AUDITOR'S REPORT

CONSTABLE PRECINCT 2
STATE SEIZED AND FORFEITED ASSETS
TWENTY-FOUR MONTHS ENDED FEBRUARY 28, 2015

August 21, 2015

Barbara J. Schott, C.P.A.
Harris County Auditor

Mike Post, C.P.A.
Chief Assistant County Auditor
Accounting Division

Mark Ledman, C.P.A., MPA
Chief Assistant County Auditor
Audit Division

BARBARA J. SCHOTT, C.P.A.
HARRIS COUNTY AUDITOR

1001 Preston, Suite 800
Houston, Texas 77002-1817
(713) 755-6505

FAX (713) 755-8932
Help Line (713) 755-HELP

August 21, 2015

Constable Christopher Diaz
Harris County Constable Precinct 2
101 S Richey St, Suite C.
Pasadena, Texas 77506

RE: Constable Precinct 2 State Seized and Forfeited Assets for the twenty-four months ended February 28, 2015

The Audit Services Department performed procedures relative to the Constable Precinct 2 (the Office) State Seized and Forfeited Assets. The objective of the engagement was to examine the seized and forfeited accounts and report the issues to Commissioners' Court in accordance with Local Government Code (L.G.C.) §115.0035. Our procedures included the following:

- Selectively tested whether the Office's seized and forfeited bank account statements reconciled to their respective balances recorded in the County's Integrated Financial and Administrative Solution (IFAS) System.

- Selectively tested whether deposits to the Office's forfeited bank accounts are timely deposited and accurately recorded in IFAS.

- Selectively tested whether disbursements from the Office's forfeited assets bank accounts are properly authorized, appropriately supported, and accurately recorded in IFAS.

The engagement process included providing you with combined engagement and scope letters and conducting entrance and exit conferences with your personnel. The purpose of the letters and conferences was to explain the process, identify areas of concern, describe the procedures to be performed, discuss issues identified during the engagement, and solicit suggestions for resolving the issues. A draft report was provided to you and your personnel for review.

The work performed required our staff to exercise judgment in completing the scope objectives. As the procedures were not a detailed inspection of all transactions, there is a risk that error or fraud was not detected during this engagement. The official, therefore, retains the responsibility for the accuracy and completeness of their financial records and ensuring sufficient controls are in place to detect and prevent fraud.

Constable Christopher Diaz
Harris County Constable Precinct 2

We appreciate the time and attention provided by you and your staff during this engagement.

Sincerely,

Barbara J. Schott
County Auditor

cc: District Judges
County Judge Ed Emmett
Commissioners:
R. Jack Cagle
El Franco Lee
Jack Morman
Steve Radack
Devon Anderson
Vince Ryan
William J. Jackson

TABLE OF CONTENTS

OVERVIEW **4**

RESULTS **5**

OVERVIEW

The Constable's Office, or other law enforcement agencies, may seize funds and/or property used or intended to be used to facilitate the commission of certain crimes. This also includes the proceeds and any property acquired with the proceeds gained from the commission of certain crimes. The seizing officer must secure the seized assets and file a sworn statement with the Harris County District Attorney's Office (District Attorney). Within 30 days of the seizure, the District Attorney must commence proceedings by filing a notice of seizure and intended forfeiture with the Clerk of the District Court.

Seized funds and property are forfeited to the District Attorney and law enforcement agencies based upon final judgment of the District Court and in accordance with local agreements executed between the District Attorney and the law enforcement agencies. Forfeited funds and proceeds from the sale of forfeited property are deposited in a special fund in the County Treasury and are to be used solely for law enforcement purposes.

In accordance with L.G.C. §115.0035, the Harris County Auditor's Office is responsible for conducting an audit of the Office's accounts associated with the special fund. The ending IFAS balance of the Office's account associated with the special fund as of February 28, 2015, was approximately $19,400.

RESULTS

Based on the procedures performed in accordance with L.G.C. §115.0035, *Examination of Funds Collected by County Entity or the District Attorney*, no matters came to our attention that caused us to believe that the accounts associated with the special funds for forfeited assets are materially misstated.