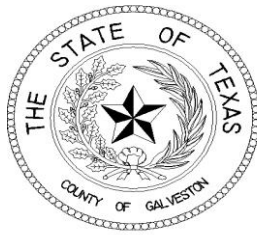


# GALVESTON COUNTY



## Office of County Auditor

Randall Rice CPA CISA CIO, County Auditor  
Kristin Bulanek CIA, First Assistant County Auditor

P.O. Box 1418, Galveston, Texas 77553

(409) 770-5304

722 Moody Ave 4<sup>th</sup> Floor, Galveston, TX 77550

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August 12, 2019

Honorable Mark A. Henry, County Judge, and  
Members of the Commissioners Court  
722 Moody Avenue  
Galveston, Texas 77550

Honorable Mark A. Henry and Members of the Court:

Attached to be received and filed is the internal audit report of the San Luis Toll Booth audit. The audit covered the period June 1, 2018 through May 31, 2019. Also attached is the response letter from Mr. William Riordan, dated July 24, 2019.

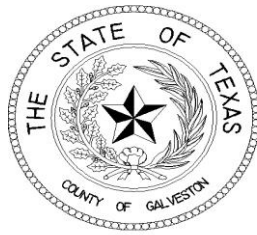
Sincerely,

Randall Rice CPA  
County Auditor

cc: Mr. William Riordan  
Facilities Director

Attachments: San Luis Toll Booth FY2019 Audit Report  
Response Letter, Mr. William Riordan

# GALVESTON COUNTY



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July 2, 2019

**To:** Mr. William Riordan  
Facilities Director

**From:** Michaelyn Dunaway  
Internal Auditor

**Re:** San Luis Toll Booth FY2019 Audit Report

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The Internal Audit division conducted an internal audit of the San Luis Toll Booth, in accordance with Local Government Code §115. The internal audit covered the period June 1, 2018 through May 31, 2019.

The objectives of the audit were to provide reasonable assurance concerning:

- Reliability and integrity of information
- Safeguarding of assets
- Compliance with statutes, policies and procedures

### **Reliability and Integrity of Information**

Reliable information is accurate, timely, complete and useful. In order to achieve this, controls over record keeping and reporting must be adequate and effective.

**Finding:** Neither vehicle counters are functioning; therefore, toll collections cannot be reconciled to a vehicle count at the end of each shift. The amount of each toll operator's funds on hand cannot be verified. *(This is a prior audit finding.)*

**Recommendation TB-19-01:** To improve the reliability and integrity of the toll collections, the office should initiate a plan to provide an accurate vehicle count to reconcile funds collected at the end of each shift.

### **Safeguarding of Assets**

Safeguarding of assets has three basic components: 1) physical security of the collections and inventory, 2) minimal exposure to loss and 3) proper management of the collections and inventory.

As part of the audit, a surprise cash count was conducted on June 17, 2019. The objectives of the cash count were to observe the close-out procedures and verify proper management of the collections.

