



COMMISSIONERS COURT
COMMUNICATION

REFERENCE NUMBER 0

PAGE 1 OF 4

DATE: 9/22/2009

SUBJECT: **RECEIVE AND FILE THE AUDITOR'S REPORT OF THE DISTRICT CLERK'S PASSPORT OPERATIONS**

***** CONSENT AGENDA *****

COMMISSIONERS COURT ACTION REQUESTED:

It is requested that the Commissioners Court receive and file the Auditor's Report of the District Clerk's passport operations for the period of five (5) months ended February 28, 2009.

BACKGROUND:

In accordance with Local Government Code Section 115.0035, Examination of Funds Collected by County Entity, the Auditor's Office reviewed the District Clerk's passport operations for the period of five (5) months ended February 28, 2009. The objective of the review was to determine whether controls were adequate to reasonably ensure that passport fees were assessed, receipted and recorded onto the County's general ledger accurately. It was also determined whether the fees were remitted to U. S. Department of State correctly.

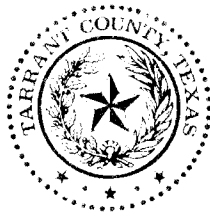
Attached also is a written response from the District Clerk's Office.

FISCAL IMPACT:

There is no direct fiscal impact associated with this item.

SUBMITTED BY: Auditor

PREPARED BY: S. Renee Tidwell
APPROVED BY:



TARRANT COUNTY

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August 31, 2009

The Honorable District Judges
The Honorable Commissioners Court
The Honorable Tom Wilder, District Clerk
Tarrant County, Texas

RE: Auditor's Report – District Clerk Passport Operations

SUMMARY

In accordance with Local Government Code Section 115.0035, *Examination of Funds Collected by County Entity*, we reviewed the District Clerk's passport operations for the period of five months ended February 28, 2009. The objective of our review was to determine whether controls were adequate to reasonably ensure that passport fees were assessed, receipted, and recorded onto the County's general ledger accurately. We also determined whether the fees were remitted to U.S. Department of State correctly. As a result of our review, we found controls were adequate to reasonably ensure that passport fees were processed and recorded accurately. Furthermore, fees owed to the U.S. Department of State were remitted appropriately.

BACKGROUND

The District Clerk currently processes applications for a United States passport, including taking passport photographs. The District Clerk collects fees in an amount set by the Commissioners Court. After collecting the appropriate fees, the District Clerk submits the fees to the Auditor's Office to be deposited in the County's general fund.

During the five months ending February 28, 2009, the District Clerk collected revenue related to passport fees and photo fees totaling about \$147,000.



OBJECTIVE AND METHODOLOGY

The objective of our review was to determine whether controls were adequate to reasonably ensure that passport fees were assessed, receipted, and recorded onto the County's general ledger accurately. We also determined whether the fees were remitted to U.S. Department of State correctly. Our testing included a random sample of passport transactions that occurred during the period October 1, 2008 through February 28, 2009.

The District Clerk, in the role of management, is responsible for the implementation and application of effective internal controls. The objective of an internal control structure is to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use, and that transactions are properly executed and recorded. Because of inherent limitations in any internal control structure, errors or irregularities may occur and may not be detected. It is our responsibility to review and assess the effectiveness of those controls. We gained an understanding of the internal controls over the financial reporting structure through inquiry of appropriate personnel, observation of the operations, inspection of relevant documentation, and other procedures that we considered necessary. We believe that our review provides a reasonable basis for our conclusion.

CLOSING REMARKS

We appreciate the cooperation of the District Clerk's Office during our review. If you have any questions concerning this report, please don't hesitate to call.

Sincerely,

[REDACTED]
S. Renee Tidwell, CPA
County Auditor

Team:

Kim Trussell, Audit Manager
Frank Mazza, Audit Supervisor
Larry Baum, Senior Internal Auditor

Distribution:

Doug Gowin, Manager, Operations
Andrea Ziton, Manager, Registry Funds
Roberta Jackson, Passport Coordinator



TARRANT COUNTY

THOMAS A. WILDER
DISTRICT CLERK

September 10, 2009

Renee Tidwell
County Auditor
100 E. Weatherford St
Fort Worth TX 76196

Dear Ms. Tidwell:

I wanted to express my appreciation for the cooperative spirit in which your staff conducted the recent audit of my Passport operations. While I am certainly pleased with the audit results, I am equally pleased that a complete and thorough review was conducted with no impact to our customers or staff.

Due to staffing and scheduling constraints, we requested that the audit team collect information and conduct interviews with as little impact and disruption to District Clerk operations as possible. Working together with Passport, Accounting, and IT staffs, I am pleased to report that this was accomplished. The entire audit team is to be commended for a job well done.

I also want to congratulate Bobbie Jackson and her Passport team for outstanding work.

Sincerely,


Thomas A. Wilder

RECEIVED

SEP 11 2009

AUDITOR