



**COMMISSIONERS COURT
COMMUNICATION**

REFERENCE NUMBER CO#114839
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PAGE 1 OF 5

DATE: 3/19/2013

SUBJECT: RECEIVE AND FILE THE AUDITOR'S REPORT FOR THE EXIT REVIEW OF THE TARRANT COUNTY CONSTABLE PRECINCT 8

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

COMMISSIONERS COURT ACTION REQUESTED:

It is requested that the Commissioners Court receive and file the Auditor's Report for the Exit Review of the Tarrant County Constable, Precinct 8.

BACKGROUND:

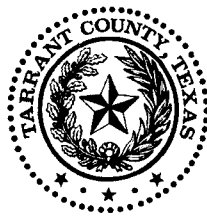
On December 31, 2012, Chester Luckett retired as Constable, Precinct 8, and his successor, Constable Michael Campbell, assumed office on January 1, 2013. The Auditor's office conducted selected procedures to provide accountability for the transfer of authority. The Auditor's office does not opine on the constable's financial statements and internal control structure since the review was limited in scope. Based on the results of the testing, the transfer of authority appears to be complete without exception.

The audit report includes two observations related to controls over items held in the property room and disbursement of monies held in trust. The Auditor's office discussed the observation with Constable Campbell. Attached is his written response.

FISCAL IMPACT:

There is no direct fiscal impact associated with this item.

SUBMITTED BY:	Auditor's Office	PREPARED BY: APPROVED BY:	S. Renee Tidwell
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TARRANT COUNTY

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February 13, 2013

Constable Michael Campbell, Precinct 8
The Honorable District Judges
The Honorable Commissioners Court
Tarrant County, Texas

Re: Auditor's Report – Exit Review for Constable Chester Lockett, Precinct 8

SUMMARY

On December 31, 2012, Chester Lockett retired as Constable, Precinct 8. The successor, Constable Michael Campbell, assumed office on January 1, 2013. The Auditor's Office conducted selected procedures to provide accountability for the transfer of authority to the incoming constable. These procedures included verification of cash and other receipts, trust balances, seized and acquired property, assigned County assets, and the removal of the outgoing officeholder's access to County systems. We do not opine on the constable's financial statements and internal control structure since our review was limited in nature. Based on the results of our testing, the transfer of authority appears to be complete without exception.

During our review, we observed two conditions that require management's attention. We discussed these conditions with Constable Campbell on January 15, 2013. Attached is his written response.

OBSERVATIONS AND RECOMMENDATIONS

Observation 1 – Controls over items held in the property room were not adequate.

Background

During the course of normal duty, a peace officer may seize items such as weapons, ammunition, drugs, and drug paraphernalia. When this occurs, the peace officer who seized the property shall retain custody of the property until further orders from a magistrate. The Code of Criminal Procedure provides guidance for the disposition of seized, forfeited, and unclaimed property held by the peace officer.

Observation

During our review, we found that controls over property held by the Constable's Office were not adequate. Specifically, an inventory log describing the property, the date of seizure or acquisition, the case number, etc. did not exist. We observed approximately 18 guns, ammunition, and knives in the property room on December 18, 2012. We did not have access to the property stored in the safe and a locked cabinet since the staff on duty did not have the keys. Due to a lack of controls, it was impossible to account for the property held by the Constable's Office. There is also an increased risk of loss and theft of these items. Furthermore, the constable may not be in compliance with the Code of Criminal Procedure related to the disposition of seized, forfeited, and unclaimed property.

On January 8, 2013, staff provided a list of property held by the Constable's Office. We returned to the Constable's Office to verify the items recorded on the list. We found that the list did not include some items held in the property room, and the list contained incorrect information, such as the description, model, or serial number of the item.

Recommendations

We recommend that the Constable's Office implement procedures to maintain a complete and accurate inventory of items held in the property room. The inventory log should clearly identify items *currently* held in the property room. The log should include the following information:

- Date property is seized or confiscated
- Officer's name
- Description of property
- Model or serial number, if applicable
- Property owner's name
- Case, service, or writ number
- Location of item in property room
- Disposition of the case such as whether the property was returned, destroyed, or put into service
- Date property is returned to the owner
- Date the case is disposed

We also recommend that the constable consult with Information Technologies for possible options to electronically record and track held property. Last, the constable should consult with the District Attorney's Office to ensure compliance with the Code of Criminal Procedure related to the seizure, forfeiture, and the disposition of property.

Observation 2 – Staff had not initiated the disbursement of monies held in trust after disposition of the cases.

Background

The Constable records collected trust funds and service fees on the Constable Mainframe System. Since the Constable does not have a checking account, the Constable remits all amounts collected for trust funds and service fees to the Auditor's Office for deposit into the Tarrant County consolidated account. The Auditor's Office records the funds in the Constable's general ledger revenue account or trust account. The Auditor's Office disburses money on the Constable's behalf upon receipt of proper documentation.

Furthermore, the Auditor's Office performs the reconciliation of the Constable's trust funds recorded in the mainframe to the general ledger. As of December 31, 2012, the Auditor's Office held \$4,894.22 in trust for 12 cases on behalf of the Constable, Precinct 8.

Observation

Constable staff had not initiated the disbursement of trust funds totaling \$897.56 related to six cases from 2005, 2007, and 2010. Staff indicated that they had not requested disbursement of five of the trusts totaling \$797.56 from 2005 and 2007 because the execution documents had been misplaced. Staff was not aware of the sixth trust, totaling \$100, from 2010. The Auditor's Office had previously communicated these outstanding trust balances to constable staff.

Recommendations

Upon disposition of a case, staff should disburse money held in trust in a timely manner. If the owners of the trust funds cannot be located and the funds are deemed as "unclaimed property," the Constable should request that the Auditor's Office escheat the funds in accordance with Texas Property Code, Chapter 76.

CLOSING REMARKS

We appreciate the cooperation of Constable Campbell and his staff during our review and their attention to our recommendations. In addition, we express gratitude to Former Constable Lockett for the cooperation extended to the Auditor's Office during his tenure with the County.

Very truly,



S. Renee Tidwell, CPA
County Auditor

Attachment: Management's response

Distribution: Former Constable Chester Lockett, Precinct 8

Audit Team: Kim Trussell, Audit Manager
Julie Hillhouse, Senior Internal Auditor
Angela Tran-Le, Internal Auditor



TARRANT COUNTY
FORT WORTH, TEXAS

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March 6, 2013

S. Renee Tidwell, CPA
County Auditor
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Ft Worth, TX 76119

RE: Auditors Report
Ms. Tidwell,

I have received your summary of the Auditor's Report Exit Review. The Constable Office Staff is currently implementing new policies to bring the handling of property and cash to standard.

The Constable's office will have any items recorded the items will contain the name of the owner, the description of the property, case number, date. There will be a minimum of two constables verifying the correct information is being logged. The property record will also contain all necessary information once a disposition has been issued.

The Constable's office will also consult with Information Technologies and the District Attorney Office for compliance in proper tracking and also on Code Compliance procedures.

The Constable and Chief Constable will be the only individuals that have access to the property room or the safe and there will always be another staff member to verify the information.

The Constable staff is currently disbursing all funds that need to be disbursed in a timely manner. Any funds that cannot be turned over to an individual will be turned over to the Auditor's office immediately.

Sincerely,

Michael R. Campbell, Constable Precinct #8
Anthony Gardner, Acting Chief Deputy Constable

