



**DALLAS COUNTY  
COUNTY AUDITOR**

**REPORT ON INTERNAL CONTROL & COMPLIANCE**

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TO: Angela Igrisan  
Director – Domestic Relations Office

FROM: Darryl D. Thomas *Darryl D. Thomas*  
County Auditor

SUBJECT: Review of Statutory Reporting and Compliance – Domestic Relations Office for  
April 1, 2009 through Fiscal Year 2012

ISSUE DATE: May 21, 2015  
RELEASE DATE: June 30, 2015

**SCOPE**

As part of ongoing reviews of county offices and compliance with statutory regulations, we have reviewed specific accounts and processes of the Domestic Relations Office (DRO) for the period April 1, 2009 through September 30, 2012. We were not able to review data to evaluate collections, delinquencies, enforcement, and contract performance due to the Attorney General not granting access to state systems and/or files/reports.

**PROCEDURE**

Standard review processes were applied to data from the department in order to evaluate internal controls and reporting accuracy within the department. A random sampling of total activity was selected for certain procedures, while others were reviewed in their entirety. Transactions were evaluated based on risk, dollar value of transactions, volume of transactions and noted internal control weaknesses. Review steps included, but were not limited to, the following:

- Performed unannounced cash count
- Prepared flowcharts of departmental processes
- Reviewed cash receipts, voided receipts, and altered receipts
- Reviewed bank reconciliation for accounts assigned to DRO
- Requested independent confirmation of child payments received/submitted
- Reviewed disbursements
- Reviewed undelivered checks inventory
- Reviewed Holding account disbursements
- Reviewed deposits and recordings to General Ledger (GL)
- Traced deposits to bank statements
- Reviewed time and attendance activity
- Requested DRO complete Internal Control Questionnaire (ICQ)

## FINDINGS

### Cash Management

Manual Receipts – A sample review of manual receipts and manual receipt procedures revealed: two voided manual receipts totaling \$550 cash were missing the original and duplicate (second copy) copies; twenty-six manual receipts were altered to different amounts including fourteen 14 altered to lower amounts totaling \$1040 cash and \$486 check/money order; and, corresponding computer receipts are not attached to manual receipts.

Computer Receipts – A sample review of computer receipts and computer receipt procedures revealed material compliance.

Cash Count – A cash count completed on June 7, 2013 revealed: ten checks/money orders totaling \$1,169 without receipt or deposit for five or more business days with the oldest dated 83 business days. *Status: As of October 24, 2013, nine of the ten checks/money orders were either posted or returned to the payer due to lack of account information with one check/money order held in the safe.*

Departmental responses to the ICQ revealed: five DRO personnel with access to the safe including non-supervisory personnel; and, the combination to the safe is not changed when persons with knowledge of the combination leave the County or transfer to other departments.

Disbursements – A sample review of 56 disbursements, corresponding child support payments received from the noncustodial parent, and system postings revealed: 16 child support payments received from the noncustodial parent for amounts less than court ordered.

Holding Account – An inquiry of DRO personnel revealed: two un-deposited money orders held in the safe pending additional information (payer name not readable and child support account number not noted). *Status: One check for \$36 was deposited into the annual fee revenue account.*

A review of the Fund 802 Holding Account bank statements, bank reconciliations, and GL entries revealed: old unresolved reconciling items dating to 2003 and prior (new reconciling items during the audit period were resolved).

### Other

Time and Attendance – Full-time regular employees take 50 minutes for lunch with no breaks while lunch defaults to 30 minutes in the KRONOS time and attendance system.

## RECOMMENDATIONS

### Cash Management

Manual/Computer Receipts – Receipts should be verified for accuracy of amount before issuing to customers. All monies received should be promptly receipted and deposited consistent with state law, Local Government Code, § 113.022. The supervisor should periodically review manual receipts books and computer receipts issued for proper usage. Receipts should never be altered, but properly voided. All copies of a void receipt should be retained, clearly marked “void”, and affixed with a reason for the void (Supervisor or management follow-up should be conducted when a large percentage of voids are processed).

Cash Count – All monies received should be promptly receipted and deposited consistent with state law, Local Government Code, §113.022 and procedures recommended by the County Auditor. Periodic review of unprocessed payments should be completed to ensure timely resolution.

