



# DALLAS COUNTY COUNTY AUDITOR

## Memorandum

To: Honorable Judge Valencia Nash  
Justice of Peace, Precinct 1, Place 2

From: Virginia A. Porter *Virginia A. Porter*  
County Auditor

Subject: Review Performed for Fiscal Years 2012 and 2013

Date: Issued October 13, 2014  
Released December 10, 2014

### **Scope**

A review was performed in accordance with statutory guidelines on the records and reports of Justice of the Peace, Precinct 1, Place 2 for fiscal years 2012 and 2013.

### **Review Procedures**

Standard review procedures were followed to test the internal controls for cash, revenue, and other county assets. A random sampling of the total activity was selected for certain review steps based on risk, the dollar value of transactions, the volume of transactions, and noted internal control weaknesses. Testing involved a review of the JP Accounting System (JPAS) as well as case jackets.

A partial list of the review tests include:

- Performed unannounced cash counts
- Examined the process and procedures of court activity
- Accounted for numerical sequence of manual and computer generated receipts
- Traced amounts recorded on the receipts to the bank deposits
- Reviewed assessed fees for compliance with applicable state laws and Commissioners Court orders
- Reviewed credit card activity for accurate and timely posting to JPAS
- Reviewed case activity to determine if procedures are followed for delinquency
- Reviewed unpaid criminal cases for outstanding warrants of arrest
- Reviewed outstanding warrants/capias reports for appropriateness
- Examined writs of execution for accuracy to judgments
- Examined special fund disbursements and associated fee dockets to determine if sufficient funds were collected, proper payees paid, and if posting to the JPAS had occurred
- Reviewed time and attendance records for proper posting and compliance with County policies and procedures
- Compared activity reports to actual new cases on the JPAS
- Reviewed 'Justice Fee Exception List' to determine reason for uncollected fees

### **Statistical**

During fiscal year 2012 the justice court processed:

- 14,616 computer receipts totaling \$1,968,398
- 11,164 class C misdemeanors (includes 8,127 automated traffic filings)
- 1031 civil/small claims
- 3,251 eviction cases

During fiscal year 2013 justice court processed:

- 11,823 computer receipts totaling \$1,676,600
- 9,236 class C misdemeanors (includes 5,709 automated traffic filings)
- 639 civil/small claims/debt claims
- 2,284 eviction cases

## **FINDINGS/OBSERVATIONS**

### **Cash Management**

Cash Count/Change Fund – A review of cash handling procedures, cash counts performed and comparison of total receipts deposited to form 98 revealed limited exceptions. Responses to the Internal Control Questionnaire (ICQ) indicate separate cash drawers are not maintained when other staff (back-up bookkeeper) assist or relieve the bookkeeper and funds are not separately balanced prior to combining with the funds controlled by the bookkeeper.

Receipts - Computer/Manual – A sample review of 26,439 computer receipts including 108 voided computer receipts and 131 manual receipts revealed material compliance.

Assessment / Distribution – A review of 102 cases and corresponding computer receipts (approximately 748 fee code entries) for compliance with statutorily required court costs, fees, and fines revealed instances of collection, assessment, and/or posting errors including partial payments not accurately prorated.

Disbursement / Special Fund Reconciliation – A review of special fund activity revealed material compliance except old case balances over three years old totaling approximately \$279,508 (including approximately \$175,800 in cash bonds over four years old) remain in the account as of October 5, 2013 without research for disbursement to the applicable party and/or escheating to the County Treasurer or State Comptroller.

### **Processing**

Credit Card Transactions – A review of 90 credit/debit card transactions and the associated JPAS postings, related procedures, and ongoing desk review revealed material compliance.

Time Payment Plans – A review of 20 cases with Time Payment Plans revealed collection efforts include delinquency letters and phone calls, though no capiases were issued on the eight delinquent payment plans. **Status:** Court issued capiases on the eight cases after advised of delinquency.

Delinquent Collection Referral – A review of 20 cases from the Justice of the Peace Monthly Collection Referral Report revealed: instances of payments on cases referred for external delinquent collection services} were not properly prorated to delinquent collections fees.

Failure to Appear (FTA) Driver's License Renewal Block Program – A review of 75 cases from the FTA Payment History Report revealed limited exceptions.

Criminal Fee Dockets – A review of IT Services Active Warrant Error Report dated October 28, 2013 for appropriateness of outstanding warrants or capiases revealed: 33 active warrants or capiases on the Constable's warrant system for cases without calculated balances due, with time served, dismissed, and/or inactive/marked disposed on the JPAS Docket screen. All clerks are authorized to issue and recall warrants. **Status:** All 33 warrants or capiases have been recalled.

Civil Fee Dockets – Limited review of 45 civil cases from the Justice Fee Exception List revealed: four cases filed without advance collection of filing and service fees on civil/small claims/eviction cases. **Status:** One of four filing fees paid at a later date.

### **Reporting**

Activity Report – Comparison of activity reports filed by the court with the Office of Court Administration (OCA), the Office of Budget and Evaluation (OBE), and Auditor's Office to the mainframe JPAS case records revealed instances of count variances.

### **Other/Miscellaneous**

Time & Attendance – Employees take 50 minutes for lunch with no breaks (lunch is recorded as 30 minutes in KRONOS).

## **RECOMMENDATIONS**

### **Cash Management**

Receipts - Computer/Manual – Receipts should be verified for accuracy of amount before issuing to customers. Separate cash drawers should be maintained by all clerks receipting payments and funds should be balanced prior to combining with other receipted funds.

Assessments Fines & Fees – Continue monitoring assessment, collection, and prorating of court costs, fines, and fees in compliance with applicable state laws, Commissioners court orders, Attorney General (AG) Opinion No. GA-0147 and applicable fee schedules based on the offense date and offense type for criminal offenses and file date for civil type cases.

Disbursement / Special Fund Reconciliation – A management plan (including reconciling the County's General Ledger and the court's special fund bank account) should be developed and implemented to periodically review the detailed special fund report in order to clear old items on disposed cases in accordance with unclaimed property statutes, V.T.C.A, Property Code, § 72 and 76. Cash bonds should be forfeited in accordance with Code of Criminal Procedure, § 22.

### **Processing**

Credit Card Transactions – Continue to post payments in compliance with *Dallas County General Policy for Use of Credit Card Transactions* including reference to the last five digits of the Transaction ID number.

Time Payment Plans – Continue to establish and monitor payment plans in accordance with Code of Criminal Procedure, § 103.0033 and guidelines established by OCA.

Delinquent Collection Referral – The 30% add-on delinquent collection fee should be assessed and collected in accordance with Commissioner's Court orders and with Code of Criminal Procedure, § 103.0031 including proportionally prorating partial payments.

Failure to Appear (FTA) Driver's License Renewal Block Program – The \$30 failure to appear fee should be assessed and collected and DL renewal blocks released in accordance with Commissioner Court Order No. 2003-2085, dated November 11, 2003 and Transportation Code §706.

Criminal Fee Dockets – Outstanding warrants or capiases should be recalled timely when cases are dismissed or otherwise disposed, payments made in full, time is served, etc. Separation of duties should be established limiting (through system security access) staff assigned to recall warrants.

Civil Fee Dockets – Continue monitoring timing/collection of filing fees and service fees in compliance with applicable state laws and Commissioner Court orders for all eviction, civil and small claim cases filed by non-governmental entities and individuals except for those individuals with approved affidavits of indigence on file. Reason for not collecting filing or service fees should be documented on the JPAS and case jacket.

**Reporting**

Activity Reports – Monthly activity reports should be completed in an accurate and timely manner with copies (or electronically filed as directed) provided to OCA, OBE, and the County Auditor. Activity reports should be corrected if errors are later identified, as the accuracy of activity reports may affect staffing levels or statewide analysis.

**Other/Miscellaneous**

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 the Kronos time attendance system in accordance with Dallas County Code and Commissioners Court Order 2012-0145.

**CURRENT FINDINGS/OBSERVATIONS AND RECOMMENDATIONS**

Findings template numbered 13-JP1.2-01-01 through 13-JP1.2-01-10 are attached. Court responses are incorporated as part of the templates.

**Summary**

This report is intended for the information and use of the 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.

Highest areas of risk which need to be addressed include: clearing of old Special Fund balances not timely escheated and/or remitted; monitoring of the warrant exception report for inappropriate active warrants; and, prorating of partial payments.

Consideration of all issues and weaknesses should be incorporated by the court as a self-assessment tool in testing processing functionality of a new justice court system. 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  
Ryan Brown, Director OBE





**Finding Number:** 13-JP1.2-01-01 **Computer & Manual Receipts**  
**Date:** June 18, 2014  
**Audit:** Justice of the Peace 1-2 FY2012 & FY2013  
**Auditor(s) Assigned:** WH / DW

