



Audit Report
Justice of the Peace, Precinct 1
October 1, 2011 – March 31, 2012
Status: Final

For action:

Judge Raleeh

Justice of the Peace, Precinct 1

For information:

Jeff May
Randall Rice
Shela Vinson

County Auditor
First Assistant Auditor
Audit Manager

A handwritten signature in blue ink, appearing to be "J. May", is written over the text for the County Auditor.

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Report Summary

As part of the 2012 Compliance Audit Plan, an audit of the Justice of the Peace, Precinct 1 was conducted in accordance with Texas Local Government Code §115.002.

The overall objective of the audit was to provide assurance that internal controls are in place to ensure:

- The officer has collected all the money they are obligated to collect
- The money collected was properly remitted to the appropriate party
- All funds are properly managed
- All money is properly accounted for, accurately reported, and adequately safeguarded
- The operations of the office conform to prescribed procedures
- Exposure to potential risk is minimized

The audit scope included an audit of banking, cash receipts and internal controls. The time period audited was October 1, 2011 through March 31, 2012.

Refer to the Observations and Recommendations section, as well as the Appendix for the results of the audit.

This review was not intended to provide absolute assurance on all procedures, activities, or controls. We will continue to examine aspects of the office in compliance with statutes and to provide reasonable assurance that County assets are safeguarded and appropriately managed.

An exit conference with the Justice of the Peace, Precinct 1 was held to discuss this report.

The time and assistance provided by the Justice of the Peace, Precinct 1 and the staff during this engagement is greatly appreciated.

Observations and Recommendations

Observation	Recommendation	Management Response
<p><u>12-JP1-Q12-01:</u> Cash Receipts - Fee Verification</p>		
<p><u>Condition</u> We found insufficient documentation for the reduction or removal of fines or fees.</p> <p><u>Cause</u> Clerk accepts a verbal order to reduce the amount of the fine.</p> <p><u>Effect</u> Financial transactions or reporting could be incorrect or manipulated by the clerk.</p> <p><u>Criteria</u> In order to maintain integrity over financial records, case documentation and judicial authority, fine reductions should be signed off on by the judge in a verifiable manner and not just verbally.</p>	<p><u>a. Transaction Required:</u> N/A</p> <p><u>b. Internal Control Change:</u> For any reduction or removal of fines or fees, proper documentation should be recorded on the case file with approval authority.</p>	<p>Status of corrections: N/A</p> <p>Date Completed: N/A</p> <p>Status of procedure change: Pending</p> <p>Date Implemented:</p> <p>The Court agrees with the findings of the Auditor. We had a lengthy discussion about this in our "Exit Meeting". The solution is not as clearly defined as a procedure change. The Court is committed to actively seeking an answer using State resource as well as input from our Auditor.</p>