

THE OFFICE OF
COUNTY AUDITOR

Presented by Melissa Jeter
Houston County Auditor

V.G. Young Institute of County Government
School for Commissioners Court

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Commissioners Court Advanced Curriculum Phase 2: 2.012

What is a County Auditor?

- History and Background
 - 1905 – created by statute
 - Pop. \geq 10,200 – Required
 - Pop. $<$ 10,200 – Optional
 - Joint employment
- Qualifications
 - Competent, experienced, moral character

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What is a County Auditor? Cont'd

- Appointment
 - Appointed by District Judge(s)
 - Majority vote – Special meeting
 - Two year term
 - Oath & Bond requirements

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What is a County Auditor? Cont'd

- Independence
 - Nature of the relationship with District Judges
 - Ensures a system of checks & balances
 - Not just the Auditor
 - Cooperative effort

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What is a County Auditor? Cont'd

- Auditor Salary
 - Set by District Judges at Public Hearing
 - Max. = highest paid elected county official, with a few exceptions
- Staff
 - District Judges approve list and salaries
 - 5% increase limitation

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RESPONSIBILITIES OF THE COUNTY AUDITOR



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Statutory

- Oversight
 - General oversight of books and records
 - See to strict enforcement of laws – county finances
- Access
 - Continual access to records
 - Specialized Local Entity
 - Criminal Fines/Fees

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Statutory cont'd

- Prescriptive
 - Regulations for collecting & accounting
 - System of accounting (>190,000)
 - Time, manner, form of reports to Auditor
- Verification
 - Claims approval
 - Claim incurred as provided by law

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Case Law Samples

Navarro Co v. Tulos (1922) - The Court held that the duties of the county auditor cannot be delegated to a special auditor.

Agan v. Titus County (1996) Who can prepare payroll? More information on a later slide...

Fullerton v. Harris County (1980) - Can Commissioners Court sell the Auditor's computer system and not provide a new one? More information on a later slide...

Guerrero v. Refugio County (1997) Is the Auditor an employee?

Crider v. Cox (1997) The examination and approval of bills for payment by the Auditor must preclude approval by CCt and is not a ministerial step to protect the checks and balances the legislature intended.

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Case Law Samples (cont'd)

Agan v. Titus County

- Commissioners Court can delegate the payroll function to whatever county official it desired.
- Most authoritative listing of the constitutional and statutory duties of the County Treasurer
- Reinforced the principle that any county functions that are not assigned to an officer by the constitution may be delegated to an officer by the legislature.
- Those duties that have been specifically assigned by the constitution or the legislature cannot be removed from an officer by the Commissioners Court.

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Case Law Samples (cont'd)

Fullerton v. Harris County

- Commissioners Court has ministerial duty to approve office equipment requested by the auditor absent an abuse of discretion in the request.
- Commissioners Court may reject the auditor's budget request for equip/supplies if the request is excessive or unreasonable.
- Commissioners Court may not dictate what equipment would be used in the auditor's office.

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Duties and Responsibilities of the County Auditor



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Duties and Responsibilities

- Auditing
 - All funds due/collected/disposed
 - All funds/assets safeguarded
 - Examine books of all officials/departments
 - Review internal controls
- Accounting and Financial Reporting
 - Maintain general ledger & chart of accts
 - Periodic reports – internal/external
 - Coordinate outside audits

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Duties and Responsibilities *(cont'd)*

- Budgeting
 - Subchapter A – Auditor assists with budget
 - Subchapter B – Auditor is budget officer
 - Subchapter C – Commissioners Court appoints budget officer
- Purchasing and Approval of Claims
 - Verify compliance with contracts
 - Legally acquired and budgeted expenditures

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Duties and Responsibilities *(cont'd)*

- Accounts Payable
 - Budgetary compliance
 - Co-sign checks with Treasurer
 - Optional Duties
- Payroll
 - Routine audits for compliance
 - Co-sign checks with Treasurer
 - Optional Duties
- Other.....

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Challenges to the County Auditor

- Maintaining Independence
- Mastering Diverse Functions – management of cash, debt, grants, & risks, personnel & employment law, budgetary control, internal auditing & financial reporting, inventory of fixed assets, ensuring proper liability insurance coverage, etc
- Establishing effective working relationships

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Review

- Four statutory authorities
 - **Oversight**
 - **Access**
 - **Prescriptive**
 - **Verification**
- Responsibilities –
 - Various but bottom line - the County Auditor is primarily responsible for insuring that county finances comply with the law.
- Challenges of the job

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