<p><b>Finding:</b></p>	<p>Sample review of 26,439 computer generated receipts including a complete review of 108 (less than 1% of the population) voided computer receipts, review of 153 manual receipts including 2 voided manual receipts, receipt continuity, testing of voiding procedures for proper accounting and internal controls, and a sample review of Daily Receipts Log revealed <u>material compliance</u> with limited exceptions:</p> <ul style="list-style-type: none"> <li>• Deposit \$67 out of balance due to one check receipted for the numeric amount instead of written legal amount.  <b>Status:</b> Resolved. Deposit held at Treasurer’s Office until replacement check received.</li> <li>• One computer receipt without a reason for void noted and missing the original copy of the receipt replaced for \$80 cash less than the original amount.  <b>Status:</b> Case balance subsequently collected in full.</li> </ul> <p>Responses to the Internal Control Questionnaire (ICQ) indicate:</p> <ul style="list-style-type: none"> <li>• A separate cash drawer is not maintained by the back-up bookkeeper.</li> <li>• Monies received by the back-up bookkeeper are not separately balanced prior to combining with the funds controlled by the bookkeeper.</li> <li>• Combination to the safe is maintained in a readily accessible place.</li> </ul> <p>Observation:</p> <ul style="list-style-type: none"> <li>• Safe (not visible from public view) remained unlocked during the day.</li> </ul>
<p><b>Workpaper Reference: (or other method by which finding was identified)</b></p>	<p>5A.1-2, 5A.4-5, 5B.1-2, 5B.2, 5B.3-4, 5C.1-2, 5D.1                  Internal Control Questionnaire (ICQ) responses</p>
<p><b>Condition: (Describe the current condition)</b></p>	<p>Cash payments received by the counter clerks are counted in the presence of the payer. Payments made over the counter and supporting documentation is provided by the counter clerks to the bookkeeper, back-up bookkeeper, or chief clerk for receipting. Cash is recounted by the bookkeeper, back-up bookkeeper, or chief clerk prior to the generation of the computer receipt with change noted. Check/money order payments are consistently reviewed for correctness by comparing the numeric and written/legal amounts on the check and payer name to the case number, case style, and amount due on the case prior to the generation of the computer receipt. The computer receipt is printed and reviewed by the bookkeeper, back-up bookkeeper, or chief clerk for accuracy prior to submitting to the customer. If errors are identified, the original computer receipt and copy is voided with an explanation consistently noted. Computer receipts and any change due from cash payments are provided to the customers.</p> <p>Credit card payments made with the counter clerks are consistently reviewed to verify the identity of the payer and the name on the credit card. Payer signs one of the Point of Sale (POS) generated credit card sales slips. Counter clerk provides both copies of the POS credit card sales slip to the bookkeeper, back-up bookkeeper, or chief clerk to generate a computer receipt before giving the unsigned POS credit card sales slip to payer. The JPAS is accessed for generating a computer receipt to the appropriate case number and the payment information is entered by the bookkeeper, back-up bookkeeper, or chief clerk. The computer receipt is printed and reviewed by the bookkeeper, back-up bookkeeper, or chief clerk for</p>



	<p>accuracy prior to submitting to the customer. If errors are identified, the original computer receipt and copy is voided with an explanation consistently noted. Computer receipts are provided to the customers.</p> <p>During the afternoon each business day prior to closeout, the computer receipts are totaled and compared to the funds on hand and system control totals by the bookkeeper. Adjustments are processed to the JPAS when the payment type is incorrectly recorded, the check amount is not correctly receipted, or other errors are identified.</p> <p>The ending computer receipt number to include in the overnight closeout process is entered into the JPAS. Corrections are made when the payment type is incorrectly recorded, the check amount is not correctly receipted, or other errors are identified. The ending computer receipt number to include in the overnight closeout process is entered into the JPAS. Computer receipts issued after the cut-off are included with the next business day's deposit. The following business day funds on hand are consistently confirmed as balancing to the JK98 totals with deposits submitted to the County Treasurer through the courier.</p> <p>Document Direct reports are reviewed by the bookkeeper each morning for automated computer receipt postings created overnight from credit card payments processed over the Internet. Intent of the review is to validate accuracy of fee type breakdown and for complete posting of Internet payments. In the event of an identified fee code distribution error, the computer receipt is voided in the JPAS by the bookkeeper. However, no hard copy of a receipt exists for receipts generated through the automated process. The bookkeeper will enter the correct fee code breakdown and generate a new computer receipt with the total amount matching the confirmation received by the customer.</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 controls related to receipt control procedures require that:</p> <ul style="list-style-type: none"> <li>• All computer receipts should be accounted for and properly used in order to affix responsibility, enhance cash control and prevent potential assertion that monies were paid and refund due.</li> <li>• All monies received should be promptly receipted and deposited consistent with state law, V.T.C.A., L.G.C. § 113.022 and Vernon's Ann., C.C.P., § 103.004 and procedures recommended by the County Auditor.</li> <li>• Receipts should not be altered, but properly voided and affixed with a reason for the void with retention of all voided copies.</li> <li>• The chief clerk should periodically review the exception reports and transaction logs (especially with respect to receipt deletions, lowered amounts, and payment type changes) to insure that the explanation for the deletions is documented and reasonable.</li> <li>• Corrections are reviewed and approved by the chief clerk.</li> <li>• The number of individuals authorized to receipt payments and handle cash is properly segregated and limited.</li> </ul> <p>Standard accounting and system control procedures require daily reconciliation and balancing of collected funds with receipts promptly issued for the amount of funds tendered. Separate cash drawers should be maintained by all clerks receipting payments and funds should be</p>



	balanced prior to combining with other receipted funds.  Change fund and monies received by the court are safely secured at all times with access to the safe restricted.		
<b>Cause:</b> (Describe the cause of the condition if possible)	Limited instances of non-adherence to proper receipting and void procedures.		
<b>Effect:</b> (Describe or quantify any adverse effects)	Prevents potential assertion that monies were paid and refund due. Inability to affix responsibility in the event shortages occur.		
<b>Recommendation:</b> (Describe corrective action)	Continue ongoing review and update of cash handling and receipt control procedures: <ul style="list-style-type: none"> <li>• Receipts verified for accuracy of amount, payment type, case number, and payer before issuing a receipt to a customer.</li> <li>• All copies of a voided receipt retained, clearly marked "void" and affixed with reason for void in order to affix responsibility, enhance cash control and prevent potential assertion that monies were paid and refund due.</li> <li>• At the end of the business day: the receipts totaled and compared to the funds on hand and system control totals. Corrections made such that both good internal control and audit trails are maintained. Receipt and deposit totals verified by the back-up bookkeeper or chief clerk.</li> <li>• Separate cash drawers should be maintained for all clerks receipting payments including balancing receipted funds prior to combining with other receipted funds. A proper segregation of duties reduces the risk of misappropriated funds and establishes a clear line of liability in the event losses occur.</li> <li>• Safe's combination is <u>not</u> maintained in a readily accessible location. Access to the safe is under dual control and the safe remains locked except when access is required.</li> </ul>		
<b>Responsible Department or Organization:</b>	Justice of the Peace 1-2		
<b>Management's Response:</b>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<b>Respondent:</b> Honorable Valencia Nash <b>Date:</b> 11/26/14
<b>Comments:</b>	Cash Count/Change Fund: A new "turnover" policy was implemented. This policy is implemented any time the back-up bookkeeper assists or relieves the bookkeeper. Before the cash drawer is turned over to the back-up, the bookkeeper must close out. Using the JKDS report to get the breakdown of cash, check, and credit card payments, the back-up bookkeeper will verify that the bookkeeper is balanced before he or she takes over. When the back-up bookkeeper is relieved of duties, he or she will follow the same turnover procedures as outlined above.  Receipts – Computer/Manual We will continue our current practices and procedures.		
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration



**Finding Number:** 13-JP1.2-01-02 ASSESSMENTS FINES & FEES  
**Date:** June 18, 2014  
**Audit:** Justice of the Peace 1-2 FY2012 & FY2013  
**Auditor(s) Assigned:** WH/DW

<p><b>Finding:</b></p>	<p>Sample review of 102 computer receipts (748 fee code entries) for appropriate assessment and collection of court costs, fines, and fees, and accurate posting to the Justice of the Peace Accounting System (JPAS) revealed the following exceptions:</p> <ul style="list-style-type: none"> <li>• One DART citation fee not posted to paper type MT (mass transit).</li> <li>• Two \$5 constable citation fees (fee type '02-1') posted to sheriff fees (fee type '01').  <b>Status:</b> One posting corrected on 5/07/13.</li> <li>• Two \$5 state officer citation fees (fee type '04') posted to special fund (fee type '07').</li> <li>• One fine amount for Child Safety Seat offense posted to JP fines (fee type '03') versus seat belt fines (fee type '23').</li> <li>• One \$5 DART citation fee (fee type '29') posted to sheriff fees (fee type '01').</li> <li>• One \$0.10 Civil Justice fees (fee type '36') posted to JP fees (fee type '00').</li> <li>• Two \$0.10 Civil Justice fees (fee type '36') were not assessed or collected.</li> <li>• One fee for Compensation to Crime Victims (fee type '10') receipted for \$10 instead of \$15. Remaining \$5 was receipted incorrectly to JP fees (fee type '00').</li> <li>• One fee for Judicial &amp; Court Personnel (fee type '08') receipted for \$1 instead of \$2. Remaining \$1 was receipted incorrectly to JP fees (fee type '00').</li> <li>• One \$50 warrant fee charged on a case in which defendant received time served.</li> <li>• One \$75 Constable Civil Citation Fee not assessed or collected.</li> <li>• Two \$25 Time Payment Fees not assessed or collected.</li> <li>• Thirteen partial payments (100% of partial payments reviewed) not prorated in accordance with AG Opinion No. GA-0147.</li> <li>• One \$4 State Juror Fee (fee type '31') not collected.</li> <li>• One case with multiple duplicate postings to various fee types.</li> </ul>
<p><b>Workpaper Reference:</b> (or other method by which finding was identified)</p>	<p>5E</p>
<p><b>Condition:</b> (Describe the current condition)</p>	<p>The Justice of Peace Accounting System lacks automated assessment and partial payment distribution functions. Pre-assessed court costs and fine amounts are posted to the JPAS Docket screen by justice court staff (or populated via automated traffic case filings) based on state statutes in effect at the time of the offense. Payments are allocated to court costs, fees, and then fine amounts; however, payments are subject to proration errors.</p> <p>Time payment fees (for cases not paid in full by the 31st day after the judgment), transaction fees, and warrant fees (for each warrant and/or capiases issued) are additional court costs that must be manually updated and assessed by the compliance clerk, counter clerks, and the bookkeeper in the JPAS Court Costs field on the Docket screen. The courts costs field is consistently updated with the appropriate administrative fee for dismissal when defendants present proof of registration, inspection, or a valid driver's license. Proof of insurance will result in dismissal of "no insurance" cases without payment of an administrative fee.</p> <p>Defendants appearing before the court may receive a reduced fine from the Judge with the judgment reflecting a fine less than the pre-assessed amount, requiring the compliance clerk, counter clerks, or bookkeeper to update the JPAS Fine field on the Docket screen. Other defendants may request and be approved for a driving safety course (defensive driving) with the</p>





