



# AUDIT REPORT

DALLAS COUNTY

COUNTY CLERK CRIMINAL / BOND FORFEITURE - FY 2021 AND FY 2022

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Dallas County Auditor

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# County Clerk Criminal / Bond Forfeiture - FY 2021 and FY 2022

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This report is intended for the information and use of the agency/department. While we have reviewed internal controls and financial reports, this review will not necessarily disclose all matters of a material weakness. 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



**DALLAS COUNTY**  
COUNTY AUDITOR

**MANAGEMENT LETTER**

Honorable John Warren  
County Clerk  
Dallas, Texas

Attached is the County Auditor's final report entitled "**County Clerk Criminal / Bond Forfeiture - FY 2021 and FY 2022**" Report. In order to reduce paper usage, a hard copy will not be sent through in house mail except to the auditee.

In you prefer that released reports be emailed to a different (or additional) recipient, please inform me of the name and the change will be made.

Respectfully,

*Darryl D. Thomas*

Darryl D. Thomas  
County Auditor

## EXECUTIVE SUMMARY

A review of County Clerk Criminal for fiscal years 2021 and 2022 revealed the significant observations listed below:

### Summary of Significant Observations:

Several fee schedules routinely under/over-assessed statutorily approved fee amounts:

- 36 cases were assessed an incorrect amount for the Clerk's Fee (fee code #31) , assessment should have been \$40 and not \$40.60.
- 36 cases were assessed an incorrect amount for the District Attorney Court Cost (fee code #32), assessment should have been \$20 and not \$25.
- 36 cases were assessed an incorrect amount for the Records Management and Preservation Court Cost (fee code #66), assessment should have been \$25 and not \$22.50.
- 25 cases on the Misdemeanor Class C Appeals (MD) schedule were assessed the State Jury Court Cost Cost (fee code #99) instead of County Jury Court Cost (fee code #34) for \$0.10.
- 18 cases on the Misdemeanor Class C Appeals (MD) schedule with over-assessments for the Specialty Account court cost (fee code 106).
- 28 cases on the Misdemeanor Class C Appeals (MD) schedule with over-assessments for the State Electronic Filing Fee (fee code 100).
- MB schedule was not updated to reflect the new civil fees effective as of January 1, 2022. **Status:** Schedules were updated in January 2023.
- MAR and MV schedules were not properly updated with correct fees to assess. **Status:** Schedules were updated in January 2023.

### Repeat Observations from Previous Audits:

- Disbursement posting errors.
- Inaccurate/incomplete fee assessments.
- Voided receipts without explanation noted.
- Deposits processed three or more business days after the computer receipt date.

**Only those weaknesses which have come to our attention as a result of the audit have been reported. It is the responsibility of the department management to establish and maintain effective internal control over compliance with the requirement of laws, regulations, and contracts applicable to the department.**

## **INTRODUCTION**

**Dallas County Auditor's Office mission is to provide responsible, progressive leadership by accomplishing the following:**

- Comply with applicable laws and regulations
- Safeguard and monitor the assets of the County utilizing sound fiscal policies
- Assess risk and establish and administer adequate internal controls
- Accurately record and report financial transactions of the County
- Ensure accurate and timely processing of amounts due to County employees and vendors
- Set an example of honesty, fairness and professionalism for Dallas County government
- Provide services with integrity
- Work in partnership with all departments to resolve all issues of the County
- Strive to utilize the latest efficient and effective technology in the performance of tasks
- Provide technical support and training in the development, implementation, and maintenance of information systems
- Hold ourselves accountable to the citizens of the County at all times
- Be responsive to the elected officials and department heads of Dallas County

The objectives of this audit are to:

1. Ensure compliance with statutory requirements
2. Evaluate internal controls
3. Verification of accuracy and completeness of reporting
4. Review controls over safeguarding of assets

This audit covered the period of October 1, 2020 through September 30, 2022.

The audit procedures will include interviews with key process owners, observation of transactions processing, data analysis and sample testing of transactions. The main system used will also be reviewed and incorporated as part of the testing of transactions.

**DETAILS****Computer Receipts and Deposits**

A review of 83 computer receipts voided during fiscal years 2021 and 2022 revealed three voided computer receipts did not have a reason noted and nine voided receipts re-issued between three and 17 business days after the original receipt date. Best practices regarding the receipt process indicate that all voids should be reviewed daily by supervisory personnel at least one level above the employee that voided the payment and all computer receipt voids should indicate the reason for the void. Inconsistent management oversight over the voiding process and clerical errors increased the potential risk that funds may be misappropriated.

