

AUDITOR'S REPORT

HARRIS COUNTY CONSTABLE PRECINCT 1 THREE MONTHS ENDED MAY 31, 2015



November 13, 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., M.P.A.
Chief Assistant County Auditor
Audit Division



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

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

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

November 13, 2015

Constable Alan Rosen
Harris County Precinct 1
1302 Preston 3rd 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 May 31, 2015

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 May 31, 2015.

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 enclosed Auditor's Report presents 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
Constable Precinct 1

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 Radack
Devon Anderson
Vince Ryan
William J. Jackson

TABLE OF CONTENTS

ISSUES AND RECOMMENDATIONS 4

Manual Receipt Transactions4

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

Two out of 136 receipts reviewed (1.47%) 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 |
|---------------------|-------------------------------|------------------------------------|--------------------|-------------------|-----------------|
| 5/21/15 | 5/29/15 | 3 | 1 | \$12,154.00 | Cashier's Check |
| 5/29/15 | 6/5/15 | 3 | 1 | \$14,423.73 | 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 manual receipts are entered in IFAS within two business days of receipt.

Management Response

To prevent this issue from occurring again, we are in the progress of improving procedures to insure manually receipted transactions are entered in IFAS within two business days following the day the manual receipt is issued. We will also be providing additional training for personnel to insure the Cash Handling Guidelines are followed.