The combination to the safe should be changed when employees with knowledge of the combination leave DRO or otherwise reassigned. A dual control process (more than one staff member to open) over opening the safe and access limited to supervisory personnel should be considered. Assigned duties for cash control should be adequately separated for both physical and systemic processing.

Disbursements – Collection efforts should be initiated on all accounts with delinquent balances. Child support accounts in the CM mainframe application should be updated with information from court orders for child support accurately and timely by designated DRO personnel.

Holding Account – Continue to safeguard, research, and follow-up unidentified payments and consider depositing items to the Fund 802 Holding Account pending resolution. Implement a plan to clear old reconciling bank items.

#### **Other**

Time and Attendance – Actual time worked, meal periods, vacation time, sick time, holiday time, jury duty, compensatory time, overtime, ATO, etc. should be properly and timely posted to by the authorized department personnel to the Kronos time attendance system in accordance with Dallas County Code

#### **Responses**

Child Support/Domestic Relations Office responses are included with the attached finding templates 12-CS-01-01 through 12-CS-01-05.

#### **SUMMARY**

This report is intended for the information and use of the department. While internal controls and financial reports were reviewed, all matters of a material weakness may not have been identified. It is the responsibility of the department to establish and maintain effective internal control over compliance with the requirements of laws, regulations, and contracts applicable to the department.

Highest area of risk which needs to be addressed includes: the proper handling and voiding of manual receipts with all voided receipt copies retained.

Emphasis on outlined procedures should provide for improved departmental processes. Adherence to and follow-through with the recommendations should strengthen internal control and compliance with Dallas County policies and procedures.

Cc: Darryl Martin, Commissioners Court Administrator  
Honorable Tena Callahan, Presiding Family District Judge



**Finding Number:** 12-CS-01-01  
**Date:** October 14, 2013  
**Audit:** Domestic Relations Office Audit – April 1, 2009 – FY 2012  
**Auditor(s) Assigned:** RL

<b>Finding:</b>	<b>Receipts:</b> A review of 33 voided manual receipts and altered receipts from April 1, 2009 thru FY 2012 revealed: <ul style="list-style-type: none"> <li>• Six of 33 voided manual receipts without an explanation for the void</li> <li>• Two voided manual receipts totaling \$550 cash were missing the original and duplicate copies</li> <li>• Twenty-six manual receipts were altered to different amounts.             <ul style="list-style-type: none"> <li>- 14 of the 26 manual receipts were altered to lowered amounts totaling \$1040 cash and \$486 check/money order less</li> </ul> </li> <li>• Corresponding computer receipts are not being attached to manual receipts</li> </ul> A sample review of 30 voided computer receipts from the Countywide Receipt (CWR) System report 'DC7 Receipts: Cancelled' revealed no exceptions. <b>Risks identified based on responses to Internal Control Questionnaire (ICQ) revealed:</b> <ul style="list-style-type: none"> <li>• Log is not maintained when issuing a manual receipt book to an individual assigned receipting responsibilities</li> </ul>
<b>Work paper Reference:</b> <b>(or other method by which finding was identified)</b>	Work paper 2A.6c-1 and 2A.6c-2
<b>Condition:</b> <b>(Describe the current condition)</b>	When CWR (effective October 2010) is not operational, manual receipts (three-part form) are issued by the cashiers. Manual receipt books are separated by Fine, Social Study fees, Probation fees, and Public Defender. At the end of each day, the manual receipt books are locked in the safe. The original manual receipt is issued to the customer. Once CWR is functional again, the manual receipt payments are entered into CWR and two copies of a computer receipt are generated. The cashier retains the duplicate (pink) and triplicate (yellow) manual receipt copies in the manual receipt book. The computer receipts are retained separately in numerical order.
<b>Criteria:</b> <b>(Describe the optimal condition)</b>	Management judgment in designing, implementing and conducting internal control, and in assessing its effectiveness is emphasized in the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework. Internal control requires that five core components be present: Control Environment; Risk Assessment; Control Activities, Information and Communication; and Monitoring Activities. Specific controls related to receipt control procedures require that: <ul style="list-style-type: none"> <li>• All manual receipts should be issued in sequential order, accounted for and properly used, include supervisory review, kept in numeric order, have the corresponding computer receipt attached, and are posted and deposited daily, and timely in accordance with Local Government Code (L.G.C.), § 113.022.</li> <li>• Receipts should not be altered, but properly voided and affixed with a reason for the void with retention of all voided copies. All voids should be reviewed daily</li> </ul>





