written and verbal representations made by office personnel, unless otherwise noted in this report, office management maintains that the assertions we relied upon in this examination were correct to the best of their knowledge.

SUMMARY OF FINDINGS

No current significant findings. Constable, Precinct 5's ending FPA cash balance on September 30, 2018 was \$0.

ATTACHMENTS

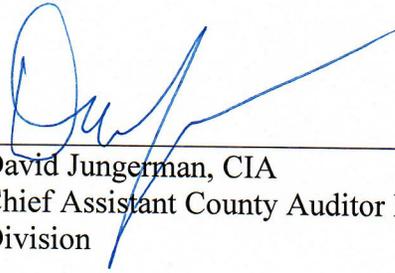
Attachment A: Copies of this office's financial statements for September 30, 2018, are provided in Attachment B. These statements include a detailed statement of revenues, expenditures and changes in fund balance and a balance sheet for the forfeited property account. The express purpose of presenting these statements is to provide feedback to Travis County officials. These financial statements have not yet been audited by Travis County's external auditors.

EXAMINATION TEAM

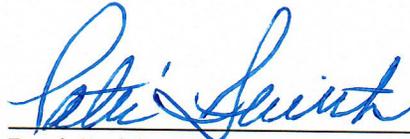
Joanne Englund, CPA, Financial Auditor VI
Travis Lee, Financial Auditor II

CLOSING

This report is intended solely for the information and use of Constable, Precinct 5 and the Commissioners Court. We greatly appreciate the cooperation and assistance received from the management and staff of the Travis County Constable, Precinct 5 Office during this examination. Please contact us if you have any questions or concerns regarding this report.



David Jungerman, CIA
Chief Assistant County Auditor II – REC
Division



Patti Smith, CPA
Travis County Auditor

REPORT DISTRIBUTION

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Margaret Gomez, Commissioner, Precinct 4
Jessica Rio, County Executive, Planning and Budget Office
Managers, Travis County Auditor's Office
Travis County Executive Managers

ATTACHMENT A – FINANCIAL STATEMENTS

**Constable, Precinct 5 Forfeited Property Account
Special Revenue Fund
Detailed Statement of Revenues, Expenditures, and Changes in Fund Balance
For the 12 Months Ended September 30, 2018**

Revenues:

Fines and forfeits	\$	-
Investment income		-
Total revenues		<u>-</u>

Expenditures:

Current		-
Capital outlay		-
Debt service		-
Total expenditures		<u>-</u>

Excess (deficiency) of revenues over expenditures -

Other financing sources (uses):

Transfers in		-
Transfers out		-
Total other financing sources (uses)		<u>-</u>

Net change in fund balance -

Fund balance - beginning of year -

Fund balance - end of year \$ -

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 been audited by Travis County's external auditors.

**Constable, Precinct 5 Forfeited Property Account
Special Revenue Fund
Balance Sheet
September 30, 2018**

Assets

Cash		\$ -
		-
Total assets		\$ -

Liabilities and Fund Balance

Liabilities:

Accounts payable		\$ -
		-
Total liabilities		-

Fund balance:

Reserved for encumbrances		-
Unreserved - undesignated		-
Total fund balance		-
Total liabilities and fund balance		\$ -

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 been audited by Travis County's external auditors.