



The Harris County

Auditor's Office Newsletter

Barbara J. Schott, CPA · County Auditor

December, 2007

Fiscal Year End Information—A Conversation

Rosalind was recently hired as a budget manager and accountant by a Harris County Department. Soon after her employment, she was designated as her department's liaison with the County Auditor's Office. The first correspondence she received from the Auditor's Office was a six-page memo with attachments titled "Fiscal Year End Information". Since she did not understand all the items in the memo, she phoned Gilberto, a seasoned supervisor in the County Auditor's Office, who had introduced himself to her on the bus, during their commute to work.

ROSALIND: The memo your office sent had quite a few items.

GILBERTO: The Auditor's Office used to send out several different memos which we consolidated into the single memo you received. We thought it would be easier for the departments to receive all the information in one mailing.

ROSALIND: I understood most of it, but I have several questions. We have some contracts where we expect to receive some payments. Do these need to be reported as accounts receivable?

GILBERTO: It depends. If the other parties to the contracts do not currently owe the County, then there is no accounts receivable at this time. However, when they are obligated to pay, because a service has been provided or whatever, then an accounts receivable will exist. Does your department plan to send a letter or a bill to the parties asking for payment?

ROSALIND: I think all we do is call them.

GILBERTO: The Auditor's Office Grants and Accounts Receivable Accounting Department will produce and send invoices to those who owe money to the County.

(Continued on page 9)

On the Road or In the Air with Harris County—A Brief Guide to the Travel Policies, Guidelines and Procedures

Travel can be a stressful experience, especially business travel. Not only are you trying to focus on your upcoming business meeting or seminar; but you are also intent on getting to your

(Continued on page 2)

Accounting Division

FISCAL YEAR END INFORMATION-A CONVERSATION

Learn how the Auditor's Office can assist in sending invoices to those owing money to the County. See page 1.

ON THE ROAD OR IN THE AIR...

Find out the basic travel guidelines and how to avoid some pitfalls while travelling. See Page 1.

CAPITAL VS NON-CAPITAL CONSTRUCTION PROJECTS

Why are my construction project expenditures being reclassified. Find the answer on page 3.

GRANT SUB-RECIPIENT AND VENDOR DETERMINATIONS

Learn the difference on page 4.

T'IS THE SEASON

A Christmas story? See page 6.

Audit Division

ASK RICHARD

Payroll advice and questions answered. See page 6.

AUDITING A GLOBAL LEADER

Did you know that the Port of Houston is audited by the Auditor's Office? See page 7.

TRAINING ON UPDATES TO THE ACCOUNTING PROCEDURES MANUAL DELIVERED TO YOUR PC

A new learning tool to be launched in early 2008. Check out page 7.

IDENTIFICATION & REMEDIATION OF INTERNAL CONTROL GAPS CAN ASSIST MANAGERS IN IMPROVING THE CONTROL ENVIRONMENT

Does your department use internal controls to achieve departmental objectives? See page 8.

AUDIT SERVICES CONTINUOUS AUDITING GROUP'S PROCESS IMPROVEMENT & EXPANSION

System and Configuration Analysis unmatched by other government organizations. See page 10.

COUNTY AUDITOR'S OFFICE EMPLOYEES SERVICE ANNIVERSARIES

Find out which Auditor employees have reached their anniversary milestone on page 10.

(Continued from page 1)

destination in one piece, on time, and hopefully with all your luggage.

In addition, Harris County employees are required to adhere to Commissioners' Court approved policies and guidelines and Harris County personnel regulations. The following is a brief summary that covers the basic travel guidelines to help expedite the process, and avoid some pitfalls that could delay your travel or increase your time and expenses. For a complete review of the Travel Policies, Guidelines, and Procedure (T.1), access the Harris County Auditor's intranet site.

Planning the Trip

First of all, plan your trip well in advance and coordinate with your department management and travel coordinator (if your department has one). Know your department's travel requirements and process. The purpose of your trip should fit the mission and benefit your department.