	<p>compliance clerk, counter clerks, or the bookkeeper updating the JPAS Court Costs field on the Docket screen by adding an additional \$10 administrative fee to the standard moving violation court costs amount and requiring payment at the time of request. Some defendants may request and receive deferred adjudication from the court which requires full payment of the court costs for the offense and payment of a "special expense" set by the Judge. The "special expense" in lieu of the fine may not exceed the maximum amount of the fine for the offense. Adjustments are required to the JPAS Docket screen fields by compliance clerk, counter clerks, or the bookkeeper to reflect deferred adjudication including noting a date in the Deferred Adjudication judgment date field.</p> <p>Prior to receipting payments, the bookkeeper, back-up bookkeeper, or chief clerk review the JPAS payment history screen for prior payments and the case jacket and JPAS Docket screen for accuracy of amounts due including Court Costs, Fine/Special Expense, FTA Fee, and/or Delinquent Collection Fee. During the receipting process, the bookkeeper, back-up bookkeeper, or chief clerk must perform a modified manual cost allocation process to record payments to each fee type due to limited system functionality. Court costs grids are used by the bookkeeping staff at the point of receipting to provide a guide for the Fee Type breakdown in the JPAS.</p>
<p><b>Criteria:</b> (Describe the optimal condition)</p>	<p>Court costs, fines, and fees should be assessed/collected/prorated in compliance with applicable state laws including Code of Criminal Procedure Chapters 45 and 102 and Local Government Code Chapter 133, Commissioners Court orders, and Attorney General Opinion No. GA-0147. Court costs should be assessed based on offense date and offense type.</p> <p>In accordance with Code of Criminal Procedure, Art. 102.072. ADMINISTRATIVE FEE. An officer listed in Article 103.003 or a community supervision and corrections department may assess an administrative fee for each transaction made by the officer or department relating to the collection of fines, fees, restitution, or other costs imposed by a court. The fee may not exceed \$2 for each transaction. This article does not apply to a transaction relating to the collection of child support.</p> <p>Once collected, each fee should be posted to the proper JPAS fee type and paper type to assure subsequent distribution to proper governmental entity. Paper types for designated traffic programs should be used when recording payments on traffic cases.</p> <p>JPAS Docket screens should be updated as cases are filed and additional case activity occurs including, but not limited to, the assessment of additional court costs and/or changes in fines or special expense amounts as ordered by the judge in accordance with Vernon's Ann., CCrP., § 45.017.</p> <p>Best practices for internal control require separation of assigned duties for personnel authorized to add, delete, or modify Court Costs or Fine field assessments on the JPAS Docket screen.</p>
<p><b>Cause:</b> (Describe the cause of the condition if possible)</p>	<p>Clerical error Inadequate JPAS system functionality</p>
<p><b>Effect:</b> (Describe or quantify any adverse effects)</p>	<p>Incorrect distribution/disbursement of funds to the State of Texas and/or Dallas County requiring additional time to correct posting.</p>
<p><b>Recommendation:</b> (Describe corrective action)</p>	<p>Continue monitoring assessment, collection, and prorating of court costs fines, and fees in compliance with applicable state laws including Code of Criminal Procedure Chapter 102 and Local Government Code Chapter 133 or Commissioners court orders and applicable fee schedules based on the offense date and offense type for criminal offenses and file date for civil</p>



	<p>type cases.</p> <p>Code partial payments to the correct fee types prorating to each state and local court cost/fee before recording amounts to fine or only one court cost.</p> <p>JPAS Docket screen posting procedures should include:</p> <ul style="list-style-type: none"> <li>• Updating Docket screens as: cases are filed warrants or capiases are issued; pleas are entered; court dates are set; cases are dismissed, judgments or deferred adjudications are ordered; defensive driving is authorized; time payment plans are authorized; cases are disposed; etc.</li> <li>• Completing electronic Dockets in compliance with Vernon's Ann., C.C.P., § 45.017.</li> <li>• Separation of duties limiting (through system security access) staff assigned to add, delete, or modify information on Docket screens</li> </ul> <p>Pursue new Justice of the Peace system with improved features.</p>						
<b>Responsible Department or Organization:</b>	Justice of the Peace 1-2						
<b>Management's Response:</b>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<table border="1"> <tr> <td data-bbox="771 888 950 961"><b>Respondent:</b></td> <td data-bbox="950 888 1235 961">Honorable Valencia Nash</td> <td data-bbox="1235 888 1333 961"><b>Date:</b></td> <td data-bbox="1333 888 1536 961">11/26/14</td> </tr> </table>	<b>Respondent:</b>	Honorable Valencia Nash	<b>Date:</b>	11/26/14
<b>Respondent:</b>	Honorable Valencia Nash	<b>Date:</b>	11/26/14				
<b>Comments:</b>	<p>We reviewed the AG opinion and contacted the auditor's office and other JP courts to establish a process which will adhere to the statutory compliance parameters. Due to the case management system currently being used by Dallas County, accurately prorating payments is a complex mathematical equation which has not yet been perfected. While we are making strides in effort, we have yet to establish a method which is both efficient and accurate. In FY2015, we plan to work closely with the auditor's office to resolve this deficiency.</p>						
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration				



**Finding Number:** 13-JP1.2-01-03 – CREDIT CARD TRANSACTIONS  
**Date:** January 16, 2014 & March 22, 2013  
**Audit:** Justice of the Peace 1-2 FY2012 & FY2013  
**Auditor(s) Assigned:** WH/DW

<p><b>Finding:</b></p>	<p>Review of financial activity associated with sixty (60) credit/debit card transactions, thirty (30) autocite credit/debit card transactions, and the associated JPAS postings and other testing revealed material compliance except:</p> <ul style="list-style-type: none"> <li>• 30% delinquent collection fee not assessed/collected on a \$25 time payment fee resulting reduced allocation to delinquent collection fees (fee type '26')</li> </ul> <p>Limited integration of automated JPAS payment posting functionality requiring additional staff time to review, reconcile, and research/post exceptions.</p> <ul style="list-style-type: none"> <li>• Two daily settlement reports and one daily POS Batch Settlement report.</li> <li>• One automated receipt posting report for payments submitted through the automated ticket payment channel with activity limited to amounts that match predefined court costs tables.</li> <li>• One automated payment rejection report for payment amounts not matching the predefined court costs tables.</li> </ul>
<p><b>Workpaper Reference: (or other method by which finding was identified)</b></p>	<p>W/P-6                  Desk Review                  JPAS and Settlement reports</p>
<p><b>Condition: (Describe the current condition)</b></p>	<p>Credit/debit card payments are submitted for processing either by the defendant directly over the Internet or by the bookkeeper for mail in payments (data is entered manually by the bookkeeper) or Point-of-Sale (POS) over the counter transactions using a swipe card reader and numeric pad for entry of debit cards PIN by customer There are two web portals that can be used: an 'auto citation' payment channel and a 'JP Court' precinct payment channel. A payment kiosk is also located in the courthouse lobby.</p> <p>Defendants paying with a credit or debit card in person are required to provide a government issued photo ID. The clerk informs the payer of the convenience fee amount to be assessed. The clerk swipes the credit or debit card on the POS device. The clerk generates two POS sales slips (customer and office copy) and obtains the customer's signature on the court's copy for non-PIN transactions only. For debit card transactions, the customer is required to enter a PIN on the numeric pad. The clerk takes the signed slip and any supporting documentation to the bookkeeper or back-up bookkeeper for receipting. The bookkeeper staples the signed POS slip to the JPAS receipt. At the end of the business day (not prior to 4 PM), the clerks will generate a Device Detail Report for each POS device and give it to the bookkeeper for reconciling and balancing the daily JPAS transactions. The next business day, the bookkeeper and chief clerk receive, by email from the court's proxy email account, a Batch Settlement Report, listing all the POS credit/debit card transactions completed by the court staff for that period. The bookkeeper will compare the Batch Settlement Report to the prior day Device Detail Report to verify the reports match. The Batch Settlement amount is noted on the check deposit Form 98 and a copy of the Batch Settlement Report will be attached to the deposit form.</p> <p>Defendants paying with credit card via mail are required to provide cardholders name and address, credit card number and expiration date, check the case(s) to be paid, record the amount to be paid, sign and date, and enter a plea on the citation provided at the time of</p>



offense. Mailed in credit card payment data are submitted to the bookkeeper for processing through the County's Intranet portal. A confirmation number is generated by the system for successful transactions and the confirmation will be printed by the bookkeeper. Credit/debit card payments processed through the 'automated traffic citation' payment channel by 6:59:59 PM are not consistently included in the next day business closeout (processing is dependent on IT parameters not JP court clerk). Credit card number and other information are not stored on Dallas County servers or systems.

Defendants paying with credit card over the Internet for tickets issued via automated traffic citations must have their citation number and JP court id from the citation in order to remit payment online. If the defendant does not have the citation, the defendant can contact the Justice of the Peace court for the information. Defendants are required to click box and agree to "By paying this violation, I hereby voluntarily, intelligently, and knowingly waive my right to a trial by jury". The defendant will be redirected to the JPMorgan Chase PayConnexion site. A valid credit or debit card must be entered at this point. A convenience fee (charged and collected by JPMorgan Chase) will display on the payment verification screen where the defendant will have the opportunity to terminate the transaction or pay the full payment. Once the defendant accepts the final amount, a confirmation number s generated by the system for successful transactions and the confirmation can be printed by the defendant. Credit/debit card payments processed through the 'automated traffic citation' payment channel by 6:59:59 PM are not consistently included in the next day business closeout (processing is dependent on IT parameters not JP court clerk). Credit card number and other information are not stored on Dallas County servers or systems.

Defendants paying with credit card over the Internet for traffic, IBC, truancy, parks and wildlife, etc. cases must have their case number and JP court id in order to remit payment online. If the defendant does not have the case number or JP court id, the defendant can contact the Justice of the Peace court for the information. The defendant has the option to pay the full amount or a partial amount. After going through two additional screens, the defendant will be redirected to the JPMorgan Chase PayConnexion site after clicking on the 'continue' button. A valid credit or debit card must be entered at this point. A convenience fee (charged and collected by JPMorgan Chase) will display on the payment verification screen where the defendant will have the opportunity to terminate the transaction or make payment. Once the defendant accepts the final amount, a confirmation number s generated by the system for successful transactions and the confirmation can be printed by the defendant. Credit/debit card payments processed through the 'JP courts online payment center' channel by 6:59:59 PM are not consistently included in the next day business closeout (processing is dependent on IT parameters not JP court clerk). Credit card number and other information are not stored on Dallas County servers or systems.