A comparison of computer receipt dates to deposit dates during fiscal years 2021 and 2022 revealed 18 deposits processed between three and seven business days after the computer receipt date. All monies received should be promptly receipted and deposited properly, and timely in accordance with Local Government Code (L.G.C.), § 113.022. Drawers should be reconciled daily and included in deposit. Inconsistent management oversight over depositing procedures may result in delayed revenue recognition.

**Recommendation**

Computer Receipts and Deposits

Management should:

- Establish written procedures for voiding receipts in order to strengthen the office's internal control and improve efficiency. These procedures and the employees' adherence to them in the performance of their work should be periodically reviewed by the appropriate supervisory staff in order to maintain internal controls.
- Retain all logs and receipts, including voided receipts, until the latter of the Records Retention period or audit completion date.
- Continually review all voided transactions.

**Management Action Plan**

- The new Odyssey system that has been put in place requires the supervisor's credentials to process voids and prompts for a reason/comment to be entered. This new software system should alleviate the occurrence of voids performed without a noted reason.

**Auditors Response**

- None



## **Fee Assessments - M Schedule**

A sample review of 100 cases with assessments created during fiscal years 2021 and 2022 using the M- (Misdemeanor Regular) schedule revealed 65 cases were assessed the State Jury Court Cost (fee code #99) instead of Jury Court Cost (fee code #34) for \$1 and one case was not assessed Traffic Offense cost (FC #10) for \$3 and Transportation Fee (FC #92) for \$50.

Court costs, fines, and fees should be assessed in compliance with applicable state laws, Judge's orders, Commissioners Court orders, Attorney General Opinions, etc. Information processing controls must be continually updated and monitored to help ensure that transactions completed through computerized applications are valid, authorized, complete, and accurate. Lack of management oversight and clerical errors resulted in inaccurate assessments of court costs to defendants and potential revenue loss for Dallas County.

### **Recommendation**

Fee Assessment - M Schedule

Management should:

- Periodically review assessments for appropriateness, timeliness, and completeness.
- Emphasize accuracy in recording all elements of the assessments and receipt.
- Process corrections (within statutory guidelines) for assessment errors and adjustments reported to the County Treasurer for inclusion on the next State Quarterly Report.

### **Management Action Plan**

- Staff will be retrained to assess fees on the correct fee code. Procedures will be put in place to monitor discrepancies. Fees will be monitored to ensure they follow all applicable state laws and fee schedules. Alternatives have been considered to improve this issue with the introduction of a case management system. fee schedules. Alternatives have been considered to improve this issue with the introduction of a case management system.
- Quality control processes have been implemented with the assignment of Quality Assurance staff reviewing assessments for accuracy.
- Work in conjunction with IT to ensure all fee schedules are updated accurately.

### **Auditors Response**

- None



## **Fee Assessments - MAR Schedules and MV Schedule**

A sample review of 75 cases with assessments created during fiscal year 2021 and 2022 using the MAR (Misdemeanor Traffic - Rules of the Road) schedule revealed 62 cases were assessed the Clerk's Fee (fee code #31) with an incorrect amount, assessment should have been \$40 and not \$40.60; 62 cases were assessed the District Attorney Court Cost (fee code #32) with an incorrect amount, assessment should have been \$20 and not \$25; 62 cases were assessed the Records Management and Preservation Court Cost (fee code #66) with an incorrect amount, assessment should have been \$25 and not \$22.50; 60 cases were assessed the State Jury Court Cost (fee code #99) instead of the County Jury Court Cost (fee code # 34) for \$0.10; 60 cases were assessed the Truancy Prevention Diversion Court Cost (fee code #101) instead of Local Truancy Prevention Diversion Court Cost (fee code #113) for \$5; 64 cases were assessed the Specialty Court Fee (fee code #106) for \$20 in error; and 63 cases were assessed the State Electronic Filing Court Cost (fee code #100) for \$5 in error.

A sample review of 50 cases with assessments created during fiscal year 2021 and 2022 using the MV (Class C Misdemeanor Moving Violations) schedule revealed 42 cases were assessed the Clerk's Fee (fee code #31) with an incorrect amount, assessment should have been \$40 and not \$40.60; 42 cases were assessed the District Attorney Court Cost (fee code #32) with an incorrect amount, assessment should have been \$20 and not \$25; 42 cases were assessed the Records Management and Preservation Court Cost (fee code #66) with an incorrect amount, assessment should have been \$25 and not \$22.50; 41 cases were assessed the State Jury Court Cost (fee code #99) instead of Jury Court Cost (fee code # 34) for \$0.10; 42 cases were assessed the State Electronic Filing Court Cost (fee code #100) for \$5 in error; and 43 cases were assessed the Specialty Court fee (fee code #106) for \$20 in error.

