



COMMISSIONERS COURT
COMMUNICATION

CO#115216
REFERENCE NUMBER 0
PAGE 1 OF 6
DATE: 5/14/2013

SUBJECT: **RECEIVE AND FILE THE AUDITOR'S REPORT FOR THE EXIT REVIEW OF THE TARRANT COUNTY CONSTABLE PRECINCT 1**

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 1.

BACKGROUND:

On December 31, 2012, Jerry Crowder retired as Constable, Precinct 1, and his successor, Constable Dale Clark, 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 three observations. The Auditor's office discussed the observations with Constable Clark on April 30, 2013. Attached is his written response.

FISCAL IMPACT:

There is no direct fiscal impact associated with this item.

SUBMITTED BY:	Auditor	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

CRAIG MAXWELL
FIRST ASSISTANT COUNTY AUDITOR
cmaxwell@tarrantcounty.com

April 8, 2013

Constable Dale Clark, Precinct 1
The Honorable District Judges
The Honorable Commissioners Court
Tarrant County, Texas

Re: Auditor's Report – Exit Review for Constable Jerry Crowder, Precinct 1

SUMMARY

On December 31, 2012, Jerry Crowder retired as Constable, Precinct 1, and his successor, Constable Dale Clark, 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 primarily 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 three conditions that require management's attention. We discussed these conditions with Constable Clark on April 30, 2013. Attached is his written response.

OBSERVATIONS AND RECOMMENDATIONS

Observation 1 – Controls were not adequate to identify a shortage that occurred in November 2012.

Background

Constable, Precinct 1 assigns the execution of paper service to the constables throughout Tarrant County. During the month, Constable 1 receipts their own fees and trusts, as well as fees for the other seven Tarrant County Constables using the Sheriff and Constable Mainframe System. Since Constable 1 does not have a checking account, the Constable deposits all receipted fees with the County Auditor's Office. For each deposit, Constable 1 staff provides a summary showing the appropriate revenue account for each of the eight constable offices.

Constable 1 staff also provides the Auditor's Office with two monthly reports. One report details the receipts and deposits for Constable 1 fees and trust. The second report shows fees collected and deposited for the benefit of the other seven constables.

An opinion provided by the District Attorney's Office dated November 9, 1999 states that a public officer is strictly liable to account for and must pay over to the County Auditor all public money that officer receives. Furthermore, the opinion states that the county official must make up those shortages and may use funding sources such as the official's bond, political fund (if applicable), liability insurance, salary, or personal funds unless the Commissioners Court votes to indemnify the officer.

Observation

Constable staff had not detected a \$75 receipt recorded into the mainframe in November 2012 that had not been deposited with the Auditor's Office. The mainframe shows the responsible party's name and check number, along with the precinct that actually served the writ. In December 2012, the Auditor's Office identified this issue during their monthly review and communicated the issue to Constable 1 staff. Constable staff stated that they have attempted to contact the responsible party several times. Most recently, Constable staff sent a letter on March 5, 2013 requesting payment for the outstanding fee. The Constable does not expect to receive this payment based on conversations with the responsible party.

Recommendation

We recommend the Constable's staff perform a reconciliation of receipts issued in the mainframe to the deposits prepared for the Auditor's Office. Any differences should be researched and resolved as soon as possible.

If the Constable does not receive \$75 from the liable party within 60 days from the date of this report, we recommend that the Constable dispose of this shortage as described by the District Attorney's opinion dated November 9, 1999.

Observation 2 – Deposits were not always made in accordance with the Local Government Code.

Background

Local Government Code 113.022(a), Time for Making Deposits, which states in part:

A county officer or other person who receives money shall deposit the money with the county treasurer on or before the next regular business day after the date on which the money is received. If this deadline cannot be met, the officer or person must deposit the money, without exception, on or before the fifth business day after the day on which the money is received.

Observation

We observed 24 receipts issued in November and December 2012, totaling approximately \$2,665, that were deposited between 1 and 3 days late. Untimely deposits increase the risk of loss, theft, or misappropriation of County funds.

Recommendation

To reduce the risk of misuse or loss of County funds, management should ensure that money collected is deposited within five business days as required by Local Government Code.

Observation 3 – Controls over items held in the property room should be improved.

Background

During the course of normal duty, a peace officer may obtain items such as weapons, ammunition, drugs, and drug paraphernalia. When this occurs, the peace officer, in this case the Constable's Office, retains custody of the property until further orders from a magistrate. The Code of Criminal Procedure provides guidance for the safeguarding and the disposition of seized, forfeited, and unclaimed property held by the peace officer.

Observation

During our review, we found that the log maintained by the Constable's Office did not include a service number, a case number, the property owner's name (if known), or the address where the property was found, seized or confiscated. Therefore, the Constable staff could not determine the owner of the property. According to Constable staff, the property was found while executing a writ of possession in June 2004.

Recommendation

We recommend that the Constable's Office ensure that all information is recorded on the property room log, including:

- Description of property
- Model or serial number, if applicable
- Property owner's name
- Date property is seized or confiscated
- Case, service, or writ number
- Officer's name
- 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

Since the Constable cannot determine the owners of the property, we recommend the Constable obtain a judicial order to dispose of the property.

CLOSING REMARKS

We appreciate the cooperation of Constable Clark and his staff during our review. In addition, we express gratitude to former Constable Jerry Crowder 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 Jerry Crowder, Precinct 1

Audit Team: Kim Trussell, Audit Manager
Julie Hillhouse, Senior Internal Auditor
Matt Jones, Internal Auditor
Margo Moore, Internal Auditor



TARRANT COUNTY
FORT WORTH, TEXAS 76102

H.D. CLARK III
CONSTABLE, PCT. 1
TARRANT COUNTY
FORT WORTH, TEXAS 76102-0001
817/804-1395

May 1, 2013

S. Renee Tidwell, CPA
Tarrant County Auditor
100 E. Weatherford Street, Room 506
Fort Worth, TX 76196

RE: Auditor's Report-Exit Audit for Constable Precinct 1

Our office is in receipt of the Auditor's report for Constable Precinct 1. The report noted three specific issues. I accept the report as presented and agree with all of the observations made by the audit team.

Issues brought out during the audit will be corrected to bring us into compliance with state law and county procedures.

We look forward to continuing our working relationship with your office to ensure accountability and transparency of monies collected on behalf of Tarrant County and our citizens. Feel free to contact myself or staff members if you have any questions or suggestions in the future.

[REDACTED]

Harry D. Clark, III
Constable, Precinct 1

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MAY 01 2013
AUDITOR-RM