Remember, travel must be approved by Commissioners' Court, and the approval should be obtained before travel arrangements are made. It is a good idea to put together an estimate of your travel expenses (how will I get there, how will I get around, what is the cost of meals?). Include seminar fees; length of your stay, and where you plan to stay before preparing your letter to present to Commissioners' Court. Also, review the Harris County Travel Policies Guidelines and Procedures and your department's internal guidelines before you make your trip. Be aware of any expenses that may not be reimbursable.

Planning your trip in advance, making sure you have sufficient budget, and obtaining the proper approvals is the first step to ensuring a successful trip.

Travel Arrangements

You and your department have choices regarding the arrangement of airfare reservations, hotel reservations, and seminar enrollment.

National Travel Agency – you may elect to use National Travel Agency to arrange your airfare and hotel reservations. Refer to the Harris County Travel Policies Procedure, and complete the Harris

County Auditor's Form #1262A Harris County Travel Authorization Form. Then email the completed form to hc@nationaltravelsystems.com. National Travel agents are Carole Drake and Sheri Bermudez. The contact number is 1-866-644-2375.

National Travel will coordinate the hotel and airfare arrangements with you or your department liaison. Then National will send the completed Form #1262A with the tentative arrangements to Vicki Cash (713-755-7112) who is the Harris County Auditor's Office Accounts Payable Travel Desk coordinator. There the form will be reviewed to make sure it is complete and verify Commissioners' Court approved the trip. If there are any questions regarding the information on the form, Vicki Cash will contact the department requesting the travel. After the Travel Desk has approved the reservations, the Harris County Travel Authorization Form will be emailed to National Travel whose representative will finalize the travel arrangements and charge the expenses for airfare and/or hotel to the appropriate Harris County credit cards.

Remember, if you plan to use National Travel; *do not* attempt to reserve the hotel rooms with your personal credit card. If the room is reserved with a personal credit card, National will not change the reservation to the Harris County Proper Travel Card

Personal reimbursement – If you chose to make your own arrangements and use your personal credit card for your travel expenses, you can submit a request for reimbursement after the trip. Make sure you save all your receipts. (hotel, flight, meals, parking, etc.) Harris County will pay for *room and tax only* for hotel stays.

Department Travel Card – If you or your department have been issued a Chase travel credit card, you may make your own travel arrangements and reservations, and charge your travel expenses to the card. Make sure you save all your receipts. (hotel, flight, meals, parking, etc.) Harris County will pay for *room and tax only* for hotel stays.

The traveler should review their itinerary and confirm reservations before departure.

Paying for the Trip

Payment of your travel expenses will be determined by the process your travel was arranged.

National Travel Arrangements – Travel arranged by National Travel will be charged to the Harris County Proper Chase travel credit card or the Diner's Club credit card. Airfare will be charged to the HC Proper Chase credit card. Hotel will be charged to the Diner's Club Credit Card.

Your department will receive a monthly statement of charges made to the travel cards. The department will confirm the charges, complete Request for Payment form #1268, and attach the statement and approved Commissioners' Court Letter. Request for Payments may be submitted to Tijuana Smith, Accounts Payable Claims Processor (713-755-4619).

Department Credit Card – Travel charged to the department Chase travel card will be paid by Request for Payment. The Harris County Purchasing department forwards card statements to the department for processing. The department will review the charges, collect and match receipts, prepare the Request for Payment form, and attach the Commissioners Court approval letter. Request for Payments are processed by the Accounts Payable Claims Processor for payment.

Personal Reimbursement of Expenses – The employee must complete the Harris County Travel Expense Claim Form #1263; attach itemized receipts, and the Commissioners' Court Letter. The Travel Expense Claim is processed by the Harris County Accounts Payable Claims Processor or payment.

Seminar or Hotel Fees – Payment for seminar or hotel fees may be processed on a Request for Form, with appropriate support, in advance of the trip with an approved Commissioners Court Letter.

Some Things to Remember:

Your total travel expenses should not exceed the amount approved by Commissioners Court.

Submit itemized receipts for all reimbursable expenses.

Your expenses should be reasonable and in compliance with guidelines and procedures.

Confirm your travel arrangements. If you use a

travel agent, make them accountable and demand good service.

Consider the due dates for the Chase and Diner's Club cards and pay on time! Late fees and even cancellation of charge privileges will occur if you or your department do not pay credit card charges timely.

