

**Travis County Sheriff's Office
Abandoned Vehicles and Livestock
#17-20**

Report Date: July 25, 2017



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

To: Sally Hernandez,
Travis County Sheriff

From: Nicki Riley, CPA
Travis County Auditor

Date: July 25, 2017

Re: Abandoned Vehicles and Livestock Account Examination

Scheduled as part of our statutory requirements, the Risk Evaluation and Consulting (REC) Division of the Travis County Auditor's Office has completed an examination of the Abandoned Vehicles and Livestock accounts maintained by the Travis County Sheriff's 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

Abandoned vehicles and livestock in Travis County are administered by the Travis County Sheriff's Office. This includes storing the vehicles and animals (and caring for the latter) until either their owners claim them or they are auctioned. Fees for the various services performed during this process are assessed, collected, and utilized by the Travis County Sheriff's Office.

SCOPE OF EXAMINATION

The primary objectives of this examination included an assessment of the adequacy and effectiveness of the overall system of internal controls in place for the Travis County Sheriff's Office Abandoned Vehicles and Livestock accounts during the period May 1, 2016 through April 30, 2017. This 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 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 Sheriff's Office Abandoned Vehicle and Livestock financial statements, financial records, and internal controls. In regards to the written and verbal representations made by this office, 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

We noted no material misstatements or internal control weaknesses for the examination period.

OPINION OF INTERNAL CONTROL SYSTEM

Based on our examination, we gave the system of internal controls for this functional area our rating of "Satisfactory", which indicates an overall solid system of internal controls with no material weaknesses noted. See Attachment A for an explanation of our grading system for the overall control environment.

FINANCIAL STATEMENTS

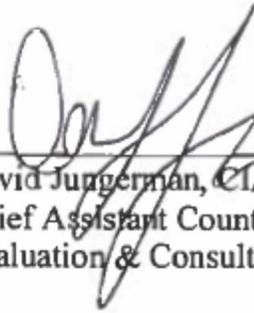
Copies of this office's financial statements for April 30, 2017 are provided in Attachment B, including a detailed Statement of Revenues, Expenditures, and Changes in Fund Balance. The express purpose of presenting these financial statements and the associated findings is to comply with the applicable local government code statutes and to provide internal control feedback to Travis County officials. These financial statements have not currently been audited by Travis County's external auditors.

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 Sheriff's Office during this examination. Please contact us if you have any questions or concerns regarding this report.

EXAMINATION TEAM

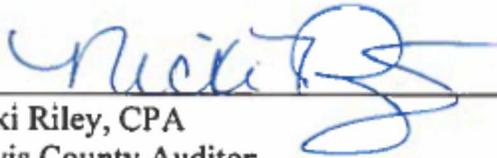
Amanda Muehlberg, CPA, Lead Auditor



David Jungerman, 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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Margaret Gomez, Commissioner, Precinct 4
Jessica Rio, County Executive, Planning and Budget Office
Paul Matthews, Financial Manager, Sheriff's Office
Managers, Travis County Auditor's Office
Travis County Executive Managers

ATTACHMENT A – INTERNAL CONTROLS RATING KEY

A good internal control system reduces the risk of errors, defalcations, and misappropriations of funds. Weak internal control systems provide an environment in which errors, defalcations, and misappropriations of funds can go undetected. The following details the various grades we assign to internal control systems:

RATING	RATING DESCRIPTION
Satisfactory	Well-established internal controls with no material weaknesses noted.
Satisfactory, with findings noted	A solid overall system of internal controls is in place; however, some material weaknesses were noted.
Inadequate	The existing system of internal controls is materially ineffective.

ATTACHMENT B – FINANCIAL STATEMENTS

**Travis County Sheriff's Office
Abandoned Vehicle and Livestock Fund
Balance Sheet
April 30, 2017**

Assets

Cash	\$	106,699
Total Assets		<u>106,699</u>

Liabilities and Fund Balance

Liabilities:

Other Liabilities		280
Due to Other Governmental Entities		-
Total Liabilities		<u>280</u>

Fund balance:

Reserved for Encumbrances		-
Unreserved - Undesignated		106,419
Total Fund Balance		<u>106,419</u>
Total Liabilities and Fund Balance	\$	<u>106,699</u>

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 statement has not been audited by Travis County's external auditors.

Travis County Sheriff's Office
Abandoned Vehicle and Livestock Fund
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Seven Months Ended April 30, 2017

Revenues:

Auction Proceeds	\$	-
Other Revenue		41,239
Interest		184
		184
 Total Revenue		41,423

Expenditures:

Supplies		4,856
Professional Services		968
Capital Outlay		5,792
Operating Transfer to General Fund		24,607
		24,607
 Total Expenditures		36,223

Excess (deficiency) of revenues over expenditures		5,200
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Fund balance - beginning of year		101,219
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Fund balance - end of year	\$	106,419
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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 statement has not been audited by Travis County's external auditors.