

A Report to the
Chambers
County
Commissioners
Court

County Judge:

Jimmy Sylvia

Commissioners:

Jimmy Gore

Mark Tice

Tommy Hammond

Billy Combs



Commissioner Precinct 3

Solid Waste Permits 2020

Ashley Anderson

March 12, 2021

Chambers County
Auditor
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IA.2020.05

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Nature of the Engagement

The Auditor's Office completed an internal audit of the issuance, administrative procedures, and financial records of Solid Waste permits distributed in the year 2020 by Commissioner Precinct 3.

The overall objective of this audit was:

Evaluate the procedures and accuracy of the permit records by analyzing transaction information, cash-handling methods, and other related records.

Documentation

The following original documents were collected from Commissioner Precinct 3:

- Printed Copies of Online Weekly Permit Summaries
- Treasurer Receipts
- Bank Deposit Information
- Daily Sheets with Customer Information
- Signature Sheets

Audit Procedures

The following procedures were used to accomplish the examination:

- Review and input relevant information from the original documents into a master spreadsheet.
- Compare amounts shown as collected in the daily sheets to the amounts recorded with the bank and the Treasurer.
- Reconcile the daily sheets and the online permit records.
- Determine if the stickers issued were included in the bundles issued by the Solid Waste Department.
- Compare the time between issue dates and deposit dates to the requirements outlined in Section 113.022 (a) of the Local Government Code.

Observations and Findings

1. Permits

- According to the daily sheets, there were a total of 3,422 permits issued.
- There were 2,436 standard and 798 exempt permits issued.
- 3,302 stickers were expended, all of which were included in the bundles issued by Solid Waste for 2020.
- 67 stickers were void, 1 was missing, and 188 temporary permits were issued.

2. Collections

- The revenue recorded on the daily sheets is \$24,590, the printed online permit records reflect \$24,570, and the current online permit records show \$24,600. The bank and Treasurer deposits both total \$24,600.
- The difference in revenue across the reports is due to permits being incorrectly processed or recorded. In addition, corrections are made to the current online permit records.
- The secretary placed her personal funds in a few of the bank deposits to fix the monetary errors.

3. Documentation Procedures

- The fee for standard and temporary permits is \$10; veterans, in addition to citizens over 65 years of age, receive permits free of charge.
- Customers who had paper plates, were veterans, and those who were over 65 years of age were not charged for temporary permits.
- A few of the daily sheet entries were altered to reflect an exemption for the fee. For instance, the standard fee would be written on the form and the fee would be whited out to indicate the permit would be issued free of charge.
- Several signatures are missing from the signature sheets.
- There is not a standard set of forms and procedures for offices that issue Solid Waste permits.

4. Deposits

- Section 113.022 (a) of the Local Government Code states that funds must be deposited with the Treasurer “on or before the next regular business day after the date on which the money is received.” However, there is a grace period that extends the deadline to “the fifth business day after the day on which the money is received.”
- The secretary deposits funds with the bank. Adherence to deposit requirements was determined by subtracting the first issue date in the deposit from the bank deposit date.
- Several reports do not match the corresponding deposit amount.
- One \$10 deposit was made to correct a previous deposit error.
- A total of 48 deposits were made. No deposits were made on or before the next business day. There were 9 deposits made within the grace period and 38 deposits were outside of the grace period. The remaining deposit was to correct a previous deposit.

- The longest period is a difference of 49 calendar days between the first issue date and bank deposit date. This is due to the stay-at-home order at the beginning of the coronavirus outbreak.
5. Access to Funds
- The secretary keeps the funds in a filing cabinet in the office of the Commissioner. The Commissioner, secretary, and substitute clerks have access to the funds.

Recommendations

- In the fee schedule, there is no distinction between customers with paper plates and those with regular license plates. Thus, issue all temporary permits based on the most current order passed through Commissioners' Court.
- Implement the usage of a signature sheet that includes the standard fee, exemption requirements, and customers' prenumbered corresponding permit numbers.
- Ensure information is identically recorded on all reports. This should cause the funds collected to match all of the reports.
- Cash must be deposited with the County Treasurer or bank within the given time stated by Section 113.022 (a) of the Local Government Code.
- Implement the usage of a drop box for the permit funds.
- Standardize the documentation and issuance methods of every office that issues Solid Waste permits.

Conclusion

Based on the comparison of the daily sheets to the other original documents, the majority of the permits were correctly processed and translated onto the other reports. However, there were some deposits that were over or under the amounts recorded for the corresponding reports. In addition, standardizing the procedures of all of the offices that issue Solid Waste permits would ensure that, if the system is sufficient, the offices would all have identical and proper controls. As the audit was not a detailed examination of all transactions, there is a risk that errors or fraud were not detected. Thus, Commissioner Precinct 3 retains the responsibility for the accuracy and completeness of the financial information.

From: [Tommy G. Hammond](#)
To: [Ashley Anderson](#)
Subject: RE: Precinct 3 Solid Waste Permits Audit 2020
Date: Thursday, March 11, 2021 11:00:07 AM

Thank You Ashley, We will discuss some changes to the Registration Logs and look at tracking and deposit process. We should strive for 100% accuracy always.

Thanks, Tommy

From: Ashley Anderson <alanderson@chamberstx.gov>
Sent: Thursday, March 11, 2021 9:23 AM
To: Tommy G. Hammond <tghammond@chamberstx.gov>
Cc: Lisa Jacobson <ljacobson@chamberstx.gov>; Tony Sims <tsims@chamberstx.gov>; Lyndsey Davis <ldavis@chamberstx.gov>
Subject: Precinct 3 Solid Waste Permits Audit 2020

Good morning Commissioner Hammond,
I have attached the Commissioner Precinct 3 Solid Waste Permits Audit Report to this email for your review.

Please send any questions or a written response by March 22nd. Thank you and have a nice day.

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