



DALLAS COUNTY COUNTY AUDITOR

Memorandum

To: Honorable Judge Gerry Cooper
Justice of Peace, Precinct 2, Place 1

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

Subject: Review Performed for Fiscal Year 2011

Date: Issued: September 12, 2012
Released: October 30, 2012

Scope

A review was performed in accordance with statutory guidelines on the records and reports of Justice of the Peace, Precinct 2, Place 1 for fiscal year 2011.

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:

- Accounted for numerical sequence of manual and computer generated receipts
- Traced amounts recorded on the receipts to the bank deposits
- Performed unannounced cash counts
- 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 assessed fees for compliance with applicable state laws and Commissioners Court orders
- Reviewed unpaid criminal cases for outstanding warrants of arrest
- Traced issuance of bad check actions to the criminal fee dockets to confirm the filing of the cases, collections of assessed fines and costs, or the issuance of arrest warrants
- 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
- Reviewed credit card activity for accurate and timely posting to the JPAS

Statistical

During fiscal year 2011 the justice court processed:

- 20,941 computer receipts totaling \$1,918,146
- 6,317 class C misdemeanors (includes 2,331 automated traffic filings)
- 2,643 civil/small claims
- 3,107 eviction cases

Findings / Observations

Cash Management

Receipts - Computer / Manual - Review of 20,941 computer receipts including 73 (less than 1% of population) voided computer receipts and approximately 57 manual receipts including one voided manual receipts revealed material compliance. Responses to the Internal Control Questionnaire (ICQ) indicate separate cash drawers are not maintained when other staff assist or relieve the bookkeeper and funds are not balanced prior to combining with other receipted funds.

Disbursement/Reconciliation – Review of special fund activity revealed old case balances totaling approximately \$275,494 (including approximately \$254,225 in cash bonds over four years old) remain in the special fund account as of September 30, 2011 without research for disbursement to the applicable party and/or escheating to the County Treasurer or State Comptroller.

Assessment/Distribution - Review of 40 cases and corresponding computer receipts (301 fee code entries) for compliance with statutorily required court costs, fees and fine revealed material compliance. Response to the Internal Control Questionnaire revealed the Court Costs and Fine fields on the Docket screen are not updated on dismissed cases including administrative dismissals.

Processing/Reporting

Criminal Fee Dockets - Review of time payment plans, active warrants or capias (active warrant report R05870), warrants or capias on disposed cases for the appropriateness of warrant status, and corresponding Docket screens revealed 215 active warrants or capias on the Constable's warrant system for cases: without calculated balances due; with time served; dismissed; and/or on cases marked disposed on the JPAS Docket screen. **Status:** 197 warrants or capias were subsequently recalled / returned to the court. All court clerks are authorized to recall warrants.

Civil Fee Dockets - Limited review of 25 civil/small claims/eviction cases on the *Justice Fee Exception List* and JPAS revealed: two cases transferred from out-of-county without collection of filing fees; five receipt postings to the wrong case number (**Status:** Corrected); and eleven cases filed with a pauper's affidavit not documented on the JPAS Docket screen (**Status:** Docket screen updated.)

Other/Miscellaneous

Time and Attendance - Employees take fifty minutes for lunch with no breaks. One exempt employee received approved time off (ATO) while not averaging a 40 hour work.

RECOMMENDATIONS

Cash Management

Receipts – Computer / Manual – Continue existing receipt issuance practices. Separate cash drawers should be maintained by all clerks receiving payments and funds should be balanced prior to combining with other receipted funds.

Disbursement/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, § 22.18.

Assessment/Distribution – Continue monitoring assessment, collection, and prorating of court costs, fines, and fees in compliance with applicable state laws, Commissioners Court orders, and applicable fee schedules based on the offense date. JPAS Docket screen Court Costs and Fine fields should be updated as new court costs are assessed including administrative fees on dismissals, time payment fees, warrant or capias fees, etc. and as fine amounts are reduced by the Judge.

Processing/Reporting

Criminal Fee Dockets - JPAS Docket screens should be updated as warrants or capiases are issued, recalled, and/or returned. 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. Warrant exception report developed by IT Services should be reviewed on an ongoing basis.

Civil Fee Dockets - Monitor 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.

Other/Miscellaneous

Time and Attendance - Exempt employees should average at a minimum a 40 hour work week with use of ATO in compliance with County policy/code.

CURRENT FINDINGS/OBSERVATION AND RECOMMENDATIONS

For additional information, refer to templates 11.JP2.1-01-01 thru 11.JP2-01-06.

