



COMMISSIONERS COURT
COMMUNICATION

REFERENCE NUMBER CO#114703

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DATE: 2/26/2013

SUBJECT: **RECEIVE AND FILE THE AUDITOR'S REPORT FOR THE EXIT REVIEW
OF THE TARRANT COUNTY CONSTABLE PRECINCT 3**

***** 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 3.

BACKGROUND:

On December 31, 2012, Zane Hilger retired as Constable, Precinct 3, and his successor, Constable Darrell Huffman, 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 one observation related to the recording and depositing of funds that was communicated to Constable Huffman.

Attached to this report is a response from Constable Huffman.

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
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CRAIG MAXWELL
FIRST ASSISTANT COUNTY AUDITOR
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January 23, 2013

Constable Darrell Huffman, Precinct 3
The Honorable District Judges
The Honorable Commissioners Court
Tarrant County, Texas

Re: Auditor's Report – Exit Review for Constable Zane Hilger, Precinct 3

SUMMARY

On December 31, 2012, Zane Hilger retired as Constable, Precinct 3, and his successor, Constable Darrell Huffman, 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 the scope of our review was limited in nature. Based on the results of our testing, the transfer of authority appears to be complete without exception.

We discussed one observation and recommendation with Constable Huffman on December 31, 2012. Attached is his written response.

OBSERVATION AND RECOMMENDATION

Staff did not record and deposit funds received in a timely manner.

On December 31, we observed a stack of checks that had not been deposited into the constable's bank account. We also found that staff had not recorded collected funds into the mainframe system since December 14. According to staff, the checks had not been recorded or deposited because the clerk who performed these functions was on vacation, and staff cross training had not been completed. Texas Local Government Code and the Texas Code of Criminal Procedure state that funds *must* be deposited with the county treasurer or county treasury no later than the *fifth business day* after the day on which the money is received. Funds are vulnerable to loss until they are recorded into the mainframe system and deposited into the County treasury.

Recommendation

To ensure compliance with statutes related to the timeliness of deposits, the constable should ensure staff is cross-trained to perform basic operational functions, including:

- Receipting funds into the Constable Mainframe System;
- Depositing funds into the Constable's JP Morgan Chase account; and
- Preparing check(s) for the Constable or Chief Deputy's signature to remit County funds to the County Auditor's Office.

CLOSING REMARKS

We appreciate the cooperation of Constable Huffman and his staff during our review. In addition, we express gratitude to Former Constable Hilger 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 Zane Hilger, Precinct 3

Audit Team
Kim Trussell, Audit Manager
Julie Hillhouse, Senior Internal Auditor



TARRANT COUNTY

DARRELL HUFFMAN
CONSTABLE, PCT. 3
TARRANT COUNTY GOVERNMENT COMPLEX
1400 MAIN STREET, STE 240
SOUTHLAKE, TEXAS 76092

817-581-3610
CIVIL DIVISION

817-481-8059
TAX DIVISION

February 15, 2013

S Renee Tidwell, CPA
Tarrant County Auditor
100 E. Weatherford St.
Ft. Worth, Tx 76196

RE: Auditor's Report for Constable's Office, Pct 3, Exit Review

Dear Auditor Tidwell,

My office is in receipt of the Auditor's Report for the Constable's Office, Pct 3, which noted and recommended three specific issues. I accept the report and agree with all observations made by the Tarrant County Auditor's Office. The office in Hurst has a new clerk and is still in training and this will be covered within her training schedule and implemented into her duties.

I look forward to continuing my working relationship with your office to ensure accountability and transparency of fees collected and distributed on behalf of Tarrant County and our taxpayers. Please feel free to contact me or my staff if you have any questions or suggestions for future financial transactions.

Respectfully,

Darrell Huffman

Constable, Pct. 3

/dh/