



AUDIT REPORT

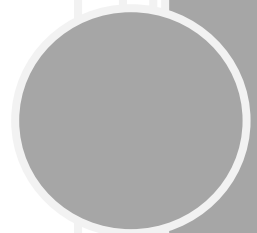
DALLAS COUNTY

FY2022 JUSTICE OF THE PEACE PRECINCT 1, PLACE 1 AUDIT

Darryl D. Thomas
Dallas County Auditor

ISSUED: 6/14/2023

RELEASED: AUGUST 3, 2023



FY2022 Justice of the Peace Precinct 1, Place 1 Audit

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This report is intended for the information and use of the agency/department. While we have reviewed internal controls and financial reports, this review will not necessarily disclose all matters of a material weakness. It is the responsibility of the department to establish and maintain effective internal control over compliance with the requirements of laws, regulations, and contracts applicable to the department



DALLAS COUNTY
COUNTY AUDITOR

MANAGEMENT LETTER

Honorable Judge Thomas G. Jones
Justice of Peace, Precinct 1, Place 1
Dallas, Texas

Attached is the County Auditor's final report entitled "**FY2022 Justice of the Peace Precinct 1, Place 1 Audit**" Report. In order to reduce paper usage, a hard copy will not be sent through in house mail except to the auditee.

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

Respectfully,

Darryl D. Thomas

Darryl D. Thomas
County Auditor

EXECUTIVE SUMMARY

A review was performed in accordance with statutory guidelines on the records and reports of Justice of the Peace, Precinct 1, Place 1 for the fiscal year 2022. Priority areas of internal control weakness that need consideration by management are:

Summary of Significant Observations:

- **Disposed Cases:** 15 of 20 (75%) cases the court did not obtain sufficient documents to support judge's authorizing community service or time served. In addition, the court does not update the docket screen to consistently reflect accurate court record and case status in the case management system (JPAS).
- **Dismissed Cases:** 36 of 40 (90%) cases were dismissed without following the Code of Criminal Procedure (CCP) Article 32.02 for proper dismissal by the court; cases were dismissed without the State's signed Motion to Dismiss, but the judge signed a stamp on the case file stating "Upon motion of the District Attorney to do so, this case is hereby dismissed"; and eight dismissed cases requested for audit review were not provided by the court or were destroyed; therefore, the dismissal documentation could not be verified.
- **Court Cost, Fine, and Collection fee Assessment:** 11 of 20 (55%) cases on which the return date was not posted to JPAS, partial payment was not properly allocated, and time payment fee was not properly assessed and collected.
- **Special Fund:** The Special Fund balance is \$498,466.45 of which \$485,571.23 is for cases eligible for escheatment (older than 3 years as of 03/01/2022 reporting date). Also, there is a variance in the JPAS balance of \$2,794.71 due to incomplete JPAS record. The court's special fund reconciliation was not balanced due to unposted transactions in the JPAS system and the use of incorrect data to reconcile including: 112 unposted check disbursements totaling \$7,947, eight unposted check cancellations totaling \$3,321.50, and the beginning and ending balances were not updated. In addition, two cases requested for audit review were not provided by the court.

Repeat Observations from Previous Audits:

- **Disposed Cases and No Judgment/Plea:** court does not update the docket screen to consistently reflect accurate court record and case status in the case management system (JPAS).
- **Dismissed Cases:** Cases were dismissed without documented judicial approval.
- **Court Cost, Fine, and Collection fee Assessment:** Court continues to assess and apply incorrect court costs and fees.
- **Special Fund:** Case balances over 3 years were not escheated or returned to parties. Check disbursements and cancellations not posted to JPAS resulted in a Special Fund balance difference between JPAS and the general ledger balance.

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

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INTRODUCTION

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

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

The objectives of this audit are to: 1. Ensure compliance with statutory requirements2. Evaluate internal controls3. Verification of accuracy and completeness of reporting4. Review controls over safeguarding of assets

This audit covered the period of October 1, 2021 through September 30,2022 .

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



DETAILS

Fee and Fine

Twenty cases were reviewed for the appropriate assessment and collection of court costs, fines, and fees and the accuracy of postings to the Justice of the Peace Accounting System (JPAS), and the following were identified:

- Five cases in which the return date field for an issued warrant or capias was not entered on the JPAS docket screen. In one case, the Civil Justice Fee was not properly assessed and collected.
- Four cases in which partial payments were not properly allocated among all applicable fee types. In one case, the FTA hold was improperly removed before the defendant's hearing and full satisfaction of the costs due were paid.
- Two cases in which the Time Payment Fee was not properly assessed and collected.

Court costs, fines, and fees should be assessed, collected, and prorated in compliance with applicable state laws including Code of Criminal Procedure (CCP) Chapters 45 and 102, Local Government Code Chapters 133 and 134, Transportation Code (TC) 542 and 706, Commissioners Court orders, and Attorney General Opinion GA-0147. Consistent with CCP Chapter 45.017 the JPAS Docket screens should be updated as cases are filed, additional court costs are added, the date judgment is rendered, the date warrants are returned, and as changes in fines or amounts are ordered by the Judge. These instances occurred due to non-compliance with state statutes, clerical errors and omissions from manual case entries, and inadequate JPAS system functionality that requires the manual entry of assessments and payments. These errors and omissions may result in a loss to the county and an incorrect distribution and disbursement of funds contractually and statutorily owed to other parties.

Recommendation

Fee and Fine

Management should make the following corrective actions:

- Post the return date for the five issued warrants in JPAS
- Ensure issued warrants have both an issue and return date posted.
- Ensure the FTA fee is collected. After the FTA hold has been confirmed by OmniBase/TDPS, FTA cases should not be cleared or withdrawn for case settings such as court appearances or payment plans unless the defendant is acquitted.
- Collect the time payment fee when a payment is made on or after the 31st day from the judgment, per CCP 102.030.
- Docket the assessment of additional court costs (including administrative fees, time payment fees, warrant or capias fees, etc.), fine amounts reduced by the Judge, collection fees owed, and judgments rendered by the court.



- Review case records, dockets, and payments for accuracy and completeness before disposing the case.
- Review JPAS collection and docketing reports to detect errors and omissions.
- Train all court personnel and ensure they consistently follow court guidelines, Commissioners Court Orders (2004-1147), Texas Statutes (CCP Ch.45, 102, 103; LGC Ch.133, 134; and TC Ch.542 and 706), and Attorney General Opinion GA-0147.

Management Action Plan

- We will continue to ensure that clerks post warrant return dates and hope that with our new case management system it will keep our office from making the same mistakes. We are currently conducting more training for the clerks so that we can improve our errors.

Auditors Response

- None

Special Fund

Twenty Special Fund check disbursements, twelve monthly reconciliations, and postings to JPAS were reviewed during the audit period (ending September 30, 2022) and the following were identified:

The Special Fund balance per JPAS is \$498,466.45, of which \$485,571.23 is for cases balance eligible for escheatment (older than three years as of the 3/1/2022 reporting date).

- The \$498,466.45 balance per JPAS is \$2,794.71 more than the \$495,671.74 general ledger balance per Oracle, as a result of incomplete JPAS records.
- A total of \$126,606.48 for case balances under \$100 can be escheated to the County.

The court's Special Fund Reconciliation did not balance because:

- 112 check disbursements totaling \$7,947.70 were not posted to JPAS.
- Eight check cancellations totaling \$3,321.50 were not posted to JPAS.
- Two months (January and February) in which the GL receipt balance was incorrectly entered on the reconciliation.
- Two months (June and July) in which the JPAS cancelation balance was incorrectly entered on the reconciliation.
- Beginning and end of period balances were not updated, and check and cancellations posted in the prior period were not removed.
- Six disbursement checks were each refunded for a bond, but the JPAS docket screen was not updated with the correct bond amount collected.



- Two cases requested for audit review were not provided by the court to substantiate why the named defendant did not receive the disbursement check.
- One case in which the defendant's name is JPAS did not match the citation and defendant's driver's license.

In accordance with Local Government Code Section 113.008(f), an official with Special Funds shall reconcile all balances and transactions in the statement of activity against the balances of the official's records (JPAS, case files, and Oracle General ledger) each month. Unposted transactions discovered from the reconciliation should be posted to JPAS. Reconciliations should be reviewed by management for accuracy, completeness, and the appropriateness of transactions. Management should escheat funds per Property Code, § 72 and § 76 and cash bonds should be forfeited per Code of Criminal Procedure § 22. Local Government Code (LGC) 115.901 states the county auditor shall examine the accounts, dockets, and records of each justice of the peace. The Special Fund is intended to be a temporary escrow account and balances in excess of three years were not escheated. Management did not comply with LGC 113.008(f) and 115.901, did not review the Special Fund reconciliation, or ensure disbursement checks and cancellations were reviewed and timely posted to JPAS. As a result, parties entitled to funds did not receive them and may not realize they are held in escrow by the court. This also increases the risk that financial records in JPAS may be inaccurate and incomplete, which may result in the court sending duplicate check disbursements.

Recommendation

Special Fund

Management should make the following corrective actions:

Review Special Fund reports and routinely escheat Special Funds in accordance with unclaimed property statutes, Property Code, § 72 and § 76.

- Begin process of escheating \$485,571.23 in Special Funds held in escrow.
- Escheat \$126,606.48 in case balances under \$100 to the Dallas County Treasurer.
- Ensure management reviews each monthly Special Fund reconciliation, guide staff to complete their functions, and ensure the reconciliation balances to the general ledger per LGC 113.008(f).
- Correct beginning and ending balances, June and July JPAS cancellation balances, and January and February GL receipt balances on the court's FY22 reconciliation.
- Post the eight cancelled checks totaling \$3,321.50 and 112 disbursement checks totaling \$7,947.70 to Odyssey, the new court management system.
- Ensure Special Fund check disbursements and cancellations are accurately, completely, and timely posted to cases after the completion of monthly reconciliations.
- Train staff to refrain from backdating financial records on the court's case management system.
- Record each disbursement to its own separately identifiable case number for the purpose of tracking the payment.



- Ensure management reviews staff refund requests and determines parties have satisfactorily paid court costs and assessments before the amount of a refund check is approved and issued.
- Agree the names on checks to parties on the cases before the checks are issued.
- Ensure that the correct amount of bonds has been recorded to the Odyssey case management system

Management Action Plan

- We are accepting all recommendations provided from you and have corrected some items. There are certain items that will no longer be available to repeat as we have our new Odyssey system now that will not allow us to make some of the errors in this section.

Auditors Response

- None

Dismissed Cases

Forty dismissed cases were reviewed during the audit period and the following exceptions were identified:

- Ten cases were dismissed without the State's signed Motion to Dismiss, but the judge signed a stamp on the case file stating "Upon motion of the District Attorney to do so, this case is hereby dismissed."
- Seven cases without a signed judicial order and the DA Dismissed Date was not posted in JPAS.
- One case in which the capias return date was not entered in JPAS.
- Eight dismissed cases requested for audit review were not provided by the court or were destroyed; therefore, the dismissal documentation could not be verified.
- Seven cases in which the warrant/capias return date was not entered on the docket screen in JPAS.
- Five dismissed cases in which the compliance dismissal was granted without a signed judicial order.
- Four cases were dismissed without the State's signed Motion to Dismiss and judge's signed order.
- One dismissed case in which proof of offense compliance and a signed dismissal order were not in the case file.
- One case in which community service was granted without proof of completion and a signed order. The case file contained a letter from the defendant listing reasons for not completing community service.
- Per Code of Criminal Procedure (CCP) Article 32.02, the attorney representing the State may, by permission of the court, dismiss a criminal action at any time upon filing a written statement with the papers in the case setting out reasons for such dismissal. No case shall



be dismissed without the consent of the presiding judge. According to the Texas Court of Criminal Appeals, "A trial court has no "general authority" to dismiss a criminal case without the prosecution's consent except as provided by statute, common law, or constitutional provision (See State v. Johnson, 821 S.W.2d 609, 613; Tex.Crim. App.1991). According to Texas AG Opinion JH-386, "A justice of the peace may not delegate to any other person the exercise of judicial powers and duties devolved upon him by the Constitution or statutes of the state. Per the Texas Justice Court Training Center compliance dismissals should be documented and granted "upon proof of correction of the defect, or compliance with the legal requirement, by the defendant." Transportation Code (TC) 601.053 and 601.193 states the operator of the vehicle charged shall provide a liability insurance policy covering the vehicle to the court that was valid at the time the offense is alleged to have occurred. Per the Local Schedule LC of the Texas State Library and Archives Commission, a local government record may not be destroyed if any litigation, claim, negotiation, audit, public information request, administrative review, or other action involving the record is initiated prior to the destruction of the record until the completion of the action and the resolution of all issues or until the expiration of the retention period of the record, whichever is later. Local Government Code (LGC) 115.901 states the county auditor shall examine the accounts, dockets, and records of each justice of the peace to determine if any money belonging to the county and in the possession of the officer has not been accounted for and paid over according to law. Consistent with CCP Chapter 45.017 the JPAS Docket screens should be updated with the verdict, date judgment is rendered, the date warrants are issued and returned, and orders entered by the judge. Complete community service ordered by the judge per CCP Article 45.049.

- Court management did not adhere to CCP 32, CCP 45, LGC 115.901, and AG Opinion JH-386. The judicial process was overridden when management instructed staff to dismiss cases without the DA (prosecution) motion for dismissal and without judicial approval. Supporting documentation and docketing records in JPAS were not reviewed for completeness or included in the case file. It is possible the county may incur losses and assets may be misappropriated when dismissals and waivers are granted without a state's motion, signed judicial order, proof of compliance documentation is not verified and retained, and cases are disposed without management's review of these documents for accuracy and completeness. Missing case jackets increase the risk that assets may be misappropriated and not detected through examination of the case jacket and its contents.

Recommendation

Dismissed Cases

- Management should make the following corrective actions:



- Obtain the DA's (prosecution) signed motion for dismissal before the judge signs order granting the dismissal in compliance with CCP Chapter 32 and Chapter 45, and AG Opinion JH-386.
- When a compliance dismissal is granted by the judge ensure a written order signed by the judge is retained in the court's file.
- Retain the documentation showing proof of compliance in the case file consistent with the Texas Justice Court Training Center's guidance on Compliance dismissals.
- Locate the eight missing case files or supporting community service and dismissal documentation for examination by the County Auditor per LGC 115.
- Ensure the community service hours and the date they are to be completed are specified on an order, signed by the Judge, and hours are completed prior to case disposition in compliance with CCP 45.049.
- Obtain proof of completion of community service.
- Post the date when the DA files the motion to dismiss and judicial dismissed date in compliance with CCP 45.
- Post the date a warrant/ capias is returned to the court.
- Review case records and dockets for accuracy and completeness before disposing the case.
- Retain court files and records for the five-year minimum required retention period for criminal cases per Local Schedule LC of the Texas State Library and Archives Commission and communicate records management issues to the Records Management Officer.

Management Action Plan

- We have adopted your recommendations on the cases that are being dismissed as they should be signed off from the DA first then presented to the Judge for sign off. We have also started to retain cases here in the office for a period of 5 years before sending to Archives for Audit purposes. We have placed a check and balance system in place in order to ensure that the files have the proper proof for compliance dismissals._

Auditors Response

- None

Disposed Cases

Twenty disposed cases were reviewed and the following identified:

- Four cases were dismissed, but the Judge did not sign the judicial order. The court did not post the Dismissed date in JPAS for each case.
- Three cases in which community service was granted without a signed judicial order. In one case the Community Service Application stated the defendant must complete 40 hours, but only 24 hours were completed. This includes one case in which the warrant return date was not posted to JPAS.
- Two cases were dismissed, but the proof of insurance supplied was for a different vehicle than on the citation and the signed judicial order was not obtained.



- Two disposed cases requested for audit review were not provided by the court; therefore, community service and dismissal could not be verified. The court stated both were destroyed by Archives, but the cases were disposed 10/8/21 and 9/29/22.
- One case in which the warrant return date was not posted to JPAS.
- One case was disposed without collecting \$30 Omni Fee.
- One case was dismissed by the court without the State's Motion to Dismiss, signed judicial order, or proof of offense compliance in the case file. The court also did not post the Dismissed date in JPAS.
- One case in which the court did not post the Dismissed date in JPAS.

Per Code of Criminal Procedure (CCP) Article 32.02, the attorney representing the State may, by permission of the court, dismiss a criminal action at any time upon filing a written statement with the papers in the case setting out reasons for such dismissal. No case shall be dismissed without the consent of the presiding judge. According to the Texas Court of Criminal Appeals, "A trial court has no "general authority" to dismiss a criminal case without the prosecution's consent except as provided by statute, common law, or constitutional provision (See State v. Johnson, 821 S.W.2d 609, 613; Tex.Crim. App.1991). According to Texas AG Opinion JH-386, "A justice of the peace may not delegate to any other person the exercise of judicial powers and duties devolved upon him by the Constitution or statutes of the state. Transportation Code (TC) 601.053 and 601.193 states the operator of the vehicle charged shall provide a liability insurance policy covering the vehicle to the court that was valid at the time the offense is alleged to have occurred. Per the Local Schedule LC of the Texas State Library and Archives Commission, a local government record may not be destroyed if any litigation, claim, negotiation, audit, public information request, administrative review, or other action involving the record is initiated prior to the destruction of the record until the completion of the action and the resolution of all issues or until the expiration of the retention period of the record, whichever is later. Local Government Code (LGC) 115.901 states the county auditor shall examine the accounts, dockets, and records of each justice of the peace to determine if any money belonging to the county and in the possession of the officer has not been accounted for and paid over according to law. Consistent with CCP Chapter 45.017 the JPAS Docket screens should be updated with the verdict, date judgment is rendered, the date warrants are issued and returned, and orders entered by the Judge. Complete community service ordered by the judge per CCP Article 45.049 and assess the \$30 failure to appear fee per TC 706. The court did not adhere to CCP 32, CCP 45, TC 601 and 706, and LGC 115.901. It is possible the county may incur losses and assets may be misappropriated when dismissals and waivers are granted without a state's motion, signed judicial order, proof of compliance documentation is not verified and retained, and cases are disposed without management's review of these documents for accuracy and completeness.

Recommendation

Disposed Cases

Management should make the following corrective actions:



- Obtain the DA's (prosecution) signed motion for dismissal, ensure orders are authorized by the judge with the judge's signature in compliance with CCP Chapter 32 and Chapter 45, and AG Opinion JH-386.
- When a compliance dismissal is granted by the judge ensure a written order signed by the judge is retained in the court's file.
- Ensure the community service hours and the date they are to be completed are specified on an order, signed by the judge, and hours are completed prior to case disposition in compliance with CCP 45.049.
- Obtain proof of completion of community service.
- Comply with TC 601 by obtaining a copy of the liability insurance policy from the defendant, covering the defendant's vehicle, that was valid at the time that the offense is alleged to have occurred.
- Ensure the FTA fee is collected. After the FTA hold has been confirmed by OmniBase/TDPS, FTA cases should not be cleared or withdrawn for case settings such as court appearances or payment plans unless the defendant is acquitted.
- Post the date when the DA files the motion to dismiss and judicial dismissed date in compliance with CCP 45.
- Post the date the warrant was returned to the court.
- Locate the two missing case files or supporting community service and dismissal documentation for examination by the County Auditor per LGC 115.
- Review case records and dockets for accuracy and completeness before disposing the case.
- Retain court files and records for the five-year minimum required retention period for criminal cases per Local Schedule LC of the Texas State Library and Archives Commission.
- Communicate records management issues to the Records Management Officer.

Management Action Plan

- We are adopting your recommendations on obtaining the DA's signed motion for dismissal and ensuring that orders are authorized by the judge with the judge's signature. Now that we are using the new case management system, we are using the order needed for compliance dismissals and are signed off by the judge.

Auditors Response

- None

Warrants

The JP Warrant Error report dated 11/08/2022 was reviewed and it was identified that the warrant return date was not posted on the JPAS docket screen for seven cases without balances due or that were marked inactive (disposed). Per the Code of Criminal Procedure (CCP) Article 45, "A justice or judge shall recall an arrest warrant for the defendant's failure to appear if the defendant voluntarily



appears to resolve the amount owed and the amount owed is resolved." The date the warrant was issued, and the return made thereon will be documented in a docket by the court. The court shall recall a capias pro fine under the same conditions. This occurred because the court did not adhere to CCP Article 45 by docketing the warrants returns on disposed cases. As a result, this may pose a potential liability to the County for persons arrested in error.

Recommendation

Warrants

Management should make the following corrective actions:

- Update the warrant return date when warrants are returned to the court, consistent with CCP 45.
- Recall warrants and capias on disposed cases consistent with CCP Article 45.
- Consistently review the Warrant Error Report to recall active warrants on disposed cases and those paid in full.
- Communicate active warrant discrepancies with the Constable's Office.

Management Action Plan

- No response received

Auditors Response

- N/A

Case Deletions

Defendant/Plaintiff (D/P) Log Reports were reviewed during the audit period; it was identified that one case was deleted without supervisory review. There are no means to determine if financial activity was recorded to the deleted case. As a best practice, management should not permit the deletion of cases and periodically review D/P Log Reports to ensure that case deletions do not occur. There is limited system functionality for assigning security roles and rights in JPAS which allows court staff to delete cases. Deleting cases in JPAS increases the risk that assets may be misappropriated and not detected by management. Deleting cases can result in the loss of receipt records, case notes, docketing information, and other actions posted by the court without an audit trail.

Recommendation

Case Deletions

Management should make the following corrective actions:

- Not permit staff to delete cases.
- Routinely monitor Defendant/Plaintiff Log Reports for case deletions and communicate with staff when they occur.
- Review circumstances surrounding each case deletion to understand the effect and impact.



- Work with Dallas County IT to limit system rights and roles based on the user's core job duties.

Management Action Plan

- The staff is not allowed to delete any cases from the system. They are required to present the case to a supervisor so that we prepare file for dismissal if needed by the judge/DA.

Auditors Response

- None

Voided Computer Receipts

All 20 computer receipts voided in FY22 were reviewed and the following exceptions were identified:

- Four computer receipts were voided for a portion of the original amount rather than the full amount. The receipts were not marked void, lacked a reason for voiding, both copies of the receipt were not present, and were not reviewed by management. This includes one void in which the State Consolidated Civil Fee was added back to the original receipt by IT.
- Two computer receipts were back dated.
- One computer receipt void in which both copies of the original receipt were not present.
- One computer receipt was voided, and then the court re-used the case number by changing the names of the parties.
- One receipt was voided and dismissed by the judge after the defendant paid \$187 in cash and the clerk disposed the case. Internal Audit was unable to verify the reason for the dismissal and whether authorization was obtained because the case file was not provided.

The court's voiding procedure is to mark receipts "Void", document a reason for voiding, ensure all receipt copies are retained by the court, void the full amount of the receipt, and obtain management's approval on all voided receipts. Receipts should be posted to JPAS with the same date the transaction was made. As a best practice management should not permit backdating of transactions and the deletion of case records with voided or posted transactions. Per Local Government Code (LGC) Section 115.001, the county auditor shall have continual access to and shall examine and investigate the correctness of: the books, accounts, reports, vouchers, and other records of any officer. JPAS reporting through Document Direct provides management with the capability to review exception reports, voided transactions and transaction logs (especially with respect to receipt deletions, lowered amounts, payment type changes, and agreeing the daily closeout), and to ensure that errors and omissions are detected. Management did not prevent and detect the voiding of partial amounts, adhere to LGC 115.011, or enforce the court's voiding procedures. The court's voiding procedure was stated by



management in a response to the Internal Control Questionnaire, but the procedure is not formally documented by the court. A lack of management oversight and segregation of duties may result in inaccuracies, an incomplete audit trail, and present opportunities for misappropriation. Unsupported voiding of payments may also result in losses to the county.

Recommendation

Voided Computer Receipts

Management should make the following corrective actions:

- Provide the missing case file for examination to the County Auditor, per LGC 115.
- Ensure payments are not voided or returned to a customer that is not formally authorized in writing and retained by the court.
- Formally document, follow, and train staff on the court's receipting procedures for voiding transactions, including:
 - Mark computer receipts "Void" with a written explanation when receipts are voided at the court.
 - Ensure receipts are completely voided for the entire amount, rather than voiding for partial amounts of the original.
 - Ensure all receipt copies are retained by the court,
 - Document the review of void transactions by management in writing and ensure void duties are appropriately segregated.
- Periodically review Exception Reports from JPAS to monitor voided computer receipts and ensure the timely detection of errors and omissions.
- Maintain complete financial records in JPAS by not deleting cases after voiding transactions.

Management Action Plan

- Bookkeepers are required to take the steps recommended by you currently.

Auditors Response

- None

Computer Receipts

Justice of the Peace 1-1 deposits processed during the audit period were reviewed; one deposit error totaling \$134 from 05/18/2022 was identified. The department did not notify the County Auditor's Office within 24 hours.

Per Dallas County Policy Section 74-692, the County Auditor's Office will be notified immediately (within one day) of any out of balance conditions for purposes of identifying and substantiating any shortages



which may subsequently require indemnification. This occurred because the written and numeric amount of a check were not agreed by the court before the check was sent to the Treasurer's Office; however, management did not comply with Dallas County Policy Section 74-692 when requesting to delete the receipt from JPAS. A lack of management oversight and segregation of duties may result in inaccuracies, an incomplete audit trail, and present opportunities for misappropriation. Errors and omissions not detected by management may result in deposit delays and losses.

Recommendation

Computer Receipts

Management should make the following corrective actions:

- Comply with Dallas County Policy Section 74-692 by timely reporting deposit issues to the County Auditor's Office.
- Train clerks to compare the written and numeric amounts of checks while the customer is still on site, before mail has been processed, and checks have been posted to Odyssey.
- During deposit preparation ensure two separate calculator tapes, one for the numeric amount and one for the written amount are made and compared to detect check amount discrepancies.

Management Action Plan

- We currently follow the steps recommended by you but with the new case management system they are still a lot of glitches as we went live which has caused us not to make our deposits timely now.

Auditors Response

- None

Credit Cards

Online credit card transactions and postings to JPAS during the audit period were reviewed and the following were identified:

- Six online credit card transactions posted to JPAS were backdated, rather posting the full credit card payment on the receipt date (R #12986 JT2143142H, R#17215 JT2144400H, R#25873 JT2242195H, R#16831 JT19M1646H, R#14701 JT1816315H, R#4571 JT1011450H).
- One \$275 online credit card payment was refunded back to the defendant, but the court posted the payment to JPAS and disposed the case (R #40714, JT2144821H).



The entire amount of each online credit card payment should be receipted to the defendant's case in JPAS by the following business day, but no later than the fifth day after the day money was received per Local Government Code (LGC) 113.022. Payments should not be backdated in JPAS, but instead reflect the same date the clerk received the payment. Refunds should be processed to the court management system as they occur. These instances occurred because the court did not post online credit card transactions for the complete amount on a single day, void errors, and repost the payment. The court also did not ensure a credit card payment was removed from JPAS and the case reactivated. As a result, payment errors were not detected and the county may incur a \$275 loss. Additionally, backdating affects the accuracy and reporting of the financial records and may create opportunities for asset misappropriation.

Recommendation

Credit Cards

Management should take the following corrective actions:

- Remove the payment on the refunded case and reactive it.
- Ensure receipts are not backdated in JPAS but reflect the same date the clerk receipted the payment.
- Receipt all credit card payments to JPAS the following business day.
- Provide oversight by reviewing JP Credit Card and Settlement Reports against payments posted to JPAS to ensure all payments are accurately and completely posted.
- Receipt all credit card transactions to JPAS the following business day per LGC 113.

Management Action Plan

- We have adopted your recommendations in this section regarding credit card payments.

Auditors Response

- None

Time and Attendance

Kronos time and attendance postings made between 04/03/2023 - 04/12/2023 were examined; it was identified that one exempt employee was observed absent from the office for one hour and twenty-seven minutes on 04/10/2023 (9:36am - 10:52am), in which time was not deducted in Kronos for the period ending 04/21/2023.

Per Dallas County Code, Sec. 82-84. (Maintenance of time and attendance records) each department shall keep a record of each employee's hours worked in a manner approved by the Commissioners Court and administered by the County Auditor's Office. According to Dallas County Code, Sec. 82-175. (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. (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. Section 82-132 states 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 shall average a minimum of 40 hours per week, including use of accrued leave time. All time worked shall be recorded in the official time and attendance system. The court did not adhere to Dallas County Policy 82. The exempt employee posted their own time without management's review and approval. The employee was paid for hours not deducted from timecard, according to official county time records.

Recommendation

Time and Attendance

The following corrective actions should be taken:

- The Judge should approve the weekly timecard of the two exempt employees and ensure a minimum of 40 hours are recorded, including use of accrued leave time.
- Consistent supervisory review of time and attendance Kronos postings should be emphasized to promote accurate time keeping and reduce need for historical edits for overlooked Kronos postings.
- Exempt employees shall report all hours worked and adhere to an established work schedule approved by the elected official/department head per Dallas County Code and Commissioners Court Orders.
- All time out of the office, while not on official Dallas County duties, shall be recorded in the official time and attendance system consistent with Dallas County Policy 82.

Management Action Plan

- The judge currently checks the two exempt employees to assure that record keeping is entered properly on time. As long as the supervisors are on County business they will remain clocked in.

Auditors Response

- None

cc: Darryl Martin, Commissioners Court Administrator