

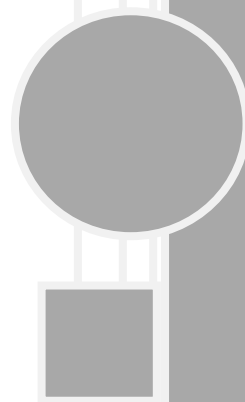


# AUDIT REPORT

DALLAS COUNTY

2019 FEDERAL FORFEITURE - CONSTABLE 2

Darryl D. Thomas  
Dallas County Auditor  
ISSUED: October 25, 2019  
RELEASED: October 25, 2019



# 2019 FEDERAL FORFEITURE - CONSTABLE 2

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This report is intended for the information and use of the agency/department. While we have reviewed internal controls and financial reports, this review will not necessarily disclose all matters of a material weakness. It is the responsibility of the department to establish and maintain effective internal control over compliance with the requirements of laws, regulations, and contracts applicable to the department



**DALLAS COUNTY**  
COUNTY AUDITOR

**MANAGEMENT LETTER**

Honorable Billy Gipson  
Constable Precinct No. 2  
Dallas, Texas

Attached is the County Auditor's final report entitled "**2019 Federal Forfeiture - Constable 2**" Report. In order to reduce paper usage, a hard copy will not be sent through in-house mail except to the auditee.

If you prefer that released reports be emailed to a different (or additional) recipient, please inform me of the name and the change will be made.

Respectfully,

A handwritten signature in blue ink that reads "Darryl D. Thomas".

Darryl D. Thomas  
County Auditor

## **EXECUTIVE SUMMARY**

An audit was performed on Constable Precinct #2's use of Federal Forfeiture funds according to requirements contained in the Guide to Equitable Sharing for State and Local Law Enforcement Agencies (Department of Justice) and the Guide to Equitable Sharing for Foreign Countries and Federal, State, and Local Law Enforcement Agencies (Department of Treasury). The federal equitable sharing audit includes a review of the shared funds and property received from federal agencies and federal forfeiture expenditures by Dallas County agencies. Internal Control weaknesses which need consideration by management are:

### **Summary of Significant Observations**

- A partial inventory list of equipment purchased with forfeiture funds is maintained.

### **Repeat observations from Previous Audits:**

- Lack of written inventory procedures.

## INTRODUCTION

**Dallas County Auditor's Office mission is to provide responsible, progressive leadership by accomplishing the following:**

- Comply with applicable laws and regulations
- Safeguard and monitor the assets of the County utilizing sound fiscal policies
- Assess risk and establish and administer adequate internal controls
- Accurately record and report financial transactions of the County
- Ensure accurate and timely processing of amounts due to County employees and vendors
- Set an example of honesty, fairness and professionalism for Dallas County government
- Provide services with integrity
- Work in partnership with all departments to resolve all issues of the County
- Strive to utilize the latest efficient and effective technology in the performance of tasks
- Provide technical support and training in the development, implementation, and maintenance of information systems
- Hold ourselves accountable to the citizens of the County at all times
- Be responsive to the elected officials and department heads of Dallas County

The objectives of this audit are to:

1. Ensure compliance with statutory requirements
2. Evaluate internal controls
3. Verification of accuracy and completeness of reporting
4. Review controls over safeguarding of assets

This audit covered the period of October 1, 2018 through September 30, 2019.

The audit procedures will include interviews with key process owners, observation of transactions processing, data analysis and sample testing of transactions. The main system used will also be reviewed and incorporated as part of the testing of transactions.

## DETAILS

### **Inventory**

A review of 37 items purchased with Federal Forfeiture funds revealed: one item not located during inventory and a partial inventory list of equipment purchased with forfeiture funds is maintained. Capital and non-capital property should be tracked according to UGMS 2 CFR Section 200.313 and property should be maintained according to Dallas County Code Chapter 90 Article III. A lack of written inventory procedures resulted in an incomplete record of forfeiture equipment.

### **Recommendation**

#### **Inventory**

Management should prepare an inventory list that includes an accurate description of all forfeiture property received, the Dallas County property tag number and IT asset tag number (if either are applicable), serial numbers, date and manner of disposal, current location of property, and any other information that could be useful in identifying and tracking the property. Additionally, steps should be taken to recover missing items.

cc: Darryl Martin, Commissioners Court Administrator