By Vicki Cash and Tijuana Smith, Accounts Payable CPII
Travel Desk Staff

Capital vs Non-Capital Construction Projects

Financial Accounting's Capital Asset Section receives many questions from departments asking why their construction project expenditures are being re-classed from one object code to another. The answer is: not all construction related projects are considered "capital" projects, so expenses that are not capital expenses have to be re-classed to a non-capital object code. To be considered a capital project, certain criteria and thresholds have to be met. For new construction, that is fully or partly funded by the County (joint venture projects), the following conditions **have** to be met for the project to be considered a capital project.

The total cost of the project meets or exceeds the established thresholds in the table below **and** The County will own or maintain the asset upon completion.

Land Improvements	\$100,000
Buildings	\$100,000
Park Improvements	\$100,000
Bridges	\$50,000
Lighting – Light signals, Street Lighting, etc.	\$100,000
Roads – Toll Roads, Main & Non-Main Non-Residential	\$250,000
Roads – Non-Main Residential	\$25,000
Storm Sewers	\$100,000
Tunnels	\$100,000

For descriptions of the asset classes listed above, refer to the County's Capital Asset Policy Statement Attachment C, link provided here:

http://www.info.aud.hcintranet.net/robo/projects/procedures/A2-1_AttC_Capital_Asset_Policy_Statement.pdf

All costs expended by the County **and** the joint venture third party on capital projects, other than purchases of Land/ROW or equipment, are capitalized as Construction Work in Progress (CWIP) on the General Ledger. If the project does not meet the capital project criteria, the project costs are expensed.

Construction projects on an existing capital asset (assets listed above that have met threshold) will be capitalized as CWIP if one of the following conditions is met:

- The project will increase the capacity **or** efficiency of the asset **and** exceeds the capitalization threshold.
- The project will extend the asset's useful life at least 25 percent beyond the asset's original useful life **or** exceeds 25 percent of the asset's original historical cost **and** exceeds the capitalization threshold.

If the project does not meet either of the conditions above, the project is considered maintenance of an existing capital asset and the project is to be expensed.

Costs for a capital project to be capitalized as CWIP should be coded to a capital outlay object code. Capital outlay object codes are all object codes in CAFR Category 6200, and some examples of capital outlay object codes include 623000 – Construction, 634200 – Engineering Services, or 622000 – Fees & Services – Capital. A listing of all object codes and related CAFR Category can be obtained by running the CDD report Object Code Listing Short Format (OBJ_LIST(SH)_BT). Costs for a non-capital project to be expensed should be coded to a non-capital outlay object code, i.e. CAFR Category 6100 or 6300.

The Capital Asset Section maintains a schedule of all projects that are capitalized as CWIP. If your department is responsible for construction projects, your personnel will be receiving a listing of the projects from the CWIP schedule. Please assist our office in ensuring that the CWIP schedule reflects all capital construction projects funded by your department. In addition, to ensure that substantially completed projects (95 percent complete) are reclassified from CWIP to an asset class (Building, Infrastructure, etc.) please verify or provide the completion percentage for the projects listed on the CWIP schedule.

If your department is participating in a capital joint venture project in which the construction is not managed by the County and the project is not listed on the CWIP schedule, please provide the following information to the Capital Assets Section.

- Project Description.
- JL Org Key in which the County's funding portion was recorded.
- Name of other entity.
- Contact person with the other entity.

Please contact Emily Lam-Jones, Capital Assets Manager, at 713-755-4148, with any construction project related questions.

By Emily Lam-Jones, Capital Assets Manager

Grant Sub-recipient and Vendor Determinations

One of the responsibilities of the Grants and Accounts Receivable Department is to assist County departments in determining whether a grant sub-recipient or vendor relationship exists in regards to agreements they enter into that are funded by a grant award. OMB Circular A-133 classifies transactions with third parties as either (1) a transfer of financial assistance to a sub-recipient via a sub-award, or (2) a purchase from a vendor via a purchase contract.