	<p>by supervisory personnel.</p> <ul style="list-style-type: none"> <li>Supervisory personnel should periodically review exception reports and transaction logs (especially with respect to receipt deletions, lowered amounts, and payment type changes) to ensure that the explanation for the change is documented and reasonable.</li> <li>The number of individuals authorized to receipt payments and handle cash is properly segregated and limited.</li> <li>Manual receipts should be written <b>only</b> during system downtime reflecting the appropriate child support and case number and amount paid. Once the system is restored, the payments are posted to the system and the manual receipt number is entered into the comment field. One copy of the manual receipt is attached to the computer receipt.</li> <li>Manual receipt books should be controlled and access to cash limited to establish proper accountability and strengthen internal control.</li> <li>The supervisor should periodically review manual receipt books to ensure all issued manual receipts have corresponding valid computer receipt numbers noted/attached.</li> </ul> <p>COSO standards for internal control include adequate segregation of duties so no one user has two or more business processes that could result in compromise of the integrity of the process or allow that person to commit fraud.</p>
<b>Cause:</b> (Describe the cause of the condition if possible)	Recommended accounting procedures for manual receipts not consistently followed.
<b>Effect:</b> (Describe or quantify any adverse effects)	Prevents potential assertion that monies were paid and refunds due. Potential revenue loss for Dallas County.
<b>Recommendation:</b> (Describe corrective action)	<p>Receipt procedures should provide that:</p> <ul style="list-style-type: none"> <li>Receipts are not altered, but properly voided and affixed with a reason for the void with retention of all voided copies. Voided receipts are reviewed and initialed by a supervisor.</li> <li>Funds received by court personnel are receipted with a manual receipt if the system is "down". Once the system is operational, any money receipted on manual receipts is posted in full. In order to readily verify that the posting has been made, a computer generated receipt is attached to the triplicate copy of the manual receipt (which is retained in numeric sequence). The manual receipt number is noted in the comment field of the computer receipt in the system.</li> <li>Manual receipts are issued in numerical sequence; the manual receipt books are retained the latter of Records Retention requirements or audit completion date.</li> <li>Cashier supervisor or management periodically reviews manual receipts for proper usage.</li> <li>All monies received should be promptly receipted and deposited consistent with state law, L.G.C., §113.022 and procedures recommended by the County Auditor.</li> </ul>
<b>Responsible Department or Organization:</b>	Domestic Relations Office – Child Support



<b>Management's Response:</b>	<input checked="" type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<b>Respondent</b> :	Angela Igrisan, Domestic Relations Director	<b>Date</b> :	6/26/2015
<b>Comments:</b>	Prior to CWR the manual receipts were the only receipts we issued, there were no computer receipts to attach. Staff had 'pre-completed' each type of receipt book, with the most common amount of that item to speed the transaction, but issued the receipt for the proper amount ordered (see examples attached). As these manual receipts are now only used if CWR is 'down,' neither of these situations should occur going forward. Cashiers are currently ensuring supervisory review/documentation for voids.					
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report		<input type="checkbox"/> Oral Comment		<input type="checkbox"/> Deleted From Consideration	



**Finding Number:** 12-CS-01-02  
**Date:** October 14, 2013  
**Audit:** Domestic Relations Office Audit – April 1, 2009 – FY2012  
**Auditor(s) Assigned:** RL