Summary

The 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: old case balances in the special fund not timely escheated and/or remitted; and active warrants or capias on cases without balances due, with time served, and/or case dismissed. Processing errors are minimal considering volume and labor intensive recording processes.

Emphasis on outlined procedures should provide for improved departmental processes. 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, OBE



Finding Number: 11-JP2.1-01-01
Date: June 25, 2012
Audit: Justice of the Peace 2-1 Audit FY 2011
Auditor(s) Assigned: YA

<p>Finding:</p>	<p>Receipts Review of 20,941 computer generated receipts including a complete review of 73 voided computer receipts, a sample review of approximately 57 manual receipts including 1 voided manual receipt, a complete review of receipt continuity, testing of voiding procedures for proper accounting and internal controls, and a sample review of Daily Receipts Log <u>revealed material compliance</u>.</p> <p>Responses to the Internal Control Questionnaire indicate:</p> <ul style="list-style-type: none"> • A separate cash drawer is not maintained by the back-up bookkeeper. • The change fund/cash drawer does not contain a lockable compartment. • Monies receipted by the back-up bookkeeper are not separately balanced prior to combining with the funds controlled by the bookkeeper.
<p>Workpaper Reference: (or other method by which finding was identified)</p>	<p>Work paper No. 5A & B – Review computer and manual receipts. ICQ responses</p>
<p>Condition: (Describe the current condition)</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 are provided by the counter clerks to the bookkeeper or back-up bookkeeper for receipting. Cash is recounted by the bookkeeper or back-up bookkeeper 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 JPAS is accessed for generating a computer receipt to the appropriate case number and the payment information is entered by the bookkeeper or back-up bookkeeper. The computer receipt is printed and reviewed by the bookkeeper or back-up bookkeeper for accuracy prior to submitting to the customer by the counter clerk. 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 by the counter clerks. 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 with a second count completed by the back-up bookkeeper or chief clerk. Corrections are made when the payment type is incorrectly recorded, the check amount is not correctly receipted, or other errors are identified. Computer receipts issued after the cut-off are included with the next business day's deposit.</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>Effective May 16, 2012, justice court management began reviewing all receipts including voids</p>



	for proper handling.		
Criteria: (Describe the optimal condition)	Best practices regarding receipt control procedures require that: <ul style="list-style-type: none"> • 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 refunds due. • Receipts should not be altered, but rather properly voided and affixed with a reason for the void, with retention of all voided copies. • 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. • Assigned duties for cash controls are adequately separated. • Corrections are reviewed and approved by the chief clerk. • Accounting and system control procedures require daily reconciliation and balancing of collected funds to support documents and separation of duties to affix responsibility for processing. Separate cash drawers should be maintained by all clerks receipting payments, and funds should be balanced prior to combining with other receipted funds. 		
Cause: (Describe the cause of the condition if possible)	N/A		
Effect: (Describe or quantify any adverse effects)	Inability to affix responsibility in the event shortages occur.		
Recommendation: (Describe corrective action)	<ul style="list-style-type: none"> • Provide separate cash drawers for the bookkeeper, back-up bookkeeper, and others assisting in receipting duties. Balance each drawer separately prior to combining with other receipted funds. A proper segregation of duty reduces the risk of misappropriated funds and establishes a clear line of liability in the event losses occur. • Continue existing receipt issuance practices. 		
Responsible Department or Organization:	Justice of the Peace 2-1		
Management's Response:	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent: _____ Date: _____
Comments:			
Disposition:	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration



Finding Number: 11.JP2.1-01-02
Date: June 25, 2012
Audit: Justice of the Peace 2-1 Audit FY 11
Auditor(s) Assigned: YA