For purposes of this discussion a **sub-recipient** is defined as an institution, company, or organization that receives financial assistance from a pass-thru

entity (Harris County) to carry out a Federal/State program, but does not include an individual that is the beneficiary of such financial assistance.

A **vendor** is an entity that provides goods or services required to conduct the Federal/State program. These goods or services may be for an organization's own use or for the use of beneficiaries of the program.

So why is this important?

- Vendors are not subject to grant compliance requirements. Recipients (pass-thru entities) and sub-recipients are. As a pass-thru entity we have full responsibility for the sub-recipient's compliance with regulations. We may also be expected to conduct regular site visits.
- We are required to provide the sub-recipient with the appropriate title and number from the Catalog of Federal Domestic Assistance (CFDA), award name and number, award year, whether the award is for research and development, and name of the Federal agency. When some of this information is not available, we must provide the best information available to describe the Federal award.
- A recipient and sub-recipient have record keeping and reporting requirements. Financial assistance expended as a recipient or a sub-recipient would be subject to audit, while payments received for goods or services provided as a vendor would not. We must advise sub-recipients of the relevant laws and regulatory requirements that.
- We must identify the total amount provided to sub-recipients from each Federal program in the Schedule of Expenditures of Federal Awards which is included in the CAFR each year.
- We must consider whether a sub-recipient's audit necessitates adjustment of our own records.
- We must issue a management response on audit findings within six months after receipt of the sub-recipient's audit report and ensure that the sub-recipient takes appropriate and timely

corrective action.

So is the party to your agreement a Sub-recipient or a Vendor?

Characteristics indicative of a sub-recipient are when the organization:

- performs a substantive portion of the programmatic work of the prime award.
- determines who is eligible to receive the financial assistance.
- has its performance measured against whether the objectives of the program are met.
- has responsibility for programmatic decision making.
- has responsibility for adherence to applicable program compliance requirements.
- uses the funds to carry out a program of the organization as compared to providing goods or services for a program of the pass-through entity.

Characteristics indicative of a payment for goods and services received by a vendor are when the organization:

- provides the goods and services within normal business operations.
- provides similar goods or services to many different purchasers.
- operates in a competitive environment.
- provides goods or services that are ancillary to the operation of the program.
- is not subject to compliance requirements of the program.

A sub-recipient determination should be made by the Department if an agreement has characteristics indicative of a sub-recipient, but none of the characteristics indicative of a vendor. Conversely, a vendor determination should be made if an agreement has

characteristics indicative of a vendor, but none of the characteristics of a sub-recipient.

If an agreement has characteristics of both a sub-recipient and a vendor relationship, a copy of the proposed requisition, specifications, and proposed contract (if applicable) should be forwarded to the County Auditor – Grants Accounting Department for further review.

There may be unusual circumstances or exceptions to the listed characteristics. In making the determination of whether a sub-recipient or vendor relationship exists, the substance of the relationship is more important than the form of the agreement. It is not expected that all of the characteristics will be present and judgment should be used in determining whether an entity is a sub-recipient or vendor.

Making the right determination prior to entering into an agreement (issuing a purchase requisition) helps everyone do their job better and more efficiently. The Grants and Accounts Receivable Department staff is committed to working with departments to help make that determination.

By Tawana Greene, Manager of Grants and
Mel Trammell, Director of Grants and Accounts
Receivable Accounting

T'is the Season

Fooled you!! This is not about jingle bells, sleigh rides, snow men and Christmas trees and Happy New Year - it is about something much more exciting – year end and budgets.

You have completed your revenue estimate. Now our work begins. Over the next couple of months, Revenue Accounting will be making its list and checking it twice to make sure we have taken into consideration everything necessary for completion of the annual Statement of Available Resources. We will be reviewing your projections and assumptions as well as estimating beginning cash for FY 2009. It will all be put together and the final statement will be prepared for the adoption of the County Budget in March 2008. Unlike the children in the *"Night Before Christmas"*, we do not have visions of sugar plums, but rather we dream of various revenue sources – taxes, fees, and the ever exciting intergovernmental revenues – are

they too high, are they too low or are they just right.

Seriously, I would like to take this opportunity to thank all the departments for submitting their annual revenue estimates. I know this can be a cumbersome task but it helps us out in so many ways. Each year we improve the process a little more and hope that next year will be even better. Thank you again.