**Finding:** The east bound change fund was short \$11.00.

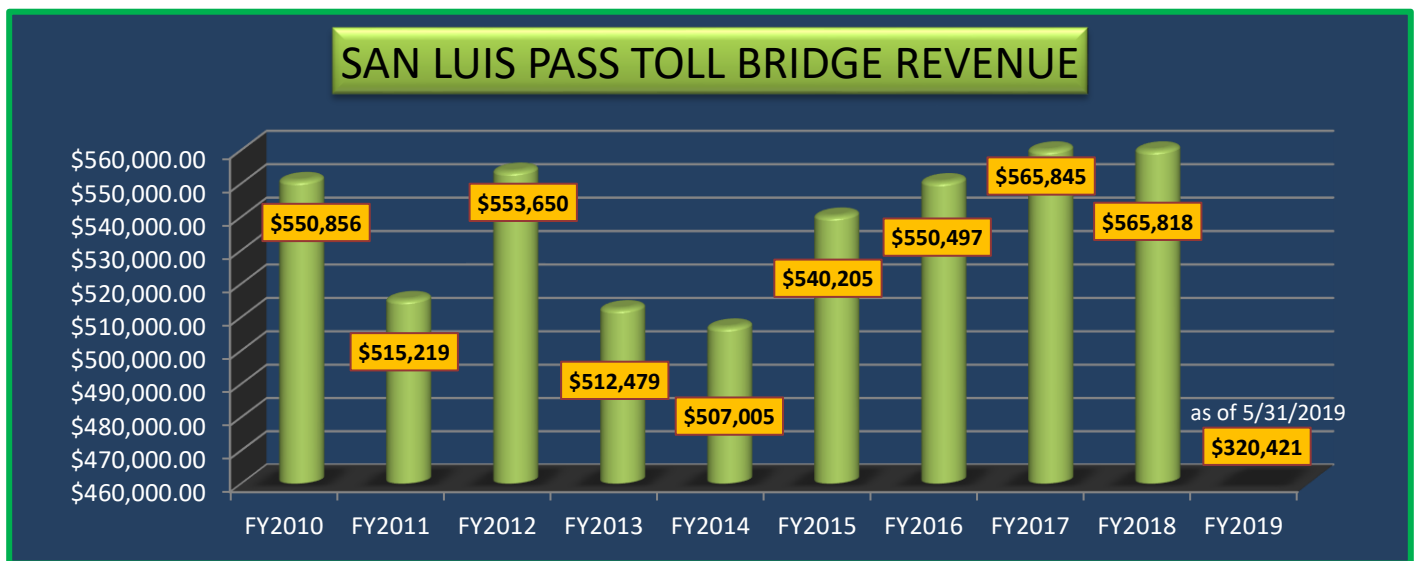
**Recommendation TB-19-02:** To ensure compliance with the Cash Handling Policy, the office should determine the cause of the change fund shortage and replenish the funds immediately.

**Compliance with Statutes, Policies and Procedures**

Local Government Code (LGC) §113.022 Time for Making Deposits states that money collected shall be deposited with the County Treasurer on or before the next regular business day after the date on which the money is received. If this deadline cannot be met, the office must deposit the money, without exception, on or before the fifth business day after the day on which the money is received. A sample of bank deposits were tested for compliance with LGC §113.022. No exceptions were noted.

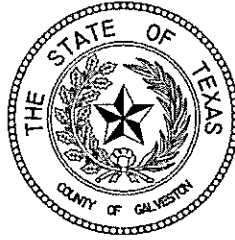
**Statistical Analysis**

A statistical analysis was performed on the revenue generated by the San Luis Toll Booth. The following chart reflects the trend of the collections from FY2010 through FY2019 (as of 5/31/2019) for the toll bridge.



We wish to thank Mr. William Riordan and his staff for their cooperation and assistance.

cc: Randall Rice CPA, County Auditor  
Kristin Bulanek CIA, First Assistant County Auditor



**COUNTY OF GALVESTON**  
**FACILITIES DEPARTMENT**  
722 MOODY, 6<sup>TH</sup> FLOOR  
GALVESTON, TEXAS 77550  
PHONE (409) 766-2384 FAX (409) 770-5132

**Will Riordan**

Facilities Director

**Debra Belany**

Administrative Coordinator

July 24, 2019

To: Randall Rice

From: Will Riordan

Re: Response to FY 2019 San Louis Toll Booth Audit  
Mr. Rice,

The following is my response to the Internal Audit conducted of the Toll Booth operations.

**Finding:** Neither vehicle counters are functioning; therefore, toll collections cannot be reconciled to a vehicle count at the end of each shift. The amount of each toll operator's funds on hand cannot be verified. *(This is a prior audit finding.)*

**Response:** The non-functioning counters will be repaired in the next fiscal year. Although, when a trailer goes through, it counts as 2. Only 1 toll is charged..

**Finding:** The west bound fund was short \$11.00

**Response:** Our office will investigate all shortages and address accordingly & replenish the fund.

I want to thank Michaelyn Dunaway & Jordan Guss for their assistance with this audit.

Sincerely,

*Will Riordan*