Court costs, fines, and fees should be assessed in compliance with applicable state laws, Judge's orders, Commissioners Court orders, and Attorney General Opinions. Best practices indicate Information processing controls must be continually updated and monitored to help ensure that transactions completed through computerized applications are valid, authorized, complete, and accurate. Lack of management oversight, clerical error and system limitations resulted in inaccurate or incomplete fee assessments and potential revenue loss for Dallas County.

### **Recommendation**

Fee Assessments - MAR Schedules and MV Schedule  
Management should:

- Periodically review assessments for appropriateness, timeliness, and completeness.
- Emphasize accuracy in recording all elements of the assessments and receipt.





- Process corrections (within statutory guidelines) for assessment errors and adjustments reported to the County Treasurer for inclusion on the next State Quarterly Report.

### **Management Action Plan**

- Management Action Plan: Staff will be retrained to assess fees on the correct fee code. Procedures will be put in place to monitor discrepancies. Fees will be monitored to ensure they follow all applicable state laws and fee schedules. Alternatives have been considered to improve this issue with the introduction of a case management system.
- Quality control processes have been implemented with the assignment of Quality Assurance staff reviewing assessments for accuracy.
- Work in conjunction with IT to ensure all fee schedules are updated accurately.

### **Auditors Response**

- None

### **Fee Assessments - MD Schedule**

A sample review of 40 cases with assessments created during fiscal year 2021 and 2022 using the MD (Misdemeanor Class C Appeals from Municipalities or Justice of Peace Courts) schedule revealed: 36 cases were assessed the Clerk's Fee (fee code #31) with an incorrect amount, assessment should have been \$40 and not \$40.60; 36 cases were assessed the District Attorney Court Cost (fee code #32) with an incorrect amount, assessment should have been \$20 and not \$25; one case was not assessed the Court Reporter Service Fee (fee code #33) for \$3 in error; one case was not assessed the Jury Fee (fee code #34) for \$1 in error; one case was assessed the Court House Security Court Cost (fee code #65) with an incorrect amount, assessment should have been \$10 and not \$4.90; 36 cases were assessed the Records Management and Preservation Court Cost (fee code #66) with an incorrect amount, assessment should have been \$25 and not \$22.50; one case was assessed the Consolidated State Court Cost (fee code #77) with an incorrect amount, assessment should have been \$147 and not \$62; one case was not assessed the Transportation Fee (fee code #92) for \$50; two cases were assessed the State Jury Court Cost (fee code #99) for \$0.10 in error; 25 cases were assessed the State Jury Court Cost (fee code #99) for \$0.10 in error should be fee code 34; 28 cases were assessed the State Electronic Filing Court Cost (fee code #100) in error; One case was assessed the Truancy Prevention Diversion Fund (fee code #101) for \$5 in error; 18 cases were assessed the Specialty Account Court Cost (fee code #106) in error; and nine cases were not assessed the Traffic Offenses (fee code #10) for \$3.

Court costs, fines, and fees should be assessed in compliance with applicable state laws, Judge's orders, Commissioners Court orders, and Attorney General Opinions. Best practices indicate Information processing controls must be continually updated and monitored to help ensure that



transactions completed through computerized applications are valid, authorized, complete, and accurate. Lack of management oversight, clerical error and system limitations resulted in inaccurate or incomplete fee assessments and potential revenue loss for Dallas County.

### **Recommendation**

Fee Assessments - MD Schedule

Management should:

- Periodically review assessments for appropriateness, timeliness, and completeness.
- Emphasize accuracy in recording all elements of the assessments and receipt.
- Process corrections (within statutory guidelines) for assessment errors and adjustments reported to the County Treasurer for inclusion on the next State Quarterly Report.

### **Management Action Plan**

- Management Action Plan: Staff will be retrained to assess fees on the correct fee code. Procedures will be put in place to monitor discrepancies. Fees will be monitored to ensure they follow all applicable state laws and fee schedules. Alternatives have been considered to improve this issue with the introduction of a case management system.
- Quality control processes have been implemented with the assignment of Quality Assurance staff reviewing assessments for accuracy.
- Work in conjunction with IT to ensure all fee schedules are updated accurately.