By Debbie Smith, Director of Revenue Accounting

Ask Richard

Hey Richard, is it true that I can get my W-2 Form from the web?

Yes, all employees of Harris County can get their W-2 Form from the Harris County Employee Information website. This is the same website employees use to check their earnings information. As in past years, employees can actually get their W-2 Form approximately two to three weeks earlier by using the website rather than waiting to receive it in the mail. Employees can actually print their form right from the website. Any W-2 that is printed from the site can be used as the official form and can therefore be used when filing annual tax returns. For those employees who want to do their part in saving paper, this year we have added an additional feature that will allow you to actually turn off the mail function of the W-2. Choosing this option will let us know that you will print out one on your own and therefore do not need us to mail you a hard copy of your W-2 Form. Doing this not only saves trees, it also saves the County printing and postage costs. To date, over 6,000 of our employees have made this choice. If at a later date you decide you want your future W-2 Form mailed to you, it is possible to also make this change on the web.

We are always trying to enhance the options available to you through the Harris County Employee Information website. In addition to the above listed W-2 options, you can now use the site to make changes to certain voluntary payroll deductions. You can increase, decrease, as well as start and stop most voluntary deductions with a simple click of your mouse. So, if you have not visited our web in a while, sign-on and check it out.

By Richard Foisner, Director of Payroll Audit

Auditing a Global Leader

To some the Port of Houston Authority (POHA) and the Houston Ship Channel may be simply another government agency and facility located out on the east side of town. It may not even enter the thoughts of many. For the Harris County Auditor's Office, the Port is a client for which the Auditor has the statutory requirement (Water Code, section 61.174; Session Law, Acts 1945, Chapter 90) to provide audit and accounting services as well as approval of transactions, contracts and certification of funds to pay all expenses.

The Port of Houston grew from a small, meandering stream cleared for steamboat passage to Allen's Landing into a fifty-two mile long deep water port. The magnitude of the POHA operation is very significant to the economies of Harris County and indeed to the state. As reported in the most recent annual report (2006), the POHA has grown into the 10th largest port in the world and second largest gross tonnage port in the U.S. Over 7,300 deep sea vessels arrived at port docks during 2006.

Martin Associates Economic Impact Study in 2006 revealed the dramatic economic importance of the port authority to the local, regional and state economies. This study showed that private and public (POHA) docks contributed \$14 billion to the economic activity in the Houston region. Of the \$14 billion, POHA contributed \$5 billion to the local economy. Statewide, the port as a whole provided \$117.6 billion in economic growth. \$71.5 billion of the statewide total came through the Port of Houston Authority.

POHA activities contributed 20,021 direct; 20,516 induced and 28,024 indirect jobs to the Houston economy. Statewide, Port activities sparked the operation of 393,147 jobs.

2006 was a record setting year, both operationally and financially, for Port of Houston Authority. For 2007 YTD the Port is slightly ahead of 2006 record year performance.

With the completion of Phase 1 of the new Bayport Container Terminal, expect to see further increases in Port of Houston Authority performance. To

service the demands of the increased audit and accounting activity, Harris County Auditor's Office will be there.

By Dick Rhoads, Senior Auditor, Port Audit

Training on Updates to the Accounting Procedures Manual Delivered to your PC

The Harris County Auditor's Office is excited to announce a new learning tool that will be launched in early 2008 to inform you about each quarterly update to the Harris County Accounting Procedures Manual and alert you to any new or revised Official Harris County Auditor Forms. This distance learning tool will also be used to supplement IFAS Process Training classes currently being taught by the Auditor's Office through interactive and engaging tutorials and quizzes.

You will be able to learn at your own pace...using your own desktop computer...whenever is most convenient for you! This is a golden opportunity to engage in training classes provided by the Auditor's Office while avoiding the hassle of traffic and cost of parking fees downtown. For those of you that require CPE for your training needs, there will be special tests that you can take online after completing the material presentation and then download your certificate. You just need to fax the certificate to me for audit purposes.