<b>Finding:</b>	<b>Cash Count:</b> A review of non-receipted checks during the cash count on June 7, 2013 revealed: <ul style="list-style-type: none"> <li>• Ten checks or money orders totaling \$1,169 without receipt or deposit for five or more business days with the oldest 83 days.</li> </ul> <b>Status:</b> As of October 24, 2013, all checks and money orders were either posted or sent back to the party due to lack of account information, with the exception of one money order held in the safe.  Departmental responses to the Internal Control Questionnaire (ICQ) revealed: <ul style="list-style-type: none"> <li>• Deposits are prepared from cash and checks rather than from receipt control totals</li> <li>• Five DRO personnel with access to the safe including non-supervisory staff</li> <li>• The combination to the safe is not changed when persons with knowledge leave the County or transfer to other departments</li> </ul>
<b>Work paper Reference:</b> (or other method by which finding was identified)	Work paper 2A.8-9 Departmental responses to the Internal Control Questionnaire
<b>Condition:</b> (Describe the current condition)	Cash payments received by the cashiers are counted in front of the payer. Payments are receipted in Countywide Receipt (CWR); a computer generated receipt and any change due is issued to the payer. The second copy of the receipt is retained at the cashier office for their records.  At the end of each business day prior to closeout, the computer receipts are totaled and compared to the funds on hand and system control totals. Adjustments are processed to CWR when the payment type is incorrectly recorded, the check amount is not properly receipted, or other errors are identified. The funds are given to the supervisor to count for accuracy. The Accounting Clerk III prepares the deposit from checks and cash on hand; register tape creating a deposit form 98 through CWR.
<b>Criteria:</b> (Describe the optimal condition)	Management judgment in designing, implementing and conducting internal control, and in assessing its effectiveness is emphasized in the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework. Internal control requires that five core components be present: Control Environment; Risk Assessment; Control Activities, Information and Communication; and Monitoring Activities. Specific controls related to receipt control procedures require that: <ul style="list-style-type: none"> <li>• All receipts should be accounted for and properly used in order to affix responsibility, enhance cash control, and prevent assertion that monies were paid and refund due.</li> <li>• Receipts should not be altered, but properly voided and affixed with a reason for</li> </ul>



	<p>the void with retention of all voided copies. All voids should be reviewed daily by supervisory personnel.</p> <ul style="list-style-type: none"> <li>• Supervisory personnel should periodically review exception reports and transaction logs (especially with respect to receipt deletions, lowered amounts, and payment type changes) to ensure that the explanation for the change is documented and reasonable.</li> <li>• Receipts promptly issued for the amount of funds tendered and all funds received properly secured and deposited consistent with state law including Local Government Code (L.G.C.), § 113.022.</li> <li>• The number of individuals authorized to receipt payments and handle cash is properly segregated and limited.</li> </ul> <p>COSO standards for internal control include adequate segregation of duties so no one user has two or more business processes that could result in compromise of the integrity of the process or allow that person to commit fraud.</p> <p>Accounting and system control procedures require daily reconciliation and balancing of collected funds, including supervisory review. Separate cash drawers should be maintained by all cashiers receipting payments and funds should be balanced prior to combining with other receipted funds. Daily collections and change funds should be recounted by supervisory personnel with review evidenced by initial or signature on deposit forms.</p> <p>Unprocessed customer payments should be periodically reviewed and researched by supervisory personnel.</p>
<b>Cause:</b> (Describe the cause of the condition if possible)	<p>Unable to identify information on the payment including payer or child support account number.</p> <p>Limited access to and availability of address research tools and applicable application software's.</p>
<b>Effect:</b> (Describe or quantify any adverse effects)	<p>Undelivered child support payments to custodial parent and recipient.</p> <p>Payments may be stolen, misplaced, lost, or forgotten about.</p>
<b>Recommendation:</b> (Describe corrective action)	<ul style="list-style-type: none"> <li>• Develop and implement methodologies for researching returned items.</li> <li>• Perform periodic review of undelivered payments to ensure timely resolution of undelivered child support payments.</li> <li>• Deposit payments held in the safe for 30 days to the Fund 802 Holding Account pending additional information.</li> <li>• All monies received should be promptly receipted and deposited consistent with state law, L.G.C., §113.022 and procedures recommended by the County Auditor.</li> <li>• At the end of each business day, receipts should be totaled and balanced to the funds on hand and system control totals.</li> <li>• The combination to the safe should be changed when employees with knowledge of the combination leave DRO or otherwise reassigned.</li> <li>• A dual control process (more than one staff member to open) over opening the</li> </ul>





	safe and access limited to supervisory personnel should be considered.			
<b>Responsible Department or Organization:</b>	Domestic Relations Office – Child Support			
<b>Management's Response:</b>	<input checked="" type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<b>Respondent:</b>	Angela Igrisan, Domestic Relations Director
			<b>Date:</b>	6/26/2015
<b>Comments:</b>	Researching new or returned items and resolving their placement was re-prioritized immediately following review, as noted. This process is now regularly maintained and periodically reviewed by management, as recommended. Safe combination being changed and limited to management and fiscal monitor going forward.			
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration	



