



COMMISSIONERS COURT
COMMUNICATION

REFERENCE NUMBER

PAGE 1 OF

8

DATE: 10/14/2008

SUBJECT: **RECEIVE AND FILE STATUTORY REPORTS REQUIRED BY TEXAS
COMMISSION ON JAIL STANDARDS**

***** CONSENT AGENDA *****

COMMISSIONERS COURT ACTION REQUESTED:

It is requested that the Commissioners Court receive and file the reports submitted by the Auditor's Office to the Texas Commission on Jail Standards relative to FY 2007 jail operations.

BACKGROUND:

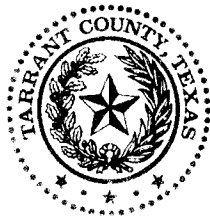
In accordance with Local Government Code 351.0415 and Minimum Jail Standards Chapter 269.2, the Auditor's Office is required to provide certain reports to the Texas Commission of Jail Standards each year. To comply with these reporting requirements, attached is the Auditor's Report of Commissary Operations previously received and filed with the Commissioners Court and a Summary of Revenues and Expenditures of Jail Operations relative to fiscal year 2007.

FISCAL IMPACT:

There is no fiscal impact associated with this action.

SUBMITTED BY: Auditor's Office

PREPARED BY: S. Renee Tidwell
APPROVED BY:



TARRANT COUNTY

TARRANT COUNTY ADMINISTRATION BUILDING - ROOM 506
100 E. WEATHERFORD
FORT WORTH, TEXAS 76196-0103
817/884-1205
Fax 817/884-1104

S. RENEE TIDWELL, CPA
COUNTY AUDITOR
rtidwell@tarrantcounty.com

RONALD D. BERTEL, CPA
FIRST ASSISTANT COUNTY AUDITOR
rbertel@tarrantcounty.com

October 2, 2008

Mr. Terry Julian, Executive Director
Texas Commission on Jail Standards
P.O. Box 12985
Austin, Texas 78711

Re: Auditor's Report - Commissary Operations for Fiscal Year 2007
Jail Operations Summary of Revenue and Expenditures

Dear Mr. Julian:

In accordance with Local Government Code 351.0415 and Minimum Jail Standards Chapter 269.2, attached is a copy of the Auditor's Report of the Commissary Operations dated August 28, 2008 and a Jail Operations Summary of Revenues and Expenditures relative to fiscal year 2007. The revenue and expenditure amounts were obtained from the Tarrant County financial system and reconciled to the Tarrant County Comprehensive Annual Financial Report. Additional detail of the revenue and expenditures is available upon request.

Sincerely,

S. Renee Tidwell
County Auditor

Enclosures

Team:

Kim Trussell, Audit Manager
Frank Mazza, Audit Supervisor
Larry Baum, Senior Auditor



TARRANT COUNTY
TARRANT COUNTY ADMINISTRATION BUILDING - ROOM 506
100 E. WEATHERFORD
FORT WORTH, TEXAS 76196-0103
817/884-1205
Fax 817/884-1104

S. RENEE TIDWELL, CPA
COUNTY AUDITOR

RONALD D. BERTEL, CPA
FIRST ASSISTANT COUNTY AUDITOR

August 28, 2008

The Honorable District Judges
The Honorable Commissioners Court
The Honorable Dee Anderson, Sheriff
Tarrant County, Texas

RE: Auditor's Report -- Commissary Operations for Fiscal Year 2007

SUMMARY

In accordance with Texas Local Government Code 351.0415, we examined the Sheriff's commissary accounts detailed on the attached Statement of Cash Receipts, Disbursements and Change in Fund Equity for the fiscal year ended September 30, 2007. During our review, we found that the account balances shown on the financial statement referred to fairly represents, in all material respects, the Tarrant County Sheriff's Commissary Operations as of September 30, 2007. Furthermore, our selected testing of receipts and expenditures reported on the statement complied with applicable laws and regulations. We also believe the internal control structure of Commissary Operations is adequate as of the date of the report. However, we observed that the service agreement to provide commissary services expired on May 30, 2008. As a result, we made recommendations to address this issue.

BACKGROUND

Texas Local Government Code 351.0415, Commissary Operations by Sheriff or Private Vendor states, in part:

...at least once each county fiscal year, or more often if the commissioners court desires, the auditor shall, without advance notice, fully examine the jail commissary accounts. The auditor shall verify the correctness of the accounts and report the findings of the examination to the commissioners court of the county at its next term beginning after the date the audit is completed.

OBSERVATION AND RECOMMENDATION

The County's agreement to provide commissary services expired May 30, 2008.

Background

Local Government Code 351.0415(3) states that the sheriff or his designee

...shall accept new bids to renew contracts of commissary suppliers every five years.

