



THE COUNTY OF GALVESTON
COUNTY AUDITOR'S OFFICE
P.O. Box 1418
GALVESTON, TEXAS 77553

County Auditor
Randall Rice CPA
CITP CISA CIO CBM DABFA CGMA

Ron Chapa CPA
First Assistant, Director of Auditing

Jeff Modzelewski CPA
First Assistant, Director of Accounting

March 3, 2015

Honorable Judge Mark A. Henry and
Members of the Commissioners' Court

Honorable Judge and Members of the Court:

Attached for your consideration is the internal audit report for the close-out of Honorable Sonny James' accounts (previously JP 3). The close-out was performed December 1, 2014 through January 28, 2015.

Sincerely,

A handwritten signature in blue ink that reads "Rice CPA".

Randall Rice CPA
County Auditor

cc: Honorable Penny L. Pope, JP 3

Attachment: Audit Report Close-out of Sonny James' Accounts



THE COUNTY OF GALVESTON
COUNTY AUDITOR'S OFFICE
P.O. Box 1418
GALVESTON, TEXAS 77553

County Auditor
Randall Rice CPA
CITP CISA CIO CBM DABFA CGMA

Ron Chapa CPA
First Assistant, Director of Auditing

Jeff Modzelewski CPA
First Assistant, Director of Accounting

February 2, 2015

Honorable Penny L. Pope
Justice of the Peace, Precinct 3
1922 Sealy
Galveston, Texas 77550

Honorable Penny Pope:

The Auditor's Office performed procedures to close the accounts of the Honorable Sonny James (previously JP 3) for the period from October 1, 2013 through December 31, 2014.

The primary objectives of the close out procedures were 1) to account for all assets assigned to the office, 2) ensure all collections have been deposited, 3) reconcile the bond bank account, and 4) locate any unused County issued manual receipts.

Cash Count

On December 11, 2014, the Auditor's Office conducted a surprise cash count at the La Marque location (previously JP 3). All collections, including the \$200.00 change fund, were accounted for.

Inventory of Assets

As part of the close-out process, Internal Audit performed an inventory to determine if all assets assigned to the La Marque location (previously JP 3) could be identified. An inventory was performed on December 11, 2014. All assets were accounted for.

Collections

Collections recorded in Net Data from October 1, 2013 through December 31, 2014 were reviewed. FY2014 collections were included to avoid overlooking any unresolved issues. Collections from credit cards (direct deposits) were also included in the review to confirm they were recorded in IFAS.

All collections recorded in Net Data from October 1, 2013 through December 2014 were deposited in the bank and recorded in IFAS.

Bond Bank Account

A reconciliation was performed on Honorable Sonny James' bond bank account as of December 31, 2014.

Finding: There are 10 outstanding checks totaling \$612.00. The checks were issued from 2000 through 2003.

Recommendation JP3-2015-01: Escheat the outstanding checks as 'unclaimed property' to the County Treasurer (checks for \$100.00 or less) or to the State Comptroller (checks greater than \$100.00).

Finding: There is \$1,806.11 in outstanding bonds (issued during FY2004 and FY2006) in the bond bank account.

Recommendation JP3-2015-02: Escheat the outstanding bond money as 'unclaimed property' to the County Treasurer (bonds \$100.00 or less) or to the State Comptroller (bonds greater than \$100.00)

Finding: In prior years, it was JP 3's policy to deposit restitution money in the bond account then pay the vendor directly. As a result, there is \$4,278.41 of restitution money in the bond bank account, most of which was collected in the early 2000's.

Recommendation JP3-2015-03: Escheat the restitution as 'unclaimed property' to the County Treasurer (restitution \$100.00 or less) or to the State Comptroller (restitution greater than \$100.00)

Finding: There is \$1,341.01 in unidentified funds collected in FY2006. The source of the funds is unknown.

Recommendation JP3-2015-04: Submit the \$1,341.01 to the County Treasurer as 'miscellaneous revenue'.

County Issued Manual Receipts

The following manual receipt books were issued to the La Marque location (previously JP 3):

- Receipt Range 118150 – 118299 (Last receipt issued was #118248)
- Receipt Range 118300 – 118449 (Last receipt issued was #118302)

The Auditor's Office can provide you with the required forms and instructions on escheating checks. If you have any questions or concerns regarding the close-out of Honorable Sonny James' accounts, please contact Lori McWhirter, Internal Audit Manager, at (409) 770-5356.

Sincerely,



Randall Rice CPA
County Auditor