<p>Finding:</p>	<p>Special Fund Transactions: Reconciliation and review of special fund activity (including 98 special funds checks issued during FY 2011), postings to the JPAS, general ledger and internal control procedures for separation of duties, authorization, funds available for disbursement and proper payees revealed:</p> <ul style="list-style-type: none"> • Old case balances (approximately \$275,494 of \$369,636 as of September 30, 2011 over three years old) in the special fund have not been researched for disbursing to the applicable party and /or escheating to the County Treasurer or State Comptroller. • Forfeiture proceedings not initiated against defendants to forfeit cash bonds when defendants fail to appear (approximately \$254,225 in cash bonds are over four years old).
<p>Workpaper Reference: (or other method by which finding was identified)</p>	<p>Workpaper No. 6C review of special fund activity</p>
<p>Condition: (Describe the current condition)</p>	<p>Data source for disbursement activity is request forms, daily special fund deposit reports, and JPAS (report produced only when JPAS special fund mainframe date cards are updated by bookkeeper or chief clerk) detailed monthly special fund balance reports. Balances available to disburse consist of case overpayments, 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 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>Limited research of old case balances (approximately \$275,494 of 369,636 system balance as of 9/30/2011 over three years old) remaining in the special fund account for disbursement or escheatment.</p>
<p>Criteria: (Describe the optimal condition)</p>	<p>Best practices regarding cash control require that:</p> <ul style="list-style-type: none"> • 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). • Special fund reports should be reviewed on a periodic basis and disbursements should be made to the appropriate parties in a timely manner. <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>



	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).		
Cause: (Describe the cause of the condition if possible)	Limited staff time to research old items.		
Effect: (Describe or quantify any adverse effects)	Deferred research: <ul style="list-style-type: none"> • Delayed disbursements to entities/individuals entitled to funds. • Penalties from the State for not following escheat statutes may be assessed if not corrected. 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.		
Recommendation: (Describe corrective action)	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 disposed cases. 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: http://www.window.state.tx.us/up/forms.html) Cash bonds should be forfeited in accordance with Code of Criminal Procedure § 22.		
Responsible Department or Organization:	Justice of the Peace 2-1		
Management's Response:	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent: _____ Date: _____
Comments:			
Disposition:	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration



Finding Number: 11.JP2.1-01-03
Date: June 25, 2012
Audit: Justice of the Peace 2-1 Audit FY 2011
Auditor(s) Assigned: YA

<p>Finding:</p>	<p>Fine/Fee Assessments & Docket Screens Review of 40 computer receipts (301 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) <u>revealed material compliance</u> except:</p> <ul style="list-style-type: none"> • \$5 pre-judgment issuance fee assessed on writ of sequestration. Issuance fees are not authorized by statute prior to judgment. <p>Responses to the Internal Control Questionnaire (ICQ) indicate staff does not update court costs and fine fields on the Docket screen when case dismissals occur including administrative dismissals and District Attorney (DA) dismissals.</p>
<p>Workpaper Reference: (or other method by which finding was identified)</p>	<p>Workpaper 5E review of fees assessed and receipted ICQ responses</p>
<p>Condition: (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 (or populated via automated traffic case filings) staff based on state statutes in effect at the time of the offense.</p> <p>Additional court costs may be manually assessed with the JPAS Court Costs field on the Docket screen updated by the court clerks and the bookkeeper for time payment fees when payment plans are established, transaction fees when payments are presented, and warrants and/or capiases fees as each paper is issued. Other manual adjustments by court clerks or the bookkeeper to the JPAS Court Costs and Fine fields on the Docket screen do <u>not</u> occur when defendants present proof of registration, inspection, or a valid driver's license in conjunction with payment of an administrative fee and dismissal of the case.</p> <p>Proof of insurance will result in dismissal of "no insurance" cases without payment of an administrative fee and the JPAS Court Costs and Fine fields on the Docket screen are inconsistently updated to reflect no fee due. 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 court 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 court 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 (updating the Docket screen to reflect DSC for reporting to Austin does not occur until proof of course completion is presented to the court along with a copy of insurance and an official driving record from DPS) and requiring payment at the time of request. Other 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 court 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 or chief clerk reviews 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, backup bookkeeper, or chief clerk must perform a modified manual cost allocation process to record payments to each fee type.</p>



<p>Criteria: (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>Once collected, each fee should be posted to the proper JPAS fee type and paper type. 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>Per V.T.C.A, L.G.C., Sec. 118.121. FEE SCHEDULE. A justice of the peace shall collect the following fees for services rendered to any person: (1) Services rendered before judgment (Sec. 118.122): (A) Justice court \$25.00 (B) Small claims court \$25.00 (2) Services rendered after judgment (Sec. 118.123): (A) Transcript \$10.00 (B) Abstract of judgment \$5.00 (C) Execution, order of sale, writ of restitution, or other writ or process \$5.00 per page Certified copy of court papers . . \$2.00 for first page \$0.25 for each additional page Issuing other document (no return required) \$1.00 for first page \$0.25 for each additional page</p> <p>Civil Practices and Remedies, Sec. 62.002. PENDING SUIT REQUIRED. A writ of sequestration may be issued at the initiation of a suit or at any time before final judgment.</p>						
<p>Cause: (Describe the cause of the condition if possible)</p>	<p>Inadequate JPAS system functionality</p>						
<p>Effect: (Describe or quantify any adverse effects)</p>	<p>Inaccurate reports and anticipated receivables</p>						
<p>Recommendation: (Describe corrective action)</p>	<p>Continue to monitor 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 type cases.</p> <p>JPAS Docket screen posting procedures should include:</p> <ul style="list-style-type: none"> 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. Completing electronic Dockets in compliance with Vernon’s Ann., CCrP, § 45.017. <p>Pursue new Justice of the Peace system with improved features</p>						
<p>Responsible Department or Organization:</p>	<p>Justice of the Peace 2-1</p>						
<p>Management’s Response:</p>	<table border="1"> <tr> <td data-bbox="367 1866 509 1921"> <input type="checkbox"/> Agree </td> <td data-bbox="509 1866 678 1921"> <input type="checkbox"/> Disagree </td> <td data-bbox="678 1866 857 1921"> Respondent: </td> <td data-bbox="857 1866 1154 1921"> </td> <td data-bbox="1154 1866 1260 1921"> Date: </td> <td data-bbox="1260 1866 1568 1921"> </td> </tr> </table>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent:		Date:	
<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent:		Date:			

County Auditor



Dallas County, Texas

Comments:			
Disposition:	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration



Finding Number: 11-JP2.1-01-04
Date: June 25, 2012
Audit: Justice of the Peace 2-1 Audit FY 2011
Auditor(s) Assigned: YA

<p>Finding:</p>	<p>Warrants, Capias, and Capias Pro Fine Review of 10 cases from the Justice of the Peace 2-1 Collection Referral Report for adequate collection procedures on cases referred to delinquent collection law firm, review of IT Services Active Warrants on Disposed Cases Report dated May 2012, review of 13 cases on time payment plans, for validity of warrant issuances, recalls, and served / returned / active / regional statuses revealed (sample sizes less than 1% of population):</p> <ul style="list-style-type: none"> • 215 active warrants or capias on WX50 or WRWI for cases flagged as disposed in the JPAS (as of 5/15/2012) Status: 197 warrants or capias were recalled by the justice court. • All clerks are authorized to issue and recall warrants. <p>The court established a collections process for time payment plan cases as required by the Office of Court Administration (OCA) Collections Improvement Program. The Office of Budget and Evaluation (OBE) has provided one designated collection clerk for each court.</p>
<p>Workpaper Reference: (or other method by which finding was identified)</p>	<p>Workpaper 7A.1, 7B, 7C, and 7D. IT Services Active Cases on Disposed Cases Report and responses to ICQ</p>
<p>Condition: (Describe the current condition)</p>	<p>In response to the OCA and Senate Bill 1863 (enacted by the 79th 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 and delinquent collection notices sent by the court collection clerk for missed payments based on non-system logs maintained by the court collection clerk, and a pre-warrant notice sent by the court collection clerk when a defendant defaults on a payment plan including a second call made by the collection clerk prior to issuing a warrant.</p> <p>Warrants including alias 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>Returned/recalled dates are recorded to the JPAS as warrants and/or capias are returned from law enforcement agencies by court clerks, but process verification is problematic. Systems are not linked, lack warnings, and when payments are made in full, defendants appear, defendants comply with orders of the court, etc., the court's employees transmits recall notices to the appropriate law enforcement agency. No separation of duty procedure is established for issue/recall of warrants.</p>
<p>Criteria: (Describe the optimal condition)</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 & 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</p>

