

2018

Travis County Auditor's Office
Review of the Travis County District
Attorney's Office DAPSO and DA
Trust Accounts

#18-27

12/14/2018



TRAVIS COUNTY
AUDITOR'S OFFICE

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COUNTY AUDITOR



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To: Margaret Moore
Travis County District Attorney

From: Patti Smith, CPA
Travis County Auditor

Date: December 14, 2018

Subject: DAPSO and DA Restitution Accounts Examination

Scheduled as part of our statutory requirements, the Risk Evaluation and Consulting Division (REC) of the Travis County Auditor's Office has completed an examination of the District Attorney Processing Sight Order (DAPSO) fee and restitution accounts. 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 of our findings and recommendations.

BACKGROUND

Travis County collects fees for processing and collecting restitution on hot checks for both the County Attorney and District Attorney's Offices. The total dollar amount of hot checks written per offender determines whether the County or District Attorney's Office receives the revenue. If the total amount of checks for the offender is greater than \$1,500, the applicable fees are remitted to the District Attorney; if the total is \$1,500 or less, the County Attorney receives the revenue.

The District Attorney is to utilize these hot check-related fees to defray office salaries and other expenses, but not to supplement the District Attorney's salary. These hot check collections are governed by Code of Criminal Procedure, Chapter 102, Article 102.007 "Fees for Collecting and Processing Check or Similar Sight Order."

SCOPE OF EXAMINATION

This examination included an assessment of the adequacy and effectiveness of the overall system of financial controls in place for the DAPSO and restitution accounts during the period October 1, 2017 through September 30, 2018. It included examinations of controls over receipts and

disbursements, reconciliation procedures for bank accounts, and accounting controls over internal functions for handling and managing these accounts.

EXAMINATION METHODOLOGY

Our work was based on applying sampling procedures to office records and on verbal and written representations from the District Attorney's 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 matters in the DAPSO and restitution accounts' financial statements, financial records, and financial controls that might be material weaknesses or misstatements. In regard to the written and verbal representations made by District Attorney personnel, 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

No current significant findings.

ATTACHMENTS

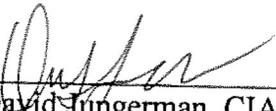
Attachment A: Copies of this office's financial statements for September 30, 2018, are provided in Attachment A. These statements include a detailed statement of revenues, expenditures and changes in fund balance, and a balance sheet for the forfeited property account. In addition, a statement of fiduciary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

EXAMINATION TEAM

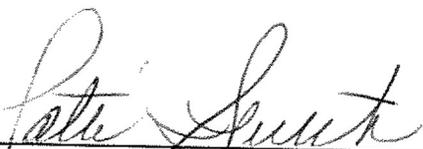
Amanda Muehlberg, CPA, Lead Auditor

CLOSING

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



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



Patti Smith, CPA
Travis County Auditor

REPORT DISTRIBUTION

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Victoria Ramirez, Financial Analyst Lead, District Attorney's Office
Travis County Executive Managers
Managers, Travis County Auditor's Office
Examination File

ATTACHMENT A – FINANCIAL STATEMENTS

**District Attorney DAPSO Account
Special Revenue Fund
Detailed Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended September 30, 2018**

Revenues:

Intergovernmental	\$ 22,500
Charges for services	23,104
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Total revenues	45,604

Expenditures:

Current:	
Justice system:	
Personnel costs	23,241
Supplies	-
Other charges	37
Capital outlay	-
Debt service	-
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Total expenditures	23,278
	<hr/>
Excess (deficiency) of revenues over expenditures	22,326

Other financing sources (uses):

Transfers in	-
Transfers out	-
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Total other financing sources (uses)	-

Net change in fund balance 22,326

Fund balance - beginning of year 146,706

Fund balance - end of year \$ 169,032

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.

**District Attorney DAPSO Account
Special Revenue Fund
Balance Sheet
September 30, 2018**

Assets

Cash	-	
		\$ 158,825
A/R Due from FPA Escrow		14,658
		14,658
 Total assets		 \$ 173,483

Liabilities and Fund Balance

Liabilities:	-	
Due to other funds		\$ 4,451
		4,451
 Total liabilities		 \$ 4,451
 Fund balance:		
Reserved for encumbrances		-
Unreserved - undesignated		169,032
		169,032
 Total fund balance		 169,032
 Total liabilities and fund balance		 \$ 173,483

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.

**District Attorney Restitution Account
Agency Fund
Balance Sheet
September 30, 2018**

<u>Assets</u>		
Cash	-	
		\$ 117,321
Total assets		\$ 117,321
<u>Liabilities</u>		
Liabilities:		
Due to other funds		\$ 59,392
Due to other governmental entities		57,929
		117,321
Total liabilities		117,321
Net Assets		\$ -

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.