### **Auditors Response**

- None

### **Bond Forfeiture - MB Schedule**

A sample review of 25 cases with assessments created during fiscal year 2021 and 2022 using the MB (Bond Forfeiture) schedule revealed 13 cases were assessed the Clerk's Fee (fee code #31) with an incorrect amount, assessment should have been \$50; 13 cases were assessed the Law Library Fee (fee code #35) with an incorrect amount, assessment should have been \$35 and not for \$20; 13 cases were assessed the Court House Security Court Cost (fee code #65) with an incorrect amount, assessment should have been \$20 and not \$5; 13 cases were assessed the Records Management and Preservation Court Cost (fee code #66) with an incorrect amount, assessment should have been \$30 (in fee code #111) and not \$5; 13 cases were assessed the State Indigency Fee (fee code #85) for \$10 in error; 13 cases were assessed the State Judicial Fee (fee code #96) for \$40 in error; 13 cases were assessed the Civil Court Building (fee code #97) with an incorrect amount, assessment should have been \$20 and not \$15; 13 cases were assessed the Judicial Support Fee (fee code #7) for \$42 in error; 13 cases were assessed the Records Preservation Fee (fee code #58) for \$10 in error; 13 cases



were assessed the Court Reporter Service Fee (fee code #33) with an incorrect amount, assessment should have been for \$25 and not for \$15; 13 cases were assessed the State Electronic Filing fee (FC #100) for \$30 in error; 13 cases were assessed the Judicial Court Personnel Training Fee (FC #105) for \$5 in error; 13 cases were not assessed the Language Access Fund (fee code #109) for \$3; 13 cases were not assessed the County Jury Fund (fee code #112) for \$10; and 13 cases were not assessed the State Consolidated fee (fee code #110) for \$137 in error.

Court costs, fines, and fees should be assessed in compliance with applicable state laws, Judge's orders, Commissioners Court orders, and Attorney General Opinions. Best practices indicate Information processing controls must be continually updated and monitored to help ensure that transactions completed through computerized applications are valid, authorized, complete, and accurate. Lack of management oversight, clerical error and system limitations resulted in inaccurate or incomplete fee assessments and potential revenue loss for Dallas County.

### **Recommendation**

Bond Forfeiture - MB Schedule  
Management should:

- Periodically review assessments for appropriateness, timeliness, and completeness.
- Emphasize accuracy in recording all elements of the assessments and receipt.
- Process corrections (within statutory guidelines) for assessment errors and adjustments reported to the County Treasurer for inclusion on the next State Quarterly Report.

### **Management Action Plan**

- Management Action Plan: Staff will be retrained to assess fees on the correct fee code. Procedures will be put in place to monitor discrepancies. Fees will be monitored to ensure they follow all applicable state laws and fee schedules. Alternatives have been considered to improve this issue with the introduction of a case management system.
- Quality control processes have been implemented with the assignment of Quality Assurance staff reviewing assessments for accuracy.
- Ensure that a process is created within the new case management system to identify NISIs that that have had no action taken on them within a designated time.

### **Auditors Response**

- None

**Special Fund Disbursements**

A comparison of the mainframe CR60 report to Oracle for 66 County Clerk Criminal Special Fund 501 disbursements issued during fiscal years 2021 and 2022 revealed one disbursement posted to the CRIN system with an incorrect amount; one disbursement posted to the CRIN system with incorrect check number; one disbursement for \$299 was not posted to the CRIN system and the case only had \$149 receipted to the special fund account; and one disbursement was not posted to the CRIN system due to the original check not being cancelled in CRIN. All Special Fund disbursements should be accounted for, issued to the proper payee for the correct amount in a timely manner, and reference the relevant case information. Additionally, all Special Fund disbursements, voids, cancellation, and stale dated checks should be timely and accurately posted to the Criminal mainframe system to maintain accurate financial records. Lack of management oversight over the reconciliation of non-integrated financial system to timely identify and resolve clerical errors has resulted in inaccurate case balances and increased the potential that duplicate disbursements may be issued.

**Recommendation**

Special Fund Disbursements  
Management should:

- Develop written procedures for the disbursement process.
- Review case balances on a periodic basis and disburse amounts to the appropriate parties in a timely manner.
- Verify available funds prior to processing disbursement requests.

**Management Action Plan**

- The Cashier Office Section has a disbursement process in place where all requests come from the Courts Management Team. They make every effort to disburse on a timely basis (check requests are done once per week). The mainframe system limitation that restricts disbursement entries should be corrected upon changeover to Odyssey.

**Auditors Response**

- None

cc: Darryl Martin, Commissioners Court Administrator