Easily accessed from the Training Link on the Auditor's Intranet site, you will always be just a few clicks away from instant knowledge. A demonstration of this future training extravaganza will be available on the Auditor's Intranet site (<http://www.aud.hcintranet.net>) soon!

By Jeraine R. Root, Ph.D., Senior Analyst

Identification and Remediation of Internal Control Gaps Can Assist Managers in Improving the Control Environment

The first time many Managers may have thought about *internal controls* may be during the course of an engagement with the Harris County Auditor's Office Audit Services Department or through an interview with the external financial auditors. However, most Managers have been working with internal controls already but may have learned them by other names. An internal control can be any item that management uses to achieve a departmental objective. *For example, formal written departmental policies and procedures are controls.* The specific instructions contained within the departmental policies, if followed and enforced, can assist Managers in achieving their departmental objectives. Information system edits (required populated fields within an information system) and unique user IDs and passwords, are also examples of information integrity and system access *controls*.

During planning of an Audit Services engagement, the audit team will obtain an understanding of departmental processes and evaluate them with the intent of identifying key internal controls (key controls) and controls in place to mitigate risk. In order to perform efficient and effective engagements, it is not possible to identify and document all the risks and controls associated with a department/business process. As such, the audit team's primary focus is identifying and documenting the critical and important controls (key controls) and risks. Control "gaps" are those areas that were identified as important aspects of a process that are not sufficiently controlled or do not have a control in place to mitigate the risk. The following questions are just some examples the audit team may consider in evaluating the risk associated with the control gap.

1. What is the dollar value associated with the transactions processed?
2. What is the relationship between the dollar value of transactions processed and the total universe of transactions?
3. What statutory guidelines apply?

4. How complex is the activity or task?
5. Do current processes require labor intensive manual processes?
6. Is there a compensating control?
7. Is there adequate oversight?
8. Is there an appropriate level of separation of duties? For example, do processes have adequate checks and balances over important transactions?
9. The person or persons responsible for performing the task.
 - a. Are the transaction volumes substantial?
 - b. Is employee turnover apparent?
 - c. Have individuals been trained and back-ups cross-trained?
 - d. Is accountability clear?
10. Have there been issues documented in previous audit engagements?
11. Historical analysis: What concerns have Departmental Management observed in the past?

A control gap is discussed with Managers in the early stages so the appropriate priority can be established, magnitude of the risk evaluated timely, and a solution can be developed and implemented. Additionally, the audit team works closely with the Managers to design a control that meets the needs of the Department. Preventive controls (the strongest type of control) are built into processes at the front end. Detective controls are designed to monitor processes and/or transactions after the fact. Whether a preventive or detective control is preferred, depends on the particular situation. If a Manager is concerned they have a control gap or would like more information regarding internal controls, please feel free to contact Mark Ledman, Director of Audit Services, at 713-755-3441.

Last but not least, the Harris County Auditor's Office Systems and Procedures Department offers facilitated Internal Control sessions to assist Managers in identifying control gaps in effort to achieve a higher degree of control. Please contact Jeraine Root, Ph.D. at 713-755-3493 for more information about the sessions.

By Mark Ledman, Director of Audit Services

Audit Services Continuous Auditing Group's Process Improvement and Expansion

The Audit Services - Continuous Auditing Group members completed intermediate training in using their audit software tool, Audit Command Language (ACL). The training commenced to facilitate the Continuous Auditing Group's major upgrade to ACL version 9 from version 8 and more importantly to facilitate the automation of downloading, uploading, and processing of daily system and configuration files.

The ACL seminar attended in mid-November provided a brief overview of fundamental ACL concepts and quickly delved into intermediate topics that covered ACL scripting and programming functions that are used in the ACL scripting process. A brief introduction into advanced ACL topics was included as well. With this new effort to automate the analysis process through the use of ACL scripting, the Continuous Auditing Group will be able to process its normal workload faster and allow for expansion of their workload to almost double the number of critical or important files that are processed daily.

The Continuous Auditing Group's automation would not be possible without the collaboration of key inputs and assistance from the Information Technology Center (ITC). Personnel in ITC have developed SQL scripts that process each day and generate output files from key system and configuration tables. These SQL scripts serve as key inputs to the Continuous Auditing Group's processes used to conduct the system and configuration files analysis. With ITC assistance and the addition of the Continuous Auditing Group's automation, the system and configuration tables will expand to include additional levels of system review.

