

TOM GREEN COUNTY



San Angelo, Texas

**OFFICE OF THE
Auditor**

August 5, 2024

The Honorable Allison Palmer, 51st Judicial District Attorney
The Honorable John Best, 119th Judicial District Attorney
124 West Beauregard Avenue
San Angelo, Texas 76903

Dear Ms. Palmer and Mr. Best,

We recently completed our review of your office's financial records for the months of October 2022 through September 2023. We traced all Seizure and Escrow receipts and disbursements to the ledgers and bank statements. We sampled Escrow receipts and traced them to Laserfiche. We tested a sample of your Pre-Trial Diversion receipts and noted the fee, contract, attorney, and payor. We verified Seizure agreements with other government agencies, balanced the Seizure log to the Seizure account and recalculated interest earned when Seizure funds were disbursed in accordance with the court order. We also examined bank reconciliations.

During our review of bank reconciliations, we found that the Escrow account for October 2022 had not been reconciled. Additionally, the reconciliations for November 2022 through February 2023 were not initialed, which may indicate they were not formally reviewed. Proper review and sign-off are important controls that help catch errors or discrepancies early and demonstrate oversight. We were encouraged to learn that, as of March 2023, a second employee began reviewing bank reconciliations, which helps strengthen the overall reconciliation process through the separation of duties and accountability.

We also noted two entries on the Seizure Log for which there are no supporting receipts. These entries relate to cash seizures from Runnels County cases in 2017 and 2018. According to your staff, the Ballinger Police Department never delivered the seized funds to your office. Although the department had previously been asked to deposit the money into the District Attorney's Seizure account, these amounts remain outstanding. We understand that your office plans to follow up again with the Ballinger Police Department to verify the status of the funds. Resolving these long-outstanding entries is important to ensure the accuracy of the seizure records and demonstrate that all seized property is properly accounted for.

Lastly, we observed an instance in April 2023 where a payment that included both restitution and a pretrial diversion fee was deposited entirely into the Escrow account. However, the pretrial diversion fee, which is also receipted by the Treasurer's Office and should be deposited into the Operating account was not transferred until July 2023. This delay temporarily understated Fund 0043 and overstated the Escrow account. Timely and accurate fund transfers are essential for ensuring financial reports reflect the true balance of each account and for maintaining compliance with fund accounting principles.

There were other minor items we discovered and discussed separately with your staff. We appreciate your assistance and for providing the documentation needed to complete this review. Please contact us with any additional questions or concerns.

Very cordially,



Nathan Craddock

County Auditor

Cc: The Honorable Jay Weatherby

340th Judicial District Judge

The Honorable Commissioners Court

Tom Green County, Texas