Each business morning, the bookkeeper prints the credit card transaction reports from both credit/debit card payment channels and the mainframe automated posting/reject reports. Accepted transactions (completed prior to 7 PM) processed through the 'auto citation' payment channel create a computer receipt in the overnight batch process without data entry required except for amounts that do not match the limited allocation table. A receipt does not print for these transactions. The bookkeeper reviews the 'automated traffic citation' payment channel accepted (titled Settlement Report) report and compares to the JPAS for accuracy in fee code distribution. There are limited court costs tables available for the automated posting of credit/debit card payments so some items appear on a mainframe reject (amounts do not match table) report and require research and manual posting for generation of a computer receipt.





	<p>Valid transactions from the 'JP Court' precinct payment channel accepted (titled Settlement Report) report and the rejected 'auto citation' transaction mainframe report will be receipted by the cashier, bookkeeper or chief clerk to the JPAS as payment type 'check' due to JPAS limitations. Daily balancing of receipt activity will include credit/debit card payments that appear on the accepted/settlement (previous day's activity prior to 7 PM) reports generated by court staff from the County's Intranet site.</p> <p>A copy of the POS settlement report and the two accepted/settlement ('auto citation' and 'JP Court') reports will be sent to the County Treasurer with the check deposit.</p>
<p><b>Criteria:</b> (Describe the optimal condition)</p>	<p>Standard accounting and system control procedures require daily reconciliation and balancing of collected funds with receipts promptly issued for the amount of funds tendered, all funds received properly secured, and deposited consistent with state law including V.T.C.A., L.G.C., § 113.022 and Vernon's Ann., C.C.P., § 103.004.</p> <p><i>Per Dallas County General Policy for Use of Credit Card Transactions Policy</i>, any customer credit card numbers or security numbers from the back of the credit card received through the mail by the justice courts and used to process credit card transactions must be securely retained for 24 months after the transaction is processed through web access in a locked file cabinet with limited access. After 24 months, the credit card information should be <b>destroyed or redacted</b>. At no time should credit card information be left on desks or other work areas nor be filed in case jackets.</p> <p>E-Commerce requires information processing controls to test that transactions completed through computerized applications are valid, properly authorized, and completely and accurately processed and reported.</p> <p>According to V.T.C.A., L.G.C., § Sec. 130.003. PAYMENT CONDITIONAL. (a) The acceptance of a check or credit card invoice for the payment of a fee or tax does not constitute payment of the fee or tax. The fee or tax is not considered paid until the check is honored by the bank on which the check is drawn or the credit card invoice is honored by the issuer.</p>
<p><b>Cause:</b> (Describe the cause of the condition if possible)</p>	<p>Multiple credit card reports and payment channels. Non-integrated financial systems for e-commerce requiring manual intervention.</p>
<p><b>Effect:</b> (Describe or quantify any adverse effects)</p>	<p>N/A</p>
<p><b>Recommendation:</b> (Describe corrective action)</p>	<p>Payment posting procedures should include:</p> <ul style="list-style-type: none"> <li>• Continue review of reports for card acceptance posting &amp; rejection to properly &amp; timely account for payments. Valid payments not auto-posted should be receipted to the JPAS when appearing on the settlement report.</li> <li>• Post payments in compliance with Dallas County General Policy for Use of Credit Card Transactions Policy including reference to the last five digits of the transaction id number.</li> </ul> <p>Document proposed modifications to the automated posting process and incorporate in technology assessments.</p>
<p><b>Responsible Department or Organization:</b></p>	<p>Justice of the Peace 1-2</p>

County Auditor



Dallas County, Texas

<b>Management's Response:</b>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<b>Respondent:</b>	Honorable Judge Valencia Nash	<b>Date:</b>	11/26/14
<b>Comments:</b>	Management response is on file.					
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration			



**Finding Number:** 13-JP1.2-01-04 **Time Payment & Collections**  
**Date:** June 18, 2013 & July 17, 2014  
**Audit:** Justice of the Peace 1-2 FY2012 & FY2013  
**Auditor(s) Assigned:** WH/DW

<p><b>Finding:</b></p>	<p>Review of 20 cases on time payment plans and review of 20 cases from the Justice of the Peace Monthly Collection Referral report for adequate collection procedures on cases referred to delinquent collection law firm revealed:</p> <p><b><u>Time Payment Plans</u></b></p> <ul style="list-style-type: none"> <li>• Court’s compliance clerk makes phone calls and sends notices on delinquent cases with time payment plans, but capias were not issued on eight of the cases sampled.  <b>Status:</b> Court issued capiases on the eight sampled cases after advised of delinquency by internal auditor during fieldwork.</li> <li>• The average days difference between a case becoming delinquent and the court taking delinquency action is 39 days, with the longest delay being 68 days.</li> </ul> <p><b><u>Collections</u></b></p> <ul style="list-style-type: none"> <li>• Instances of cases referred for delinquent collections were not properly prorated to delinquent collections fees (fee type ‘26’) upon receipt of payment from defendant including four referred cases with no amount allocated to delinquent collection fees.</li> </ul>
<p><b>Workpaper Reference: (or other method by which finding was identified)</b></p>	<p>7A and 7B                  JPAS Delinquent Collection Referral reports</p>
<p><b>Condition: (Describe the current condition)</b></p>	<p>In response to the OCA and Senate Bill 1863 (enacted by the 79<sup>th</sup> Legislature in 2005), the court established procedures for defendants requesting time payment plans. These procedures include but are not limited to: defendant completing a personal data form when requesting time to pay, interview of defendant by the court collection clerk, defendant signing a payment agreement, defendant’s phone numbers and references verified by court collection clerk, phone calls are made by the court collection clerk 2 to 3 days after a missed payment, and delinquent collection post cards and balance due letters are sent by court collection clerk within 30 days.</p> <p>Collection effort information is documented on case jacket but the information available on the JPAS case Docket screen is limited.</p> <p>Per the chief clerk, capiases are no longer issued by the judge for delinquent time payment plans. In general, there are no warrants being issued out of the court for any case type.</p> <p>The Justice of Peace Accounting System lacks automated assessment and partial payment distribution functions. Prior to receipting payments, the bookkeeper, back-up bookkeeper, or chief clerk review the JPAS payment history screen for prior payments and the case jacket and JPAS Docket screen for accuracy of amounts due including Court Costs, Fine/Special Expense, FTA Fee, and/or Delinquent Collection Fee. During the receipting process, the bookkeeper, back-up bookkeeper, or chief clerk perform a modified manual cost allocation process to record payments to each fee type without required proration due to limited system functionality.</p> <p>Cases that meet delinquent collection referral criteria (including at least 61 days delinquent)</p>



	<p>are systemically analyzed daily using programs developed by IT Services. Previously un-referred cases with balances due equal to or greater than \$5 are included on a daily 'future' report by JP court which lists all cases that are eligible for referral in the next 15 days based on the defined selection criteria. These cases are initially flagged with a future status code. During the 15 day period, the court has the opportunity to review the cases and change the status code to prevent the cases from being referred.</p> <p>On a weekly basis, all cases previously flagged for future referral that have reached the end of the 15 day period, are updated with a 30% delinquent collection fee systemically extracted by IT Services and sent to the delinquent collection law firm. The status code is changed to reflect the date sent. Due to JPAS limitations, only the last two status codes are viewable on the Docket screen. The delinquent collection law firm sends letters and makes phone calls to the defendant notifying of the delinquent collection referral and balances due on the cases. All payments are directed to be sent to the Dallas County JP courts.</p> <p>Daily updates are provided to the delinquent collection law firm for previously referred cases with changes to assessment, payment, and disposition information. Changes to the assessments (Court Costs field) result in the 30% delinquent fees to be systemically updated. When defendants remit payment in full, the COLL referral status is not systemically updated by the JPAS programs. Court staff can also update the COLL referral status code to remove 'R' the delinquent collection referral which results in the 30% delinquent fee to be systemically removed. The delinquent collection firm is systemically notified resulting in collection efforts to be discontinued.</p>
<p><b>Criteria:</b> <b>(Describe the optimal condition)</b></p>	<p>In accordance with state statutes and at judge's discretion, warrants/capias should be issued within a reasonable time frame to further enhance the court's collections process. All warrants should be recalled when a defendant makes proper disposition of court costs &amp; fines by payments made, jail time served, community service or other disposition such as appeal of the case.</p> <p>Court costs, fines, and fees should be assessed/collected/prorated in compliance with applicable state laws including Code of Criminal Procedure Chapters 45, 102 and 103 and Local Government Code Chapter 133, Commissioners Court orders, and Attorney General Opinion No. GA-0147. Court costs should be assessed based on offense date and offense type.</p> <p>According to Code of Criminal Procedure, Art. 103.0031. COLLECTION CONTRACTS. (b) A commissioners court or governing body of a municipality that enters into a contract with a private attorney or private vendor under this article may authorize the addition of a collection fee in the amount of 30 percent on each item described in Subsection (a) that is more than 60 days past due and has been referred to the attorney or vendor for collection. The collection fee does not apply to a case that has been dismissed by a court of competent jurisdiction or to any amount that has been satisfied through time-served credit or community service. The collection fee may be applied to any balance remaining after a partial credit for time served or community service if the balance is more than 60 days past due. Unless the contract provides otherwise, the court shall calculate the amount of any collection fee due to the governmental entity or to the private attorney or private vendor performing the collection services and shall receive all fees, including the collection fee. With respect to cases described by Subsection (a)(2), the amount to which the 30 percent collection fee applies is: (1) the amount to be paid that is communicated to the accused as acceptable to the court under its standard policy for resolution of the case, if the accused voluntarily agrees to pay</p>