**Finding Number:** 12-CS-01-03  
**Date:** October 18, 2013  
**Audit:** Domestic Relations Office Audit - April 1, 2009 – FY 2012  
**Auditor(s) Assigned:** RL

<b>Finding:</b>	<b>Disbursements:</b> A sample review of fifty-six disbursements, corresponding payments received from the noncustodial parent, and system postings revealed: <ul style="list-style-type: none"> <li>• Sixteen (28.6%) payments received from noncustodial parent for amounts less than court order information in the CM mainframe application</li> </ul>
<b>Work paper Reference: (or other method by which finding was identified)</b>	Work paper 4A.2 CM mainframe application and reports
<b>Condition: (Describe the current condition)</b>	<p>Information from the original court order for child support is entered into CM mainframe application by designated DRO personnel. The court may change the ordered child support amount via a new court order. Upon receipt of notification (court order) from the custodial parent or noncustodial parent, DRO personnel will update the information in the CM mainframe application. DRO personnel do not review case activity to identify changes to the child support amount unless notification is received.</p> <p>Disbursement of collected child support payments are for the amount received by DRO. Noncustodial parents, on occasion, submit irregular child support payments to DRO. DRO communicates with the noncustodial parent and encourages them to make regular, scheduled payments for the amount ordered.</p>
<b>Criteria: (Describe the optimal condition)</b>	<p>Management judgment in designing, implementing and conducting internal control, and in assessing its effectiveness is emphasized in the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework. Internal control requires that five core components be present: Control Environment; Risk Assessment; Control Activities, Information and Communication; and Monitoring Activities. Specific controls related to disbursement procedures require that:</p> <ul style="list-style-type: none"> <li>• All checks should be accounted for, issued to the proper payee for the correct amount in a timely manner, and reference the relevant case information.</li> <li>• All disbursements and cancellations should be timely and accurately posted to the CM mainframe application.</li> <li>• Case balances should be reviewed, daily, and disbursements made to the appropriate parties in accordance with statute.</li> <li>• Fund balances and subsidiary ledgers must be reconciled against control records (GL and bank statements) to safeguard funds and improve reporting accuracy.</li> <li>• Supervisory verification of all cash transactions (receipts or disbursements) evidenced on subsidiary reconciliations.</li> </ul> <p>COSO standards for internal control include adequate segregation of duties (separation of duties for personnel authorized to receipt payments, update assessments, prepare disbursement files, and/or approve disbursement batches for printing) so no one user has two or more business processes that could result in</p>



	<p>compromise of the integrity of the process or allow that person to commit fraud.</p> <p>Information from court orders for child support is entered accurately and timely into CM mainframe application by designated DRO personnel.</p> <p>Management judgment in designing, implementing and conducting internal control, and in assessing its effectiveness is emphasized in the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework. Internal control requires that five core components be present: Control Environment; Risk Assessment; Control Activities, Information and Communication; and Monitoring Activities. Specific controls related to billing procedures, collection efforts, and account controls require that:</p> <ul style="list-style-type: none"> <li>• Account number(s), amount(s) due, and due date are prominently displayed</li> <li>• Invoices include an accurate breakdown of amounts due</li> <li>• All available payment options/methods are listed</li> <li>• Invoices are mailed timely (emailed if email address is available)</li> <li>• Automated phone calls (or live call scripts) and delinquent notice mailings (standard collection letters) are used</li> <li>• Contact information for billing personnel is listed</li> <li>• The age of receivables is monitored (run an aged receivable report on a weekly or monthly basis) with systemically follow-up on any accounts that are past due more than a predetermined number of days.</li> <li>• Skip tracing or available address search engines are used</li> </ul>
<b>Cause:</b> (Describe the cause of the condition if possible)	<p>Limited system capability</p> <p>Limited personnel to perform assigned duties</p>
<b>Effect:</b> (Describe or quantify any adverse effects)	<p>Missed, partial, or over payments may not be identified.</p>
<b>Recommendation:</b> (Describe corrective action)	<p>Disbursement procedures should include:</p> <ul style="list-style-type: none"> <li>• Verification of available funds prior to processing disbursement requests.</li> <li>• Proper segregation of responsibilities as relates to receipting, depositing, and disbursing funds.</li> <li>• All checks issued or canceled posted accurately and timely to the appropriate system to maintain accurate financial balances.</li> <li>• Supervisor review of disbursement postings and other disbursement activity.</li> </ul> <p>Collection efforts should be initiated on all accounts with delinquent balances.</p> <p>Child support accounts in the CM mainframe application should be updated with information from court orders for child support accurately and timely by designated DRO personnel.</p>
<b>Responsible Department or</b>	<p>Domestic Relations Office – Child Support</p>