Furthermore, bids to renew contracts are subject to the approval of the commissioners court.

The County entered into a 5-year service agreement with Mid-America Services, Inc. for the purpose of providing commissary services to the inmates of the Tarrant County Jail. The initial term of the contract expired May 30, 2008. The agreement also states:

In the event that another vendor is not in place to operate commissary services in the Tarrant County Jail at the conclusion of the initial term, both Sheriff and Contractor agree that this contract shall continue on a month to month basis.

As of the date of this report, Mid-America continues to provide commissary services to Tarrant County.

Observation

During our review, we observed that the County's agreement to provide commissary services to the inmates of the jail expired on May 30, 2008. As a result, the County is not in compliance LGC 351.0415 which requires acceptance of new bids every five years for commissary suppliers.

Recommendation

We recommend that the Sheriff begin the process of soliciting and accepting bids for commissary services.

Management's Response

The Sheriff's Office agreed with our recommendation and will begin the process of soliciting bids for commissary services.


OBJECTIVE, SCOPE, AND METHODOLOGY

The objective our review was to determine the reasonableness of the amounts reported on the Statement of Cash Receipts, Disbursements and Change in Fund Equity for the Tarrant County Sheriff's Commissary Operations for the fiscal year ended September 30, 2007. During our review, we also evaluated the adequacy of the internal controls over the commissary operations. The implementation and application of effective internal control is the responsibility of the Sheriff's Office. It is our responsibility to review and assess the effectiveness of the controls. Internal control is broadly defined as a process designed to provide reasonable, not absolute, assurance regarding the achievement of objectives such as the safeguarding of assets, reliability of financial reporting, and compliance with applicable laws and regulations. Last, we determined whether Commissary Operations complied with applicable laws and regulations.

CLOSING REMARKS

We appreciate the assistance and cooperation of the Sheriff's Office staff during our review. Please call me if you have any questions regarding the contents of this report.

Sincerely,



S. Renée Tidwell, CPA
County Auditor

Attachment

Team:
Kim Trussell, Audit Manager
Frank Mazza, Audit Supervisor
Larry Baum, Senior Auditor

TARRANT COUNTY SHERIFF'S OFFICE
COMMISSARY OPERATIONS

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGE IN FUND EQUITY
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2007

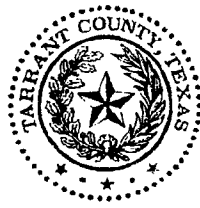
Receipts:

Commissary Income	\$	859,674	
Interest Income		10,746	
Auction Proceeds		<u>262</u>	
Total Receipts	\$		870,681

Disbursements:

Salaries & Benefits	\$	519,064	
Bedding & Clothing		111,524	
Jail Indigent Supplies		67,611	
Equipment		39,214	
Law Books		14,198	
Personal Hygiene		12,650	
Professional Services		7,355	
Recreation		6,974	
Equipment Rentals		3,265	
Supplies		3,083	
Equipment Maintenance		<u>2,080</u>	
Total Disbursements			<u>787,018</u>

Receipts Over (Under) Disbursements	\$	83,663
Beginning Fund Balance, October 1, 2006		<u>154,969</u>
Ending Fund Balance, September 30, 2007	\$	<u><u>238,632</u></u>



TARRANT COUNTY

OFFICE OF THE
SHERIFF

DEE ANDERSON
SHERIFF
817/884-3098
FAX: 817/212-6987

CRIMINAL COURTS BLDG.
300 W. BELKNAP
THIRD FLOOR
FORT WORTH, TEXAS 76102-2084

September 9, 2008

TO: Renee Tidwell, Auditor
FROM: Sheriff Dee Anderson
REFERENCE: Reply to Commissary Audit

The Tarrant County Sheriff's Office is in receipt of the recent audit findings for our Commissary, and we are in agreement with all findings.

We understand and agree the commissary bid is up for renewal. Due to some circumstances beyond the control of this Agency, we are currently on a month-to-month continuance as stipulated in the contract. We will move forward with the bid process in the near future.

We appreciate the cooperation and diligence shown by the Audit Staff. As always, we stand ready to assist your efforts in every way.



Sheriff Dee Anderson

DA/sp-c

**TARRANT COUNTY SHERIFF'S OFFICE
JAIL OPERATIONS
SUMMARY OF REVENUES AND EXPENDITURES
FISCAL YEAR 2007**

REVENUES	<u>\$ 1,658,792</u>
----------	---------------------

EXPENDITURES	
Salaries & Benefits	\$ 50,003,831
Buildings	5,808,708
Contracts	5,548,544
Materials & Supplies	1,077,491
Other	79,013
Total Expenditures	<u>\$ 62,517,587</u>

UNAUDITED