	<p>that amount; or                  (2) The amount ordered paid by the court after plea or trial.                  (d) A defendant is not liable for the collection fees authorized under Subsection (b) if the court of original jurisdiction has determined the defendant is indigent, or has insufficient resources or income, or is otherwise unable to pay all or part of the underlying fine or costs.</p> <p>In accordance with Code of Criminal Procedure, Art. 103.0033 (c) Unless granted a waiver under Subsection (h), each county and municipality shall develop and implement a program that complies with the prioritized implementation schedule under Subsection (h). A county program must include district, county, and justice courts.                  (d) The program must consist of:                  (1) a component that conforms with a model developed by the office and designed to improve in-house collections through application of best practices; and                  (2) a component designed to improve collection of balances more than 60 days past due, which may be implemented by entering into a contract with a private attorney or public or private vendor in accordance with Article 103.0031.</p>			
<p><b>Cause:</b>                  (Describe the cause of the condition if possible)</p>	<p>Inadequate JPAS system functionality                  Clerical error</p>			
<p><b>Effect:</b>                  (Describe or quantify any adverse effects)</p>	<p>Incorrect distribution/disbursement of funds to the State of Texas, Dallas County, and/or delinquent collection firm requiring additional time to correct posting.</p>			
<p><b>Recommendation:</b>                  (Describe corrective action)</p>	<p>Continue established payment plan procedures and monitor in accordance with Code of Criminal Procedure, Art. 103.0033.</p> <p>30% add-on delinquent collection fee should be assessed and collected in accordance with Commissioners Court orders and Code of Criminal Procedure, § 103.0031 including proportionally prorating partial payments.</p> <p>Pursue new system with improved features.</p>			
<p><b>Responsible Department or Organization:</b></p>	<p>Justice of the Peace 1-2</p>			
<p><b>Management's Response:</b></p>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<p><b>Respondent:</b> Honorable Judge Valencia Nash</p>	<p><b>Date:</b> 11/26/14</p>
<p><b>Comments:</b></p>	<p><u>Time Payment Plans:</u>                  Staff has been retrained on the issuance of capiases. Additionally, the collections clerk has an established procedure that outlines the timeline for the issuance of default notices, collection calls, pre-warrant cards, and capias pro fines on delinquent cases.</p> <p><u>Delinquent Collection Referral:</u>                  JP 1-2 reviewed procedures for the calculation of delinquent collection fees. The staff uses the formula: (Court Costs + Fines) * 30% = Delinquent Collection Fees to accurately calculate fees in instances where fines and/or costs are reduced or increased.</p>			
<p><b>Disposition:</b></p>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration	



**Finding Number:** 13-JP1.2-01-05 – DRIVER’S LICENSE BLOCK RENEWAL  
**Date:** June 18, 2014  
**Audit:** Justice of the Peace 1-2 FY2012 & FY2013  
**Auditor(s) Assigned:** WH/DW

<p><b>Finding:</b></p>	<p>Review of 75 cases referred to DPS through OmniBase for driver’s license (DL) renewal block from the FTA Payment History Reports revealed:</p> <ul style="list-style-type: none"> <li>• \$30 failure to appear fee for DL renewal block was consistently collected with limited instances of \$30 fee waived and DL block released not in compliance with statutory guidelines.</li> <li>• One Omni hold was <b>not</b> released after the case was appealed and FTA fee paid.</li> <li>• Two Omni holds were released before full satisfaction of fine, court costs, and fees.</li> <li>• One instance of \$50 warrant fee collected after the judge granted time served.</li> </ul>
<p><b>Workpaper Reference:</b> (or other method by which finding was identified)</p>	<p>7C.1, 7C Desk review of Omni reports</p>
<p><b>Condition:</b> (Describe the current condition)</p>	<p>Cases that meet FTA referral criteria are systemically analyzed daily using programs developed by IT Services. Previously un-referred cases with balances due equal to or greater than \$5 are included on a daily ‘future’ report by JP Court which lists all cases that are eligible for referral in the next 15 days based on the defined selection criteria. These cases are initially flagged with a future status code. During the 15 day period, the court has the opportunity to review the cases and change the status code to prevent the cases from being referred.</p> <p>On a daily basis, all cases previously flagged for future referral that have reached the end of the 15 day period, are systemically extracted by IT Services and sent to OmniBase. The status code is changed to reflect the date sent. Upon acceptance or rejection of the referral by DPS through OmniBase, an electronic file is sent back to the County to systemically update the referral status code and date. Due to JPAS limitations, only the last two status codes are viewable on the Docket screen. For cases accepted for DL renewal block by DPS, a one-time letter is sent by OmniBase to the defendant notifying of the block with case and court contact information.</p> <p>When defendants remit payment in full, the FTA referral status is systemically updated by the JPAS programs during the daily FTA extraction process and updates are submitted to OmniBase. Upon acceptance of the updates by DPS through OmniBase, an electronic file is sent back to the County to systemically update the FTA referral status code and date to reflect payment in full and DL hold block released. Court staff can also update the FTA referral status code to force clear the renewal block and waive the \$30 FTA fee, force clear the renewal block and keep the \$30 FTA fee, or reprocess the renewal block. All manual updates by the court staff follows the same process as the automated updates which are systemically captured daily and sent to OmniBase for processing.</p> <p>Defendants infrequently report instances where the DL block fails to clear through the systemic process. Chief clerk completes a ‘clearance’ form and provides to the authorized County contact in the Office of Budget and Evaluation for signature and approval with the form faxed or scanned and emailed to OmniBase to manually clear the hold.</p> <p>In accordance with statute regarding other suitable arrangements, the Court’s policy allows for the release of DL renewal block prior to full satisfaction of fines and/or court costs upon payment of the \$30 FTA fee and establishment of a payment plan. Court policy also allows staff</p>



	<p>to release the DL renewal hold upon payment of the \$30 FTA fee and a defendant's request for a trial without requiring an appearance bond.</p>
<p><b>Criteria:</b> (Describe the optimal condition)</p>	<p>According to Transportation Code, Sec. 706.005. CLEARANCE NOTICE TO DEPARTMENT.                  (a) A political subdivision shall immediately notify the department that there is no cause to continue to deny renewal of a person's driver's license based on the person's previous failure to appear or failure to pay or satisfy a judgment ordering the payment of a fine and costs in the manner ordered by the court in a manner involving an offense described by Section 706.002(a), on payment of a fee as provided by Section 706.006 and:                  (1) the perfection of an appeal of the case for which the warrant of arrest was issued or judgment arose;                  (2) the dismissal of the charge for which the warrant of arrest was issued or judgment arose;                  (3) the posting of bond or the giving of other security to reinstate the charge for which the warrant was issued;                  (4) the payment or discharge of the fine and cost owed on an outstanding judgment of the court; or                  (5) other suitable arrangement to pay the fine and cost within the court's discretion.                  (b) The department may not continue to deny the renewal of the person's driver's license under this chapter after the department receives notice:                  (1) under Subsection (a);                  (2) that the person was acquitted of the charge on which the person failed to appear; or                  (3) from the political subdivision that the failure to appear report or court order to pay a fine or cost relating to the person:                  (A) was sent to the department in error; or                  (B) has been destroyed in accordance with the political subdivision's records retention policy.</p> <p>According to Transportation Code, Sec. 706.006. PAYMENT OF ADMINISTRATIVE FEE. (a) A person who fails to appear for a complaint or citation for an offense described by Section 706.002 (a) shall be required to pay an administrative fee of \$30 for each complaint or citation reported to the department under this chapter, <b>unless the person is acquitted</b> of the charges for which the person failed to appear. The person shall pay the fee when:                  (1) the court enters judgment on the underlying offense reported to the department;                  (2) <b>the underlying offense is dismissed</b>; or                  (3) bond or other security is posted to reinstate the charge for which the warrant was issued.                  (b) A person who fails to pay or satisfy a judgment ordering payment of a fine and cost in the manner the court orders shall be required to pay an administrative fee of \$30.                  (c) The department may deny renewal of the driver's license of a person who does not pay a fee due under this section until the fee is paid. The fee required by this section is in addition to any other fee required by law.</p>
<p><b>Cause:</b> (Describe the cause of the condition if possible)</p>	<p>DL renewal block is released when other suitable arrangements are made within the court's discretion. Instances of defendants not returning to the court after DL hold is released.</p>
<p><b>Effect:</b> (Describe or quantify any adverse effects)</p>	<p>Processing deficiencies may result in loss of revenue for Dallas County, the State of Texas, and OmniBase.</p>
<p><b>Recommendation:</b> (Describe corrective action)</p>	<p>Continue current practices emphasizing daily review and posting.</p> <p>\$30 failure to appear fee should be assessed and collected in accordance with Commissioners Court Order No. 2003-2085, dated November 11, 2003, and Transportation Code § 706.</p> <p>Pursue new system with improved features.</p>



<b>Responsible Department or Organization:</b>	Justice of the Peace 1-2				
<b>Management's Response:</b>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<b>Respondent:</b>	Honorable Judge Valencia Nash	<b>Date:</b> 11/26/14
<b>Comments:</b>	We will continue our current practices and procedures.				
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration		





**Finding Number:** 13-JP1.2-01-06 – Criminal Fee Dockets  
**Date:** June 18, 2014  
**Audit:** Justice of the Peace 1-2 FY2012 & FY2013  
**Auditor(s) Assigned:** WH/ DW