<b>Organization:</b>					
<b>Management's Response:</b>	<input type="checkbox"/> Agree	<input checked="" type="checkbox"/> Disagree	<b>Respondent</b> :	Angela Igrisan, Domestic Relations Director	<b>Date</b> : 6/26/2015
<b>Comments:</b>	The CM application is no longer in use since prior to audit period. Payments are frequently less than monthly court ordered amounts, either due to pay periods (24/26 per year), or parties not paying enough due to hardship/other. All payments for child support go to the State Disbursement Unit and if they have a full-service case or are in the DRO's CARE program, they are monitored for compliance through the State's system, TxCSSES.				
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report		<input type="checkbox"/> Oral Comment		<input type="checkbox"/> Deleted From Consideration



**Finding Number:** 12-CS-01-04  
**Date:** October 18, 2013  
**Audit:** Domestic Relations Office  
**Auditor(s) Assigned:** RL

<b>Finding:</b>	<b>Holding Account:</b> A review of un-deposited checks or money orders and the Fund 802 Holding Account revealed: <ul style="list-style-type: none"><li>Two money orders held in the safe without deposit to the Fund 802 Holding Account pending additional information (payer name not readable and child support account number not noted)</li></ul> <b>Status:</b> One check for \$36 was deposited into the annual fee revenue account.  A review of September 30, 2012 Fund 802 Holding Account bank statements, bank reconciliations, and general ledger (GL) entries revealed: <ul style="list-style-type: none"><li>Old unresolved reconciling items</li><li>Bank balance of \$178,440.22 unchanged in FY2012</li></ul>															
<b>Work paper Reference:</b> (or other method by which finding was identified)	Work paper 6A.1															
<b>Condition:</b> (Describe the current condition)	<p>Child Support payments are received in the Domestic Relations Office for: subsequent distribution to the custodial parents; spousal support; annual fees; social study fees; probation fees; and, restitution. The cashier issues receipts for all ‘over-the-counter’ transactions. Mail is sorted when received, negotiable instruments received in the mail, are handed to a cashier. Cash payments are manually posted to E-DOC.</p> <p>When a payment is received in the mail and it is not possible to determine payer, payee or account information, the payment is held in the DRO safe while the DRO clerk researches in order to obtain more information for processing. After the check or money order is held in the safe for 30 days, the payment is deposited into the Fund 802 Holding Account until a valid address or accurate account information is found, or the custodial or noncustodial parent make a claim for the payment.</p> <p>Undelivered Child Support payments are returned by the U.S. postal service (return address) to the Dallas County Auditor’s Office for review and verification then sent back to the DRO for further review and location of new contact.</p> <p>Undelivered Payments include the following:</p> <table><tr><th>Control #</th><th>Direct (D) or New Check (N)</th><th>Payee</th><th>Payer</th><th>Source</th></tr><tr><td>1</td><td>D</td><td>Custodial Parent</td><td>Non-Custodial Parent</td><td>Received in Mail</td></tr><tr><td>2</td><td>D</td><td>Custodial Parent</td><td>Employer</td><td>Garnished from Non-Custodial Parent payable to Custodial Parent Mailed to Child Support</td></tr></table>	Control #	Direct (D) or New Check (N)	Payee	Payer	Source	1	D	Custodial Parent	Non-Custodial Parent	Received in Mail	2	D	Custodial Parent	Employer	Garnished from Non-Custodial Parent payable to Custodial Parent Mailed to Child Support
Control #	Direct (D) or New Check (N)	Payee	Payer	Source												
1	D	Custodial Parent	Non-Custodial Parent	Received in Mail												
2	D	Custodial Parent	Employer	Garnished from Non-Custodial Parent payable to Custodial Parent Mailed to Child Support												





	<p>3      N      Custodial Parent      Dallas County Child Support      Received from Non-Custodial Parent / Employer payable to Dallas County Child Support</p> <p>Control # 1 and 2 payer checks payable to custodial parents are logged, retained and safeguarded, periodically research is completed to located locate recipients/update account information/ Control #3 Dallas County checks payable to Custodial Parent are also logged retained and subjected to periodic research. Unclaimed funds remain in the bank account.</p> <p>Fund 802 Holding Account bank balance of \$178,440.22 as of September 30, 2012.</p>
<p><b>Criteria:</b> <b>(Describe the optimal condition)</b></p>	<p>Management judgment in designing, implementing and conducting internal control, and in assessing its effectiveness is emphasized in the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework. Internal control requires that five core components be present: Control Environment; Risk Assessment; Control Activities, Information and Communication; and Monitoring Activities. Specific cash controls include:</p> <ul style="list-style-type: none"> <li>• Payments and pending distribution reports should be reviewed on a periodic basis and disbursements should be made to the appropriate parties in a timely manner</li> <li>• Unprocessed customer payments should be periodically reviewed and researched by supervisory personnel</li> </ul> <p>Best practices for internal control require:</p> <ul style="list-style-type: none"> <li>• For separation of duties and cash control, create a control tape for negotiable instruments received in the mails. Validate the mail received monies with the cashier's mail receipted daily totals.</li> <li>• To expedite funds distribution, timely research of undelivered checks and notice to non-custodial parent of undelivered payments. Accounting and systems control procedures require reconciliation of collected funds to support actual documents.</li> <li>• For ongoing oversight, perform periodic supervisory review of outstanding undelivered child support payments and update procedure manual.</li> <li>• To safeguard funds, deposit money orders into Holding Account pending resolution.</li> <li>• To comply with statutes, track age/status of unclaimed funds, recognizing funds are not subject to escheatment.</li> <li>• To locate recipients /update account information, utilize address search via the internet, court files, prior correspondence, and/or skip searching services (budget or direction from Judges) for payments returned as undeliverable.</li> <li>• For ongoing account maintenance, update FORVUS of new mailing address and contact information when received.</li> </ul> <p>Per Family Code, § 203.004:</p> <p>(a) A domestic relations office may:</p> <p>(1) collect and disburse child support payments that are ordered by a court to be paid through a domestic relations registry;</p>



	<p>(2) maintain records of payments and disbursements made under Subdivision (1);</p> <p>Per Property Code, § 72.101 (e) {amended June 19, 2009 by Senate Bill 1777}, the unclaimed property laws under this section are not applicable to money collected as child support that:</p> <p>(1) is being held for disbursement by the state disbursement unit under Chapter 234, Family Code, or a local registry, as defined by Section 101.018, Family Code, pending identification and location of the person to whom the money is owed; or</p> <p>(2) has been disbursed by the state disbursement unit under Chapter 234, Family Code, by electronic funds transfer into a child support debit card account established for an individual under Section 234.010, Family Code, but not activated by the individual.</p>					
<b>Cause:</b> (Describe the cause of the condition if possible)	<p>Unable to identify information on the payment including payer or child support account number.</p> <p>Limited access to and availability of address research tools and applicable application software's.</p> <p>Insufficient information to resolve old reconciling items.</p>					
<b>Effect:</b> (Describe or quantify any adverse effects)	<p>Undelivered child support payments to custodial parent and recipient.</p> <p>Payments may be stolen, misplaced, lost, or forgotten about.</p>					
<b>Recommendation:</b> (Describe corrective action)	<ul style="list-style-type: none"> <li>• Develop and implement methodologies for researching returned items.</li> <li>• Perform periodic review of undelivered payments to ensure timely resolution of undelivered child support payments.</li> <li>• Deposit payments held in the safe for 30 days to the Fund 802 Holding Account pending additional information.</li> <li>• Implement a plan to clear old reconciling items.</li> </ul>					
<b>Responsible Department or Organization:</b>	Domestic Relations Office					
<b>Management's Response:</b>	<input checked="" type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<b>Respondent</b> :	Angela Igrisan, Domestic Relations Director	<b>Date</b> :	6/26/2015
<b>Comments:</b>	A plan will be implemented to review and research Holding account items as routine business going forward.					
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report		<input type="checkbox"/> Oral Comment		<input type="checkbox"/> Deleted From Consideration	



**Finding Number:** 12-CS-01-05  
**Date:** October 18, 2013  
**Audit:** Domestic Relations Office  
**Auditor(s) Assigned:** RL

<b>Finding:</b>	<b>Time and Attendance</b> A review of time and attendance revealed: <ul style="list-style-type: none"> <li>• Full-time regular employees take 50 minutes for lunch with no breaks. Lunch defaults to 30 minutes in the KRONOS time and attendance system based on employees' scheduled hours.</li> <li>• Instances of actual time worked and/or training not entered correctly requiring historical edits</li> </ul>
<b>Work paper Reference:</b> <b>(or other method by which finding was identified)</b>	Work paper 11C Work paper 11G
<b>Condition:</b> <b>(Describe the current condition)</b>	Time stamp functionality is used by non-exempt staff and online time entry functionality is used by exempt staff. Annual leave, sick leave, holidays, etc. taken are recorded to the Kronos system by the supervisor based on information available to them. The employee submits request to leave forms to Manager for review and approval. Biweekly time sign-off / approval are updated by the Manager or Director.
<b>Criteria:</b> <b>(Describe the optimal condition)</b>	<p>According to Dallas County Code, Section 82-32, <b>Work hours scheduling:</b>          (c) <i>Breaks and lunch periods.</i> An elected official/department head may also establish breaks and lunch periods for their employees. Employees may be granted one break of ten minutes for each four hours worked. Employees are paid while on break. A lunch period may be 30 minutes to an hour depending on the work schedule approved by the elected/appointed official/department head. Lunch periods are in addition to the regular eight-hour work period and shall not be combined with breaks. Employees are not paid during their lunch period; therefore, they should be completely relieved of all duties and be free to leave their post of duty.</p> <p>According to Dallas County Code, Section 82-132, <b>Work schedules:</b>          Exempt employees shall report all hours worked and adhere to an established work schedule approved by the elected official/department head. Exempt employees' work schedules <u>shall average a minimum of 40 hours per week</u>, including use of accrued leave time. All time worked shall be recorded in the official time and attendance system.</p> <p>According to Dallas County Code, Section 82-134, <b>Scheduled time off:</b>          Periodically, elected officials/department heads may grant administrative time off for exempt employees. Such time off must be approved by the elected official/department head. In order to approve such leave, the elected official/department head must ensure the <u>exempt employee's most current 12-month average weekly work schedule exceeds 40 hours</u>. For exempt employees whose tenure is less than 12 months, their average weekly hours worked shall be determined by the average hours worked over the number of weeks worked for the county. If this criterion is met, the elected official/department head may, at his/her discretion, approve the time off. Under no circumstances will this time be granted on an hour-for-hour basis and the <u>total amount of time granted shall not exceed 15</u></p>



	<u>work days in a 12-month period except by formal approval by the commissioners court.</u>				
<b>Cause:</b> (Describe the cause of the condition if possible)	Inaccurate application of county time and attendance policies.				
<b>Effect:</b> (Describe or quantify any adverse effects)	Official time and attendance records do not accurately reflect time worked and taken.				
<b>Recommendation:</b> (Describe corrective action)	Actual hours worked, meal periods, vacation time, sick time, holiday time, jury duty, compensatory time, overtime, ATO, etc. should be properly and timely posted to the KRONOS time and attendance system in accordance with the Dallas County Code and Commissioners Court orders.				
<b>Responsible Department or Organization:</b>	Domestic Relations Office – Child Support				
<b>Management's Response:</b>	<input checked="" type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<b>Respondent</b> :	Angela Igrisan, Domestic Relations Director	<b>Date</b> : 6/26/2015
<b>Comments:</b>	Every effort is made by staff and management to accurately reflect time worked and to minimize the need for historical edits.				
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report		<input type="checkbox"/> Oral Comment		<input type="checkbox"/> Deleted From Consideration