	<p>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 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.</p> <p>In accordance with Code of Criminal Procedure, Art. 103.0033:</p> <p>(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.</p> <p>(d) The program must consist of:</p> <p>(1) a component that conforms with a model developed by the office and designed to improve in-house collections for eligible cases through the application of best practices; and</p> <p>(2) a component designed to improve the collection of balances for eligible cases 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>(e) Not later than June 1 of each year, the office shall identify those counties and municipalities that:</p> <p>(1) have not implemented a program; and</p> <p>(2) are able to implement a program before April 1 of the following year.</p> <p>(f) The office shall develop a methodology for determining the collection rate of counties and municipalities described by Subsection (e) before implementation of a program. The office shall determine the rate for each county and municipality not later than the first anniversary of the county’s or municipality’s adoption of a program.</p> <p>(g) The office shall:</p> <p>(1) make available on the office’s Internet website requirements for a program; and</p> <p>(2) assist counties and municipalities in implementing a program by providing training and consultation, except that the office may not provide employees for implementation of a program.</p> <p>(h) The office may:</p> <p>(1) use case dispositions, population, revenue data, or other appropriate measures to develop a prioritized implementation schedule for programs; and</p> <p>(2) determine whether it is not cost-effective to implement a program in a county or municipality and grant a waiver to the county or municipality.</p> <p>(i) Each county and municipality shall at least annually submit to the office a written report that includes updated information regarding the program, as determined by the office. The report must be in a form approved by the office.</p> <p>(j) The office shall periodically audit counties and municipalities to verify information reported under Subsection (i) and confirm that the county or municipality is conforming with requirements relating to the program.</p>
<p>Cause: (Describe the cause of the condition if possible)</p>	<p>Warrant /capias not returned from Constable/ Sheriff offices Inadequate system exception reporting Clerical error</p>
<p>Effect: (Describe or quantify any adverse effects)</p>	<p>Liability to County for persons arrested in error.</p>
<p>Recommendation: (Describe corrective action)</p>	<p>Warrant and capias procedures should include:</p> <ul style="list-style-type: none"> • 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.

	<ul style="list-style-type: none"> • Separation of duties limiting (through system security access) staff assigned to recall warrants. • Outstanding warrants or capias 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. • A tracking list of recalled, but unreturned warrants or capias should be maintained with weekly follow-up communications to the constable or sheriff until returned. • Outstanding warrant reports periodically reviewed for accuracy. <p>Continue established payment plan procedures and monitor in accordance with Code of Criminal Procedure, Art. 103.0033.</p> <p>Pursue new system with improved features.</p>
Responsible Department or Organization:	Justice of the Peace 2-1
Management's Response:	<input type="checkbox"/> Agree <input type="checkbox"/> Disagree Respondent: _____ Date: _____
Comments:	
Disposition:	<input checked="" type="checkbox"/> Audit Report <input type="checkbox"/> Oral Comment <input type="checkbox"/> Deleted From Consideration



Finding Number: 11.JP2.1-01-05
Date: June 25, 2012
Audit: Justice of the Peace 2-1 Audit FY2011
Auditor(s) Assigned: YA

<p>Finding:</p>	<p>Time & Attendance Observation of office schedules and review of manual time and attendance records and Kronos time and attendance system postings revealed:</p> <ul style="list-style-type: none"> • Web-timestamp functionality is not used. Clerks use an office time-clock stamp to capture daily clock-in and clock-out times. Times are subsequently recorded to Kronos and signed off by the Chief Clerk. Status: Clerks began using Kronos swipe card time clock in October 2010. • One employee received approved time off (ATO) while not averaging a 40 hour work week over a floating 12 month period in FY2011. • Full-time regular employees take 50 minutes for lunch with no breaks. Lunch is recorded as 30 minutes on the Kronos time and attendance system.
<p>Workpaper Reference: (or other method by which finding was identified)</p>	<p>Work papers 11.1-11.6 Review of time and attendance</p>
<p>Condition: (Describe the current condition)</p>	<p>Non-exempt employees use Kronos swipe cards 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. ATO self-approved by chief clerk albeit average hours worked not verified prior to leave taken. Oracle DC Employee Self-Service is available for court staff to review hours paid and accrual balances taken / earned / available. Kronos time cards are marked with 'approval' and the bi-weekly pay period is signed off by the chief clerk. Employees combine two 10-minute breaks with 30 minute lunch.</p>
<p>Criteria: (Describe the optimal condition)</p>	<p>According to Dallas County Code, Section 82.32, Work hours scheduling: (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 a.m.-4:30 p.m. and remain open during the noon hour. Employees should verify office hours and work hours with their supervisor. (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. 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: (a) Supervisory responsibilities fall to the elected official, department head or their designee. (b) Supervisors shall educate their employees about how to use the time entry method they are assigned and about the time and attendance policies for their department. (c) Supervisors are responsible for ensuring employee time records are accurate and that no abuses occur. (d) Supervisors are responsible for recording employee vacation and sick time</p>