The Auditor's Office use of continuous auditing techniques is in its infancy, because of the level of system knowledge it requires to develop pragmatic analysis results. The review is planned to extend to other critical operating system files, as well as, database level review of critical tables and transaction analysis. With the collaborative automation efforts between the Continuous Audit Group and Information Technology Center, the breadth and depth of system and configuration analysis will be largely unmatched by many other governmental organizations.

By Dedic Brown, Manager of Continuous Auditing

(Continued from page 1)

They will also provide your department with monthly reports indicating which amounts have been received and which amounts have not. Most importantly, they will set up the receivables in the County's IFAS Financial System, which is proper accounting practice.

ROSALIND: I'll make sure to contact your office to get this set up. About the rest of the memo, I'm pretty sure my department doesn't have any impaired assets or jointly funded projects, but I'll check with Arthur since he deals with construction stuff. I do have a question, however, about \$350 that is kept in a folder in a filing cabinet in my office. I was told this goes back many years and they think it was originally for some kind of training. Should I report it on the Petty Cash, Change Fund and Departmental Bank Accounts Confirmation?

GILBERTO: Yes, it should be reported. After you send in the form, someone from the Auditor's Office will contact you about the best way to proceed with the \$350.

ROSALIND: I have one more question. Being new to the County, I've been looking for information to help me learn more about the County and its finances. My boss suggested I read the County's Comprehensive Annual Report, but it's really too detailed. Do you have any suggestions?

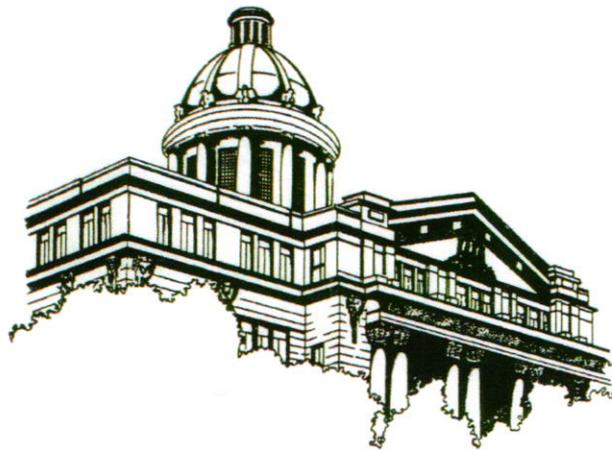
GILBERTO: The County Auditor's Office also produces a Popular Annual Financial Report. It's much shorter, provides higher level financial information and can be accessed from the County Auditor's webpage. Besides, it has some great photos.

ROSALIND: Thank you very much for the information. I guess I'll see you tomorrow on the bus.

GILBERTO: Actually, I just bought a brand new Firehouse Red Honda Civic and it's loaded. So I'll be driving in rather than taking the bus. If you would like, I would be happy to give you a ride to work in the morning.

The rest of Rosalind and Gilbert's conversation had nothing to do with County's business, so I'll end my reporting here.

By Mike Post, Chief Assistant County Auditor—Accounting Division



Executive Division

County Auditor
Executive Administration
Human Resources

Barbara J. Schott, CPA
Martha Rowell
Buddy Hammann

Accounting Division

Chief Assistant County Auditor
Accounts Payable
Grants & Accounts Receivable
Financial Accounting
Revenue Accounting

Mike Post, CPA
Ronnie James
Mel Trammell
Carol Market, CPA
Debra Smith, CGFM

Audit Division

Chief Assistant County Auditor
Audit Services
Compliance Audit
Continuing Auditing
Payroll Audit
Systems & Procedures

Steve Garner, CPA, CFE
Mark Ledman, CISA, MPA
Wayne Comeaux, CIA
Harland Maisel, CPA
Richard Foisner, CPP
Janet Norstrom, CPA

A special "Thank You" to each employee that wrote an article for the newsletter and to Tommy Jenkins for the newsletter design.



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