

**Travis County Constable, Precinct 5  
Abandoned Vehicles  
#17-23**

**Report Date: July 26, 2017**



TRAVIS COUNTY  
AUDITOR'S OFFICE

NICKI RILEY, CPA  
COUNTY AUDITOR



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To: Carlos Lopez  
Travis County Constable, Precinct 5

From: Nicki Riley, CPA  
Travis County Auditor

Date: July 26, 2017

Re: Abandoned Vehicles 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 account maintained by the Travis County Constable, Precinct 5. 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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A portion of the abandoned vehicle administration in Travis County is administered by the Travis County Constable, Precinct 5 (Constable 5) Office. This includes storing the vehicles 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 Constable 5 Office.

## **SCOPE OF EXAMINATION**

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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**

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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 Constable 5's Abandoned Vehicle Fund financial statements, financial records, and internal controls. In regard 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**

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

## **OPINION OF INTERNAL CONTROL SYSTEM**

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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**

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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**

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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 Constable 5 during this examination. Please contact us if you have any questions or concerns regarding this report.

## **EXAMINATION TEAM**

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Amanda Muehlberg, CPA, Lead Auditor



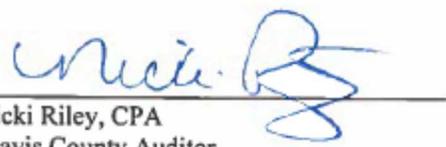
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David Jungerman, CIA  
Chief Assistant County Auditor – Risk  
Evaluation & Consulting



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Patti Smith, CPA  
First Assistant County Auditor



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Nicki Riley, 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 – INTERNAL CONTROLS RATING KEY

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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:

<b>RATING</b>	<b>RATING DESCRIPTION</b>
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**

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**Travis County Constable, Precinct 5  
Abandoned Vehicles Fund  
Balance Sheet  
April 30, 2017**

**Assets**

Cash	\$	13,888
Total Assets		<u>13,888</u>

**Liabilities and Fund Balance**

**Liabilities:**

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

**Fund balance:**

Reserved for Encumbrances	-
Unreserved - Undesignated	13,888
Total Fund Balance	<u>13,888</u>
Total Liabilities and Fund Balance	<u>\$ 13,888</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 Constable, Precinct 5**  
**Abandoned Vehicle Fund**  
**Combined Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For the Seven Months Ended April 30, 2017**

<b>Revenues:</b>	
Auction Proceeds	\$ 6,566
Interest	<u>5</u>
Total Revenue	<u>6,571</u>
 <b>Expenditures:</b>	
Supplies	-
Operating Transfer to General Fund	<u>-</u>
Total Expenditures	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>6,571</u>
Fund balance - beginning of year	<u>7,317</u>
Fund balance - end of year	<u><u>\$ 13,888</u></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.