	<p>and for entering time for employees who are working outside their department work area. (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 Dallas County Code, Section 82-132, Work schedules: Exempt employees shall report all hours worked and adhere to an established work schedule approved by the elected official/department head. Exempt employees' work schedules <u>shall average a minimum of 40 hours per week</u>, including use of accrued leave time. All time worked shall be recorded in the official time and attendance system.</p> <p>According to Dallas County Code, Section 82-134, Scheduled time off: Periodically, elected officials/department heads may grant administrative time off for exempt employees. Such time off must be approved by the elected official/department head. In order to approve such leave, the elected official/department head must ensure the <u>exempt employee's most current 12-month average weekly work schedule exceeds 40 hours</u>. For exempt employees whose tenure is less than 12 months, their average weekly hours worked shall be determined by the average hours worked over the number of weeks worked for the county. If this criterion is met, the elected official/department head may, at his/her discretion, approve the time off. Under no circumstances will this time be granted on an hour-for-hour basis and the <u>total amount of time granted shall not exceed 15 work days in a 12-month period except by formal approval by the commissioners court</u>.</p>						
<p>Cause: (Describe the cause of the condition if possible)</p>	<p>Inaccurate application of county time and attendance policies.</p>						
<p>Effect: (Describe or quantify any adverse effects)</p>	<p>Vacation leave balances not reduced for ineligible use of ATO.</p>						
<p>Recommendation: (Describe corrective action)</p>	<p>All vacation, sick leave, comp time, holiday time, jury duty, and approved time off should be posted to the Kronos time and attendance system in accordance with the Dallas County Code and Commissioners Court orders. Each employee should affirm bi-weekly time paid / leave balances expended through review of pay slip on Employee Self-Service (ESS) application.</p> <p>Historical edits should be completed for use of ATO inconsistent with County policy. Posted time should be verified prior to approval of ATO.</p>						
<p>Responsible Department or Organization:</p>	<p>Justice of the Peace 2-1</p>						
<p>Management's Response:</p>	<table border="1"> <tr> <td><input type="checkbox"/> Agree</td> <td><input type="checkbox"/> Disagree</td> <td>Respondent:</td> <td></td> <td>Date:</td> <td></td> </tr> </table>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent:		Date:	
<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent:		Date:			
<p>Comments:</p>	<p></p>						
<p>Disposition:</p>	<table border="1"> <tr> <td><input checked="" type="checkbox"/> Audit Report</td> <td><input type="checkbox"/> Oral Comment</td> <td><input type="checkbox"/> Deleted From Consideration</td> </tr> </table>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration			
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Finding Number: 11-JP2-1-01-06
Date: June 26, 2012
Audit: Justice of the Peace 2-1 FY2011
Auditor(s) Assigned: YA

<p>Finding:</p>	<p>Accounts Receivable: Review of accounts receivable, 25 civil/small claims/eviction cases from the Justice Fee Exception report, and the Daily Fee Log revealed:</p> <ul style="list-style-type: none"> • Two (8% of sample) cases transferred from out-of- county without payment of filing fees. • Eleven (44% of sample) <i>Affidavits of Inability to Pay</i> <u>not</u> docketed on the Justice of the Peace Accounting System (JPAS). Status: Docketed on JPAS after advised by audit staff. • Five (20% of sample) receipt postings to the wrong JPAS case number. Status: Corrected.
<p>Workpaper Reference: (or other method by which finding was identified)</p>	<p>Workpaper 9B, and review Justice Fee Exception Report identifying cases filed without payment of filing fees.</p>
<p>Condition:(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 filed in the case jacket. JPAS Docket screen lacks 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 financial 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>Criteria: (Describe the optimal condition)</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 claims 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. <http://www.supreme.courts.state.tx.us/rules/trcphome.asp>.</p>



Cause: (Describe the cause of the condition if possible)	Weak system functionality Clerical error			
Effect: (Describe or quantify any adverse effects)	Potential revenue loss for Dallas County and State of Texas. System extracts do not include indigent status. Inhibits cost recovery if the plaintiff's claim is upheld.			
Recommendation: (Describe corrective action)	Filing fees should be collected at the time of filing on all non-misdemeanor cases except the following whereas a reason for collecting the filing fees should be documented on the JPAS and the case jacket: <ul style="list-style-type: none"> • Transferred from other Dallas County JP courts • Involving tax suits • Involving mental illness warrants • 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. • Ordered as indigent under Texas Rules of Civil Procedure, Rule 145. Filing fees should be collected on cases transferred from courts outside of Dallas county under Rule of Civil Procedure, No. 89.			
Responsible Department or Organization:	Justice of the Peace 2-1			
Management's Response:	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent:	Date:
Comments:				
Disposition:	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration	