

# **AUDITOR'S REPORT**

## **HARRIS COUNTY CONSTABLE PRECINCT 1 THREE MONTHS ENDED AUGUST 31, 2014**



**January 30, 2015**

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

January 30, 2015

Constable Alan Rosen  
Harris County Precinct 1  
1302 Preston 3<sup>rd</sup> Floor  
Houston, Texas 77002

RE: Procedures applicable to the monthly collection reports submitted by the Office of Constable Precinct 1 for the three months ended August 31, 2014

As required by Local Government Code Chapter 115, the Compliance Audit Department examined the monthly collection reports submitted by the Office of Constable Precinct 1 (the Office) for the three months ended August 31, 2014.

The procedures performed included:

- Evaluating whether amounts reported on the monthly collection reports were properly deposited in the County's depository.
- Accounting for all receipts issued by the Office.
- Selectively testing receipts to evaluate whether they were properly allocated in the County's Integrated Financial and Administrative Solution (IFAS) system.
- Selectively testing executions and orders of sale for proper disbursement of proceeds.
- Selectively testing judgments payable collections to ensure that all proceeds are disbursed.

The following issues and recommendation as stated on page 4 present the significant issues identified during our procedures, recommendations developed in conjunction with your staff, and any actions you have taken to implement the recommendations. Less significant issues and recommendations have been verbally communicated to your staff.

Constable Alan Rosen

We appreciate the time and attention provided by you and your staff during our procedures.

Sincerely,



Barbara J. Schott  
County Auditor

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

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## ISSUES AND RECOMMENDATIONS

### Manual Receipt Transactions

#### Background

As discussed in Harris County Accounting Procedure A.1, *Cash Handling Guidelines*, manually receipted transactions should be entered in IFAS within two business days following the day the manual receipt is issued.

#### Issue

Three out of 244 receipts reviewed (1.2%) did not comply with this requirement. The following chart provides detailed information for these receipts.

Manual Receipt Date	Financial System Receipt Date	Number of Business Days Delinquent	Number of Receipts	Amount of Receipt	Type of Payment
6/19/14	6/24/14	1	1	\$7,000.00	Cashier's Check
6/19/14	6/24/14	1	1	\$2,601.24	Cashier's Check
8/4/14	8/11/14	3	1	\$19,288.00	Cashier's Check

Delays in entering receipts can cause delays in recognizing revenue in IFAS or may be indicators for inappropriate use of funds.

#### Recommendation

The Office Management should implement controls to ensure that the clerk responsible for entering manual receipts in IFAS is notified when the receipts are issued so the transactions can be recorded in a timely manner.

#### Management Response

Additional procedures have been implemented, to include training, to try to prevent this exception from occurring in the future. Supervisors will be conducting internal audits to ensure the new procedures are being properly followed.