<p><b>Finding:</b></p>	<p>Review of 53 warrants or capias from IT Services Active Warrants on Disposed Cases Report dated October 28, 2013 for appropriateness of warrant/capias issuances, recalls, and served/returned/active/regional statuses and warrant procedures (approximately 5,285 active warrants or capias as of 10/19/2013) revealed:</p> <ul style="list-style-type: none"> <li>• 33 active warrants or capias on WX50 for cases without balances due; with time served; dismissed; and/or inactive (marked with disposed flag 'X') as of October 28, 2013.</li> </ul> <p><b>Status:</b> All 33 warrants or capias recalled or returned with WX50 and Regional updated.</p> <ul style="list-style-type: none"> <li>• All clerks are authorized to issue and recall warrants.</li> </ul>
<p><b>Workpaper Reference: (or other method by which finding was identified)</b></p>	<p>8A.1-6 IT Services Active Warrants on Disposed Cases Report and responses to ICQ</p>
<p><b>Condition: (Describe the current condition)</b></p>	<p>Warrants including alias warrants and failure to appear warrants are issued by the court and signed by the Judge when defendants do not appear or do not comply with the terms of release. The issuance date is recorded to the JPAS Docket screen by the court staff. A notice of show cause hearing is issued by court staff when defendants do not satisfy the terms of the judgment including payment of fine and court costs. Criminal process is sent to the constable's office for service.</p> <p>Court clerks transmit (prompting recall notices to print at the law enforcement agency) recall notices to the appropriate law enforcement agency but without notice of confirmation recall received. Dates are consistently recorded to the JPAS by court clerks as warrants and/or capias are returned from law enforcement agencies. Process verification is problematic since systems are not linked and lack warnings when payments are made in full, defendants appear, or defendants comply with orders of the court, etc. No separation of duty procedure is established for issue/recall of warrants.</p>
<p><b>Criteria: (Describe the optimal condition)</b></p>	<p>In accordance with state statutes and at judge's discretion, warrants/capias should be issued within a reasonable time frame to further enhance the court's collections process. All warrants should be recalled when a defendant makes proper disposition of court costs &amp; fines by payments made, jail time served, community service or other disposition such as appeal of the case.</p> <p>Best practices for internal control require separation of assigned duties for personnel authorized to issue and/or recall warrants.</p> <p>Docket screen procedures recommended by the County Auditor in document titled 'Standard Procedures for Recording Misdemeanor Information to the Docket Screen' should be followed when recording entries to the court's official electronic docket which is governed by Code of Criminal Procedure, § 45.017. JPAS Docket screens should be updated as additional case activity occurs including but not limited to warrant/capias issuance/recall/return, jail time served, dismissed dates, deferred adjudication dates, judgment dates, assessment of additional court costs and/or changes in fine/special expense amounts as ordered by the judge. The disposed flag field should be marked with an "X" when the case has reached final disposition, including dismissals, appeals to the County Court of Criminal Appeals, jail time served for satisfaction of fine and court costs, payment in full for satisfaction of fine and court costs.</p> <p>In accordance with Code of Criminal Procedures §45.041, the judgment and sentence, in case of</p>



	conviction in a criminal action before a justice of the peace or municipal court judge, shall be that the defendant pays the amount of the fine and costs to the state. The justice or Judge may direct the defendant to pay: (A) the entire fine and cost when sentence is pronounced; (B) the entire fine and cost at some later date; or (C) a specified portion of the fine and costs at designated intervals.		
<b>Cause:</b> (Describe the cause of the condition if possible)	Warrant /capias are not returned from Constable/ Sheriff offices. Inadequate system exception reporting for recall of warrants and follow-up. Clerical error		
<b>Effect:</b> (Describe or quantify any adverse effects)	Liability to County for persons arrested in error.		
<b>Recommendation:</b> (Describe corrective action)	<p>Update and monitor warrant and capias procedures which should include:</p> <ul style="list-style-type: none"> <li>• Warrants or capiases issued timely when defendants do not appear, do not comply with conditions of release, or default on payment terms. Show cause hearings should be set when defendants default on payment plans.</li> <li>• Separation of duties limiting (through system security access) staff assigned to recall warrants.</li> <li>• Outstanding warrants or capiases recalled same business day when cases are dismissed or otherwise disposed, payments are made in full, time is served, community service is performed, time payment plans are implemented/followed, or official notification/verification of a defendant's death is received.</li> <li>• A tracking list of recalled, but unreturned warrants or capiases should be maintained with weekly follow-up communications to the constable or sheriff until returned.</li> <li>• Outstanding warrant reports periodically reviewed for accuracy.</li> </ul> <p>JPAS Docket screen posting procedures should include:</p> <ul style="list-style-type: none"> <li>• Updating Docket screens as warrants or capiases are issued/recalled/returned.</li> <li>• Completion of electronic dockets in compliance with Vernon's Ann., CCrP, § 45.017 and § 45.041.</li> <li>• Periodic verification of workflow and entry accuracy.</li> </ul> <p>Pursue new system with improved features.</p>		
<b>Responsible Department or Organization:</b>	Justice of the Peace 1-2		
<b>Management's Response:</b>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<b>Respondent:</b> Honorable Judge Valencia Nash <b>Date:</b> 11/26/14
<b>Comments:</b>	JP 1-2 accesses the IT Services Active Warrant Error Report on a weekly basis and uses the report to recall erroneous warrants. The chief clerk pulls this report weekly and reviews any errors with the staff to rectify the error and train/coach employees.		
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration



**Finding Number:** 13-JP1.2-01-07 **CIVIL FEE DOCKETS**  
**Date:** June 18, 2014  
**Audit:** Justice of the Peace 1-2 FY2012 & FY2013  
**Auditor(s) Assigned:** WH/DW

<p><b>Finding:</b></p>	<p>Review of accounts receivable, 45 civil/small claims/eviction cases from the Justice Fee Exception List, which identifies cases filed without payment of filing fees, and five cases with writs of execution issued revealed:</p> <p><b><u>Accounts Receivable</u></b></p> <ul style="list-style-type: none"> <li>• \$20.08 remains uncollected from the Dallas Housing Authority as of November 1, 2013.</li> <li>• 19 cases with posting errors and overpayments totaling \$390 <u>not</u> transferred to cases with outstanding balances.</li> </ul> <p><b><u>Filing Fees</u></b></p> <ul style="list-style-type: none"> <li>○ Three cases filed by non-governmental agency without payment of filing fees or without an Affidavit of Inability to Pay Costs on file.</li> <li>○ One check located in case jacket.</li> <li>○ One filing fee paid at a later date.</li> <li>○ Two payments posted to incorrect cases.</li> </ul> <p><b>Status:</b> Resolved. Court transferred funds to the correct cases.</p> <ul style="list-style-type: none"> <li>○ One case jacket could not be located.</li> <li>○ One case indexed as 'JC' civil should be 'JE' eviction.</li> </ul> <p><b>Status:</b> Civil case was deleted and re-indexed as eviction with the filing fee received.</p> <p><b><u>Writs of Execution</u></b></p> <p>Writs of execution on civil judgments indicate "SUM OF _____ COSTS OF SUIT" amount awarded to the prevailing party which includes the writ of execution service fee while the writ also states "AND THE COSTS OF EXECUTING THIS WRIT".</p> <ul style="list-style-type: none"> <li>• Writ officers receiving writs may rely on writ wording to calculate total amount due and add the writ service fee amount as directed to initiate collection which may result in two writ fees being assessed and potentially collect. However, a Justice &amp; Clerks Civil Fee Docket is attached to the execution sent to the Constable's office which should alert the writ officer that the writ of execution service fee is already included in the amount awarded.</li> <li>• One Writ of Execution not accurately reflecting the judgment amount awarded.</li> </ul>
<p><b>Workpaper Reference:</b> (or other method by which finding was identified)</p>	<p>9A, 9B, and 9C                  Justice Fee Exception list                  Writs of Execution, JPAS, and judgments</p>
<p><b>Condition:</b> (Describe the current condition)</p>	<p>Court costs and service fees are required to be paid at the time of filing. Parties to a suit that do not have adequate resources may request to file a case without payment. Indigent plaintiffs complete an affidavit of inability to pay (pauper's affidavit) filing/service fees in accordance with Rule of Civil Procedure 145. The affidavit is reviewed by the court and if approved, filed in the case jacket. JPAS Docket screen has been updated with predefined fields for recording the filing of a pauper's affidavit. Civil, eviction, or small claims court clerks do not consistently record notations of filing of pauper affidavits on the Docket free-form comments screen. JPAS receipt functionality does not include assessments for charges so credits are not systemically recorded for pauper's affidavits. Paper service is stamped with "pauper oath filed" in accordance with Rule of Civil Procedure 126 and 145.</p>



	<p>Billing notations are not reflected on the case Docket comment screen. System reports are not available within JPAS to track unpaid balances.</p> <p>Once a judgment has been rendered on a case, the party that is awarded money may request 30 days after the judgment for a writ of execution to be issued. A clerk uses the information provided on the judgment to generate the writ of execution from the Justice of the Peace Accounting System. JPAS does not have the ability to separate filing fees from fee for the writ of execution. Writ of execution is reviewed for accuracy before the court gives it to the constable's office to be executed. Constable attempts to collect amount from the writ. Any money collected is given to the awarded party less the constable's commission as defined by the Commissioner's Court Order on constable and sheriff service fees for the same period that the writ was issued. If the constable is unable to collect any money, then the writ is returned to court (RTC) Nulla Bona (no property found).</p>
<p><b>Criteria: (Describe the optimal condition)</b></p>	<p>In accordance with statutes (Local Government Code (LGC) § 118.121, 118.122, 118.123, 118.131, and Chapter 133) and Commissioners Court orders, filing fees should be collected at the time of filing and service fees should be collected at the time of service request for all evictions, civil and small claim cases filed by non-governmental entities and individuals except for those individuals with approved affidavits of indigence on file or those entities listed under Civil Practices and Remedies § 6.001, 6.002, and 6.003.</p> <p>Texas Rules of Civil Procedure, RULE 145. AFFIDAVIT ON INDIGENCY (a) Affidavit. In lieu of paying or giving security for costs of an original action, a party who is unable to afford costs must file an affidavit as herein described. A "party who is unable to afford costs" is defined as a person who is presently receiving a governmental entitlement based on indigency or any other person who has no ability to pay costs. Upon the filing of the affidavit, the clerk must docket the action, issue citation and provide such other customary services as are provided any party.</p> <p>Filing fees should be collected on cases transferred from courts outside of Dallas county under Rule of Civil Procedure, No. 89. &lt;<a href="http://www.supreme.courts.state.tx.us/rules/trcphome.asp">http://www.supreme.courts.state.tx.us/rules/trcphome.asp</a>&gt;.</p> <p>Texas Rules of Civil Court Procedures Rule 143. A party seeking affirmative relief may be ruled to give security for costs at any time before final judgment, upon motion of any party, or any officer of the court interested in the costs accruing in such suit, or by the court upon its own motion. If such rule be entered against any party and he failed to comply therewith on or before twenty (20) days after notice that such rule has been entered, the claim for affirmative relief of such party shall be dismissed.</p> <p>Texas Rules of Civil Procedure, Rule 629 Requisites of Execution The style of the execution shall be "The State of Texas." It shall be directed to any sheriff or any constable within the State of Texas. It shall be signed by the clerk or justice officially, and bear the seal of the court, if issued out of the district or county court, and shall require the officer to execute it according to its terms, and to make the costs which have been adjudged against the defendant in execution and the further costs of executing the writ. It shall describe the judgment, stating the court in which, and the time when, rendered, and the names of the parties in whose favor and against whom the judgment was rendered. A correct copy of the bill of costs taxed against the defendant in execution shall be attached to the writ. It shall require the officer to return it within thirty, sixty, or ninety days, as directed by the plaintiff or his attorney.</p> <p>Texas Rules of Civil Procedure, Rule 630, Execution on Judgment for Money When an execution is issued upon a judgment for a sum of money, or directing the payment simply of a sum of money, it must specify in the body thereof the sum recovered or directed to be paid and the sum actually due when it is issued and the rate of interest upon the sum due. It must require the officer to satisfy the judgment and costs out of the property of the judgment debtor subject to execution by law.</p>



	<p>Texas Rules of Civil Procedure, RULE 656. EXECUTION DOCKET                  The clerk of each court shall keep an execution docket in which he shall enter a statement of all executions as they are issued by him, specifying the names of the parties, the amount of the judgment, the amount due thereon, the rate of interest when it exceeds six per cent, the costs, the date of issuing the execution, to whom delivered, and the return of the officer thereon, with the date of such return. Such docket entries shall be taken and deemed to be a record. The clerk shall keep an index and cross-index to the execution docket. When execution is in favor or against several persons, it shall be indexed in the name of each person. Any clerk who shall fail to keep said execution docket and index thereto, or shall neglect to make the entries therein, shall be liable upon his official bond to any person injured for the amount of damages sustained by such neglect.</p>				
<p><b>Cause:</b> (Describe the cause of the condition if possible)</p>	<p>Weak system functionality                  Clerical error                  Wording on writs of execution</p>				
<p><b>Effect:</b> (Describe or quantify any adverse effects)</p>	<p>Potential revenue loss for Dallas County and State of Texas.                  Potential for duplicate collection of writ service fees.</p>				
<p><b>Recommendation:</b> (Describe corrective action)</p>	<p>Filing fees should be collected at the time of filing on all non-misdemeanor cases except the following whereas a reason for not collecting the filing fees should be documented on the JPAS and the case jacket:</p> <ul style="list-style-type: none"> <li>• Transferred from other Dallas County JP courts</li> <li>• Involving tax suits</li> <li>• Involving mental illness warrants</li> <li>• Filed by governmental entities which are exempted from security of filing and service fees under Civil Practices and Remedies § 6.001, 6.002, and 6.003, but are ultimately responsible for court costs if it cannot be recovered from the losing party. See Attorney General Opinion No. DM-459 and District Attorney’s opinion dated September 4, 2003.</li> <li>• Ordered as indigent under Texas Rules of Civil Procedure, Rule 145.</li> </ul> <p>Filing fees should be collected on cases transferred from courts outside of Dallas county under Rule of Civil Procedure, No. 89.</p> <p>Wording on writs of execution should be revised clarifying whether the “COSTS OF SUITS” includes the service fee for writ of execution while at the same time continuing to allow additional costs of executing the writ such as: deed fees, posting notice fees, commissions, etc.</p>				
<p><b>Responsible Department or Organization:</b></p>	<p>Justice of the Peace 1-2</p>				
<p><b>Management’s Response:</b></p>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<p><b>Respondent:</b></p>	<p>Honorable Judge Valencia Nash</p>	<p><b>Date:</b> 11/26/14</p>
<p><b>Comments:</b></p>	<p>JP 1-2 has re-trained the staff to check the address of the parties being served in civil matters before entering new cases in the system. The staff is aware that they cannot accept and enter a filing of a case in which service is outside Dallas County unless the plaintiff has included a separate check in the amount of the service fee.</p>				
<p><b>Disposition:</b></p>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration		





**Finding Number:** 13-JP1.2-01-08 **COMPARISON ACTIVITY RECPORTS**  
**Date:** June 18, 2014  
**Audit:** Justice of the Peace 1-2 FY2012 & FY2013  
**Auditor(s) Assigned:** WH/DW

<p><b>Finding:</b></p>	<p>Comparison of activity reports filed by the court with the Office of Court Administration (OCA), the Office of Budget and Evaluation (OBE), and the Auditor's Office to the mainframe JPAS case records revealed:</p> <p><b><u>FY2012</u></b>  <b>JPAS compared to OCA</b></p> <ul style="list-style-type: none"> <li>• Traffic &amp; Non-traffic cases were over reported by 6.84% (764 cases).</li> <li>• Small Claim cases were over reported by 81.88% (122 cases).</li> <li>• Forcible Entry &amp; Detainer cases were under reported by 37.07% (1,205 cases).</li> <li>• Civil cases were under reported by 14.06% (124 cases).</li> </ul> <p><b>JPAS compared to OBE</b></p> <ul style="list-style-type: none"> <li>• Traffic &amp; Non-Traffic cases were over reported by 10.75% (1,200 cases).</li> <li>• Forcible Entry &amp; Detainer cases were under reported by 27.68% (900 cases).</li> </ul> <p><b><u>FY2013</u></b>  <b>JPAS compared to OCA</b></p> <ul style="list-style-type: none"> <li>• Traffic &amp; Non-Traffic Misdemeanor cases were under reported by 12.21% (1128 cases) in part due to non-traffic cases not reported to OCA.</li> </ul> <p><b>JPAS compared to OBE</b></p> <ul style="list-style-type: none"> <li>• Evictions cases were over reported by 6.22% (142 cases).</li> </ul> <p>September 2013 Activity Report was not completed and submitted until November 21, 2013.</p>
<p><b>Workpaper Reference:</b> (or other method by which finding was identified)</p>	<p>11A                  OCA website, comparison of cases filed per JPAS and activity reported by the court</p>
<p><b>Condition:</b> (Describe the current condition)</p>	<p>Court clerk assignments include processing traffic, IBC, other class C misdemeanor, evictions, civil, debt claims, or small claims cases. In addition, the court clerks and bookkeeper manually capture case activity, disposition and payment information on a daily basis. Monthly data logs are manually prepared by the court clerks and bookkeeper for the chief clerk. The chief clerk manually compiles a monthly summary of case activity, disposition, and payment information based on data provided and submits to OCA, OBE, and Audit without complete cross reference to the JPAS or validation of totals.</p> <p>Automated traffic case filing numbers are retrieved daily by court personnel accessing Document Direct.</p>
<p><b>Criteria:</b> (Describe the optimal condition)</p>	<p>Government Code Section 71.035(b) and Texas Administrative Code Sections 171.1 and 171.2 requires all activity reports to be accurately and timely completed and mailed (or updated via the Internet) to the council (Texas Judicial Council/OCA) no later than 20 days following the end of the month reported.</p> <p>Local Government Code 114.002 authorizes the County Auditor to determine the time and manner for making reports to the auditor. The County Auditor has determined that activity reports should be provided to the Internal Audit section no later than 20 days following the end of the month reported using the OBE format.</p>



	Internal control for reporting requires that all case numbers are accounted for, issued consecutively by case type, and properly and timely indexed to the JPAS.		
<b>Cause:</b> (Describe the cause of the condition if possible)	Mathematical errors and lack of automated tracking system.		
<b>Effect:</b> (Describe or quantify any adverse effects)	Inaccurate statewide court analysis by OCA. Errors in projecting staff levels or expected revenue based on statistical reporting.		
<b>Recommendation:</b> (Describe corrective action)	In accordance with statutory guidelines, monthly activity reports should be completed in an accurate and timely manner with copies provided to OCA, OBE, and the County Auditor.  Activity reports should be corrected if errors are later identified, as the accuracy of activity reports may affect staffing levels or statewide analysis.  Pursue system automation and reporting.		
<b>Responsible Department or Organization:</b>	Justice of the Peace 1-2		
<b>Management's Response:</b>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<b>Respondent:</b> Honorable Judge Valencia Nash <b>Date:</b> 11/26/14
<b>Comments:</b>	JP 1-2 has trained the chief clerk to use activity reports filed with OCA, OBE, and the Auditor's Office; along with the previous month's reports as a check and balance system for accurate reporting.		
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration



**Finding Number:** 13-JP1.2-01-09 **SPECIAL FUNDS RECONCILIATIONS**  
**Date:** June 18, 2014  
**Audit:** Justice of the Peace 1-2 FY2012 & FY2013  
**Auditor(s) Assigned:** WH/DW

<p><b>Finding:</b></p>	<p>Reconciliation and review of special fund activity, postings to the JPAS, general ledger and internal control procedures for separation of duties, authorization, funds available for disbursement and proper payees revealed:</p> <p>Four special fund checks disbursed for incorrect amounts:</p> <ul style="list-style-type: none"> <li>• One Docket screen not updated to reflect lowered fine amount resulting in excess collections totaling \$7.50 receipted to delinquent collection fees rather than special fund for refunding.</li> <li>• One \$22 administrative dismissal fee refunded in error.</li> <li>• One \$10 Driver Safety Course (DSC) administrative fee refunded in error.</li> <li>• One refund issued for \$7.50 more than due. Delinquent collection fees were short receipted by \$7.50.</li> <li>• One disbursement for \$0.64 less than fine amount due to Texas Parks &amp; Wildlife.</li> </ul> <p><b>Reconciliation</b></p> <ul style="list-style-type: none"> <li>• One canceled check and one stale dated check totaling \$36 not posted to the JPAS.</li> <li>• One disbursement totaling \$215 not posted to the JPAS.</li> <li>• Three stale dated checks totaling \$58.60 not posted to the JPAS.</li> </ul> <p><b>Status:</b> Resolved. Bookkeeper posted cancelled checks on November 27, 2013.</p> <ul style="list-style-type: none"> <li>• Old case balances in the special fund have not been researched for disbursing to the applicable party and/or escheating to the Dallas County Treasurer or Texas State Comptroller.             <ul style="list-style-type: none"> <li>○ Of the \$299,629.19 special fund balance as of October 5, 2013, approximately \$279,508.26 is over three years old.</li> </ul> </li> <li>• Forfeiture proceedings were not initiated against defendants to forfeit cash bonds when defendants failed to appear (\$175,813 in cash bonds over four years old).</li> </ul> <p><b>Unresolved – Status Aged Prior Years’ Findings:</b></p> <ul style="list-style-type: none"> <li>• Numerous \$5 officer (DPS, DCHD, TABC, etc.) citation fees recorded to the special fund in error without transfer to the correct fee types.</li> </ul>
<p><b>Workpaper Reference:</b> (or other method by which finding was identified)</p>	<p>12A, 12B.1, 12B.2, 12B.3, 12B.4, and 12C                  Special fund reconciliation FY12 &amp; FY13</p>
<p><b>Condition:</b> (Describe the current condition)</p>	<p>Data source for disbursement activity is request forms, daily special fund deposit reports, and JPAS (when date cards are updated by bookkeeper) detailed monthly special fund balance reports. Balances available to disburse consist of case overpayments, fines and court costs, judgments paid into the registry of the court, cash bonds, and service fees for law enforcement agencies without designated fee codes for automated disbursements. Current special fund activity on the JPAS reports is reviewed by the bookkeeper for identification of eligible disbursements. Case jackets are pulled and postings to the JPAS are reviewed to determine the proper payee and amount. To generate disbursements, the bookkeeper prepares and saves a special fund disbursement file to a designated computer drive on an ongoing basis, based on a review of new daily special fund activity by case/receipt. The electronic file is submitted to the County Auditor/County Treasurer for processing, check printing, and mailing. The electronic file reflects details of disbursement. Subsequently, the bookkeeper updates the disbursement</p>



	<p>information to the JPAS, posting the check number, check amount, and date, but does not reconcile to the general ledger or to the bank. The JP office relies on the County Auditor for reconciliation to the general ledger and on the County Treasurer for bank reconciliations.</p> <p>The bookkeeper posts cancellations and stale dated checks to the JPAS based on notices received from the County Treasurer.</p> <p>Limited research of old case balances (approximately \$279,508.26 of \$299,629.19 system balance as of 10/5/2013 is over three years old) is performed on the funds remaining in the special fund account for disbursement or escheatment.</p>
<p><b>Criteria:</b> (Describe the optimal condition)</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 disbursement procedures require that:</p> <ul style="list-style-type: none"> <li>• All special fund disbursements and cancellations should be timely and accurately posted to the JPAS. Fund balances must be reconciled against control records (GL and bank statement)</li> <li>• Special fund reports should be reviewed on a periodic basis and disbursements should be made to the appropriate parties in a timely manner.</li> </ul> <p>Inactive case balances should be reviewed in accordance with unclaimed property statutes, V.T.C.A., Property Code, §72 and §76, and escheated either to the County Treasurer (if \$100 or under) or the State of Texas (if over \$100).</p> <p>Bond forfeiture proceedings should be initiated in accordance with Code of Criminal Procedure Chapter 22 when defendants, who post a cash bond, fail to comply with promise to appear before the court.</p>
<p><b>Cause:</b> (Describe the cause of the condition if possible)</p>	<p>Limited staff time to research old items and weak system functionality.</p>
<p><b>Effect:</b> (Describe or quantify any adverse effects)</p>	<p>Deferred research:</p> <ul style="list-style-type: none"> <li>• Delayed disbursements to entities/individuals entitled to funds.</li> <li>• Penalties from the State for not following escheat statutes may be assessed if not corrected.</li> </ul> <p>Limited reconciliation:</p> <ul style="list-style-type: none"> <li>• Undetected posting errors resulting in potential for overpayment and unrecoverable losses.</li> <li>• Additional staff time to research and correct posting errors.</li> </ul> <p>An action by the state to forfeit a bail bond under Code of Criminal Procedure, §22.18 must be brought not later than the fourth anniversary of the date the principal fails to appear in court.</p>
<p><b>Recommendation:</b> (Describe corrective action)</p>	<p>Special fund procedures should include:</p> <ul style="list-style-type: none"> <li>• All checks issued, canceled, or stale dated posted accurately and timely to the JPAS (reconciliation of JPAS to GL) and verified/reviewed by the chief clerk.</li> <li>• Posting errors should be identified and corrected by dragging and transferring to the appropriate JPAS codes.</li> </ul> <p>A management plan including reconciling GL and bank account should be developed and implemented to periodically review the detailed special fund report in order to clear old items on</p>



	<p>disposed cases.</p> <p>Escheat analysis and stale dating should be managed in accordance with unclaimed property statutes, V.T.C.A., Property Code, § 72 and § 76. ( see website: <a href="http://www.window.state.tx.us/up/forms.html">http://www.window.state.tx.us/up/forms.html</a> )</p> <p>Cash bonds should be forfeited in accordance with Code of Criminal Procedure § 22.</p> <p>We recommend a concerted effort be made to correct outstanding issues. Court action will improve the accuracy of current data and future migrated data.</p>		
<p><b>Responsible Department or Organization:</b></p>	<p>Justice of the Peace 1-2</p>		
<p><b>Management's Response:</b></p>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<p><b>Respondent:</b> Honorable Judge Valencia Nash <b>Date:</b> 11/26/14</p>
<p><b>Comments:</b></p>	<p>JP 1-2 continues to research last known addresses of individuals in which monies need to be disbursed. We are also in the initial phase of training with other county departments who have greater success with special fund reconciliation and disbursement. During FY15, JP 1-2 plans to resolve cases with balances over three years old.</p>		
<p><b>Disposition:</b></p>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration





**Finding Number:** 13-JP1.2-01-10 – Time & Attendance  
**Date:** January 16, 2014  
**Audit:** Justice of the Peace 1-2 FY2012 & FY2013  
**Auditor(s) Assigned:** WH/DW

<p><b>Finding:</b></p>	<p>Observation of office schedules, review of responses to the Internal Control Questionnaire (ICQ), and review of manual time and attendance records and 63 KRONOS time and attendance system postings revealed:</p> <p>Office hours:</p> <ul style="list-style-type: none"> <li>• Court is open to the public from 8:00 AM to 4:00 PM. Employees closeout from 4:00 PM to 4:30 PM</li> </ul> <p>Breaks and lunch periods:</p> <ul style="list-style-type: none"> <li>• Full-time regular employees take 50 minutes for lunch with no breaks. Lunch defaults to 30 minutes on the KRONOS time and attendance system based on employee’s scheduled hours.</li> </ul> <p>Time and Attendance</p> <ul style="list-style-type: none"> <li>• Two instances manual leave request did not match KRONOS postings.</li> </ul> <p><b>Status:</b> Historical edits submitted to correct inaccurate postings.</p>
<p><b>Workpaper Reference:</b> (or other method by which finding was identified)</p>	<p>13A, 13B, 13C.1, 13C.2, 13C.3, 13C.4                  Daily Observations                  ICQ responses</p>
<p><b>Condition:</b> (Describe the current condition)</p>	<p>Web-timestamp functionality is used by non-exempt staff to record start and end times. Annual leave, sick leave, holidays, etc. taken are recorded to the Kronos system based on information available to the chief clerk. Oracle DC Employee Self-Service is available for court staff to review hours paid and accrual balances taken / earned / available. Kronos time is ‘approved’ bi-weekly with a ‘sign off’ by the chief clerk. Request for leave forms are completed by the clerks and given to the chief clerk for approval.</p> <p>When the court closes early, the clerks do not use the timestamp to clock-out. Vacation or holiday time is not recorded and the Office of Budget and Evaluation is not informed of office closure. The chief clerk will enter the end time for each employee coded as regular time.</p>
<p><b>Criteria:</b> (Describe the optimal condition)</p>	<p>According to Dallas County Code, Section 82.32, <b>Work hours scheduling:</b></p> <p>(b) <i>Office hours.</i> An elected official/department head, with the approval of the commissioners court, has the right to establish and schedule reasonable work hours, rules and working conditions in a manner most advantageous to the county in accomplishing its service and work requirements. Compensatory time and overtime are also scheduled by the elected official/department head according to appropriate county policies. County offices, excluding 24-hour operations, are expected to remain open between the hours of 8:00 AM.-4:30 PM. and remain open during the noon hour. Employees should verify office hours and work hours with their supervisor.</p> <p>(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 or 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 Sec. 82-175, Supervisory responsibilities:</p>



	<p>(c) Supervisors are responsible for ensuring employee time records are accurate and that no abuses occur. Only supervisors have the authority to correct employee time record errors or omissions.</p> <p>(d) Supervisors are responsible for recording employee vacation and sick time and for entering time for employees who are working outside their department work area.</p> <p>(e) Supervisors are responsible for checking daily start times, meal periods, end times, vacation time, sick time, compensatory time, and overtime to ensure employees are in compliance with their shift work schedule and the county's overtime policies. Supervisors are responsible for promptly documenting actions warranting discipline and for promptly reporting possible fraud to the county auditor.</p> <p>According to Commissioners Court Order 2012-0145 dated January 24, 2012: when an official closes his or her office due to inclement weather or other circumstances for a period that is normally a part of a regular work period, and intends to compensate those employees, the Office of Budget and Evaluation will:</p> <ol style="list-style-type: none"> <li>(1) notify commissioners court of the department that closed,</li> <li>(2) the reason(s) the department closed, and</li> <li>(3) the cost of the department closure during the first posted meeting after the closure.</li> </ol>			
<p><b>Cause:</b> (Describe the cause of the condition if possible)</p>	<p>N/A</p>			
<p><b>Effect:</b> (Describe or quantify any adverse effects)</p>	<p>Official time and attendance records do not accurately reflect time worked and taken</p>			
<p><b>Recommendation:</b> (Describe corrective action)</p>	<p>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 attendance system in accordance with Dallas County Code and Commissioners Court orders.</p>			
<p><b>Responsible Department or Organization:</b></p>	<p>Justice of the Peace 1-2</p>			
<p><b>Management's Response:</b></p>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<p><b>Respondent:</b> Honorable Judge Valencia Nash</p>	<p><b>Date:</b> 11/26/14</p>
<p><b>Comments:</b></p>	<p>JP 1-2 requires each employee to punch in and out of Kronos upon arriving and prior to departing work. Anytime in which a manual entry is made, the chief clerk is to add comments to the Kronos entry.</p>			
<p><b>Disposition:</b></p>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration	