



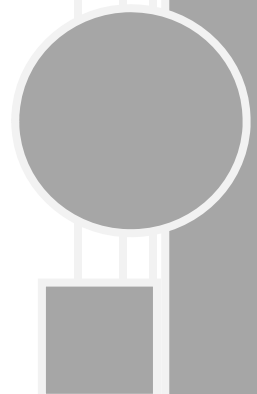
# AUDIT REPORT

DALLAS COUNTY

Justice of the Peace Precinct 2, Place 1 Audit - FY2020

Darryl D. Thomas  
Dallas County Auditor

ISSUED: 5/14/2021  
RELEASED: JULY 20, 2021



# Justice of the Peace Precinct 2, Place 1 Audit - FY2020

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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 Margaret O'Brien  
Justice of Peace, Precinct 2, Place 1  
Dallas, Texas

Attached is the County Auditor's final report entitled "Justice of the Peace Precinct 2, Place 1 Audit - FY2020" 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 2, Place 1 for fiscal year 2020. Priority areas of risk which need consideration by management are:

### **Summary of Significant Observations:**

- **Mass Dismissal:** 975 cases were not docketed with a dismissal date in JPAS after the DA's motion and Judge's order to dismiss were signed. Six of these dismissed cases have a total of \$1,713.80 included in the court's Accounts Receivable as of 9/30/2020.
- **Computer Receipts:** Not adhering to the court's receipting procedures resulted in, 65 computer receipts were manually backdated one to three days before the date the customer made the payment, three computer receipts dated 06/02/2020 were posted out of sequence and one check receipts was deposit exceeding the five business days deposit requirement.
- **Special Fund:** The Special Fund balance is \$370,592.46 of which \$367,401.80 is for cases older than 3 years were not escheated to the related parties and \$27,668.38 bank variances resulted due to incomplete JPAS records. The court did not complete the FY2020 Special Fund Reconciliation by the start of the audit (01/21/2021). **Status: The court completed the FY2020 Special Fund reconciliation on 03/03/2021.**
- **Credit Cards:** 32 online credit card transactions were receipted to JPAS between six and forty-one business days, but not within the five business days requirement. One online credit card transaction for \$121 was not posted to JPAS.
- **Dismissed Cases:** Management did not review case files to ensure cases were appropriately docketed, all requested documentation was received, and that sufficient approval is documented for case dismissals.
- **Case Deletions:** There is limited system functionality for assigning security roles and rights in JPAS, which allow court staff to delete cases without segregation of duties. Management does not monitor Defendant/Plaintiff Log Reports to detect case deletions. As a result, 28 out of 58 (48%) cases were deleted without supervisory review

### **Repeat observations from Previous Audits:**

- **Dismissed Case:** The court does not review to ensure a case is appropriately docketed, and that sufficient approval is documented on disposed cases.
- **Computer Receipts:** Management relies on staff to self-report voids and does not review the Exception Reports from JPAS.
- **Special Fund:** Prior years Fund Balance over three years old remain outstanding and bank variances continue to occur due to incomplete JPAS record.

- **Credit Card:** The court did not ensure online credit card payments were timely posted to JPAS.
- **Case Deletion:** There is limited system functionality for assigning security roles and rights in JPAS, which allow court staff to delete cases without segregation of duties. Management does not monitor Defendant/Plaintiff Log Reports to detect case deletions.

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

## INTRODUCTION

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

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

The objectives of this audit are to:

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

This audit covered the period of October 1, 2019 through September 30, 2020.

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

### Mass Dismissal

We reviewed 27,703 cases dismissed "for lack of evidence and in the interest of justice" and identified:

- 975 cases were not docketed with a dismissal date in JPAS after the DA's motion and Judge's order to dismiss were signed.
  - Six of these dismissed cases have a total of \$1,713.80 included in the court's Accounts Receivable as of 9/30/2020.

Per C.C.P. Art 45.017 (a) the judge of each court shall keep a docket containing the date the examination or trial was held, judgment and sentence of the court, and the date each was given. The court did not review JPAS case records to ensure cases were appropriately docketed with a dismissal date. As a result, the court's case management software JPAS may not reflect accurate and complete information if not appropriately updated and the courts Accounts Receivable is overstated by \$1,713.80.

#### **Recommendation**

##### Mass Dismissal

Management should make the following corrective actions:

- Add the dismissal dates to JPAS for the 975 cases.
- Review case records and dockets for accuracy and completeness before disposing cases.
- Run Document Direct Reports or request JPAS reports from IT to detect docketing discrepancies.

#### **Management Action Plan**

No Response Received

#### **Auditors Response**

N/A

### No Judgment/Plea Cases

We reviewed seven disposed cases without a judgment date or plea and identified:

- Six cases were disposed without a judgment, deferral, or dismissal date entered on the JPAS docket screen. One of these cases was disposed and paid by the defendant without a plea posted in JPAS.
- One case was disposed and paid by the defendant without a plea posted in JPAS.

The JPAS docket screen should be updated with a plea of nolo contendere (when the defendant has not entered a prior plea) and judgment when web or mail payments are accepted by the court as full payment in accordance with the Code of Criminal Procedure (C.C.P.) Article



27.14(c) and the Justice of the Peace Court 2-1 Clerk manual, ". Per C.C.P. Article 45.017 (a) the judge of each court shall keep a docket containing the judgment and sentence of the court, and the date each was given. The court did not follow the Justice of the Peace Court 2-1 Clerk manual, C.C.P. Article 27.14(c), and C.C.P. Article 45.017 (a). Case records, JPAS date fields, and system reports are not reviewed for accuracy and completeness before cases are disposed. As a result, the court's docket records may be incomplete and inaccurate.

### **Recommendation**

#### **No Judgment/Plea Cases**

Management should make the following corrective actions:

- Correct plea and judgment omissions in JPAS.
- Docket cases as events occur, such as pleas offered by the defendant, judgment and sentence of the court, dismissals and appeals, and the date each was taken.
- Review case records and dockets for accuracy and completeness before disposing a case.
- Review reports from JPAS to detect errors and omissions on disposed cases.

### **Management Action Plan**

No Response Received

### **Auditors Response**

N/A

## **Case Deletions**

We reviewed all FY2020 Defendant/Plaintiff Log Reports and identified 28 out of 58 cases were deleted without supervisory review. There are no means to determine if financial activity was recorded to the deleted cases. As a best practice, management should periodically review D/P Logs and Exception Reports (especially with respect to receipt deletions, lowered amounts, payment type changes, and agreeing the daily closeout) to ensure that errors and omissions are detected and reviewed. There is limited system functionality for assigning security roles and rights in JPAS, which allow court staff to delete cases without segregation of duties. Management does not monitor Defendant/Plaintiff Reports to detect case deletions. As a result, assets can be misappropriated and not be detected when whole cases are deleted from JPAS. 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 communicating 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**





No Response Received

### **Auditors Response**

N/A

## Credit Cards

We reviewed online credit card payments and postings to JPAS during FY2020 and identified:

- 32 online credit card transactions were receipted to JPAS between six and forty-one business days, but not within the five business days requirement.
- One online credit card transaction for \$121 was not posted to JPAS.

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 113.022. These instances occurred because the court did not ensure 33 online credit card payments were timely posted to JPAS. As a result, defendants may not receive timely credit for payments made to their cases.

### **Recommendation**

#### Credit Cards

Management should make the following corrective actions:

- Post the online credit card transaction for \$121 to JPAS.
- 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.

### **Management Action Plan**

No Response Received

### **Auditors Response**

N/A

## Warrants

We reviewed the JP Warrant Error Report dated 02/19/2021, and identified seven cases without a balance due or marked inactive (disposed) have an active warrant. These cases require additional follow up by the court to process the warrant recall. Management should review the warrant error report and recall warrants when appropriate. Per the Code of Criminal Procedure (CCP) Article 45 and the Justice of the Peace Court 2-1 Clerk Manual, "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 court shall recall a capias pro fine under the same conditions. This occurred



because the court did not adhere to the Justice of the Peace Court 2-1 Clerk Manual and C.C.P. Article 45 by recalling warrants on disposed cases. As a result, this poses a potential liability to the County for persons arrested in error.

### **Recommendation**

#### Warrants

Management should make the following corrective actions:

- 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

## Civil Fees

We reviewed 15 civil cases brought by a non-government entity from the Justice Fee Exception List and identified:

- Eleven cases in which the court did not post the Pauper's Affidavit filed dates in JPAS.
- Three cases were initially set up in JPAS with an incorrect case number/type, but a reason was not provided in the JPAS comments to reference the correct case. Two of these cases were subsequently and inappropriately deleted by the court after being notified by audit.
- One case in which the court did not document an explanation for not collecting the filing fees in JPAS

Each clerk shall keep a file docket which shall show in convenient form the number of the suit, the names of the attorneys, the names of the parties to the suit, and the nature thereof, and, in brief form, the officer's return on the process, and all subsequent proceedings had in the case with the dates thereof, consistent with Rules 25 and 524 of the Texas Rules of Civil Procedure. Per Rule 145, a Statement of Inability to Afford Payment of Court Cost should be docketed to the case. This occurred due to clerical errors made in the manual process of setting up new civil cases and updating JPAS, and were not detected through reviewing the Justice Fee Exception List. As a result, JPAS docketing errors may occur when civil case filings are not reviewed by the court for completeness and accuracy.

### **Recommendation**

#### Civil Fees

Management should make the following corrective actions:

- Update the Pauper's Affidavit dates for the eleven cases.
- Add comments to the three cases indicating they were set up in error and reference the correct case number/type.



- Not permit staff to delete cases in JPAS.
- Update the case comments with an explanation for not collecting filing fees in JPAS.
- Review the Justice Fee Exception List from Document Direct for civil cases filed without a payment and for posting errors.
- Ensure case records are accurate and reflect a complete account of case activities.

### **Management Action Plan**

No Response Received

### **Auditors Response**

N/A

## Computer Receipts

We reviewed all FY2020 deposits for continuity and delays and identified:

- 65 computer receipts were manually backdated one to three days before the date the customer made the payment.
- Three computer receipts dated 06/02/2020 were posted out of sequence.
- One check receipt batch from 03/31/2020 was deposited on 04/10/2020, exceeding the five business days deposit requirement.

We also reviewed 16 voided receipts and identified:

- Two cases were inappropriately deleted and the case number re-used for a different plaintiff & defendant after the original plaintiff's payment was voided.
- Two computer receipts were improperly voided for a portion of the original amount posted, rather than voiding the receipt in full, resulting in a \$5 posting discrepancy between two cases. The court did not ensure the \$175 check (#1808) was receipted in full to the correct case.
- Two computer receipts either were not marked void, did not have an explanation for voiding, the court did not retain both receipt copies, and the voids were not reviewed by the supervisor.

Management is responsible for 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. In order to maintain complete financial records within JPAS, case numbers should not be reused for different cases or deleted. Computer receipts should be voided for the complete original amount of the transaction. Receipts should be posted to JPAS with the same date the transaction was made. Payments should not be backdated in JPAS. Computer receipts that cannot be issued to customers, due to error, should be marked void with an explanation written on the receipt. All receipt copies should be retained by the court. Computer receipts should be reviewed by court management to ensure receipts are timely posted to the correct cases, voided transactions are completely processed, and that voided receipts are approved. All monies received should be promptly receipted and deposited consistent with Local Government Code, § 113.022 and Code of Criminal Procedure, § 103.004. As a best practice, management should periodically review exception reports, voided transactions and transaction logs (especially with respect to receipt deletions, lowered amounts, payment type changes, and agreeing the daily closeout) to ensure that errors and omissions are detected and future issues can be prevented. There are inadequate controls over the receipting process and lack of management oversight. Management relies on staff to self-report voids, does not review the Exception Reports from JPAS to prevent and detect receipt back dating and voiding partial amounts, and did not ensure deposit batches were timely prepared for processing. A lack of management and quality control review over voiding transactions and back dating receipts may result in the misappropriation of assets, record inaccuracies, and an incomplete audit trail. Additionally, when a receipt is voided after the customer leaves the court that customer is



unknowingly in possession of a receipt that has been voided. Errors and omissions not detected by management may result in a delay in revenue recognition.

### **Recommendation**

#### **Computer Receipts**

Management should make the following corrective actions:

- Do not re-use cases or delete cases with voided payments for other plaintiffs and defendants.
- All monies received should be promptly receipted and deposited consistent with Local Government Code, § 113.022 and Code of Criminal Procedure, § 103.004
- Follow the court's receipting procedures for voiding transactions, including retaining all receipt copies are retained.
- Document the review of void transactions by management in writing and ensure void duties are appropriately segregated.
- Ensure receipts are completely voided for the entire amount, rather than voiding for partial amounts of the original.
- Require all receipts are posted on the same day the money is collected and not backdated to earlier dates in JPAS.
- Mark computer receipts "Void" with a written explanation when receipts are voided at the court.
- Periodically review Exception Reports from JPAS to monitor voided computer receipts and ensure the timely detection of errors and omissions.

### **Management Action Plan**

No Response Received

### **Auditors Response**

N/A

## **Fee and Fine Assessment and Collection**

We reviewed 20 cases for appropriate assessment and collection of court costs, fines, and fees and accuracy of postings to the Justice of the Peace Accounting System (JPAS) and identified:

- Three cases in which the time payment fee was not assessed and collected.
- Two cases in which the correct agency (Sheriff, Constable, Dart, etc.) did not receive credit for the citation.
- One case in which the fees and fines were not posted according to the fee schedule.
- One case in which the partial payments were not properly allocated to all applicable court costs and fees in JPAS.
- One disposed case in which return date field for an issued capias was not entered on the JPAS docket screen. Issued warrants should have both an issue and return date posted.
- One case in which the court cost amount on the JPAS docket screen was not updated to reflect the amount collected.
- One deferred disposition case in which the deferred disposition date was not posted on the JPAS docket screen.

We also reviewed 23 Collection Fee Removals and identified:



- 18 cases in which the court manually removed collection fees totaling \$996.66 which is inconsistent with the County's contract.
- One case in which the court manually removed collection fees totaling \$95.70 from JPAS after the fees were 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 and Local Government Code Chapter 133, Commissioners Court orders, and Attorney General Opinion GA-0147. Court costs should be assessed based on offense date and offense type. 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 clerical errors and omissions from manual case entries, inadequate JPAS system functionality that requires the manual entry of assessments and payments, non-compliance with Commissioners Court Order 2004-1147, and the court does not have a review process to ensure court costs were accurately assessed and collected prior to case disposition. These errors and omissions may result in the inadequate collection of court costs and fine amounts and an incorrect distribution and disbursement of funds contractually and statutorily owed to other parties.

### **Recommendation**

#### **Fee and Fine Assessment and Collection**

Management should make the following corrective actions:

- Docket cases as events occur, such as: the assessment of additional court costs (including administrative fees, time payment fees, warrant or capias fees, etc.), fine amounts reduced by the Judge, judgments rendered by the court, deferred disposition is granted, and warrants returned by the court.
- Review case records, dockets, and payments for accuracy and completeness before disposing the case.
- Ensure all court personnel consistently follow court guidelines, Commissioners Court Orders, and Texas Statutes (CCP Ch.45, 102 and LGC Ch.133).
- Waive collection fees only for cases dismissed by the court and for amounts satisfied through time-served or community service, or if the court has determined that a Defendant is indigent per Dallas County Commissioners Court Order 2004-1147.

□

### **Management Action Plan**

No Response Received

### **Auditors Response**

N/A

## **Disposed Cases**

We reviewed 20 disposed cases and identified:

- Two cases in which the judge's stamp was used to grant the DA's motion to dismiss; however, we could not verify who used the stamp because the clerk's initials were not documented.
- Two cases in which the court did not post the Appeal Bond date in JPAS.
- One disposed case did not have the judge's signature approving the Compliance Dismissal.



- One case file requested for audit review was not located in the court's records or County Archives; therefore, we could not verify the Judge's approval of time served.

Per Code of Criminal Procedure (C.C.P) Article 32.02, no case shall be dismissed without the consent of the presiding judge. Per 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 C.C.P. Art 45.017 (a) the judge of each court shall keep a docket containing the judgment of the court and the date each was given. The court should docket credit for waivers, community service, time served, and dismissals with the authorized approver's signature and date, consistent with C.C.P. Chapter 45. 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. These instances occurred because court management did not adhere to CCP 32, CCP 45, LGC 115.901, and AG Opinion JH-386. Management does not review cases to ensure a case is appropriately docketed, all requested documentation has been received, and that sufficient approval is documented for case dismissals. The court stores paper records in files and utilize a manual system for categorizing and tracking case files stored remotely. As a result, assets may be misappropriated when dismissals are granted without supporting authorization and when cases are not reviewed by the court for completeness of supporting documentation. Missing case jackets increase the risk that assets may be misappropriated and not detected through examination of the case jacket and its contents.

### **Recommendation**

#### **Disposed Cases**

Management should make the following corrective actions:

- Post the appeal date to the two cases in JPAS.
- Locate the missing case file for examination by the County Auditor per LGC 115.
- Docket cases as events occur, such as: dismissals, DA motions for dismissal, appeal bond file dates, and judgements rendered by the court.
- Require that judicial decisions, including DA (prosecution) motions for dismissal, are authorized by the Judge with the Judge's signature in compliance with C.C.P. Article 32, Article 45, and Attorney General Opinion JH-386
- Reviewing case records and dockets for accuracy and completeness before disposing the case.

### **Management Action Plan**

No Response Received

### **Auditors Response**

N/A

## **Dismissed Cases**

We reviewed 40 dismissed cases and identified:

- Two cases in which the court posted incorrect court cost in JPAS.
- Two cases were dismissed without a signed order by the Judge approving the dismissal.
- Two case jackets requested for audit review were not located in the court's records or County Archives; therefore, we could not verify the dismissal.



- One case in which the incorrect dismissal date was posted in JPAS.
- One case was dismissed in JPAS, but the court issued a capias warrant after the dismissal date. The defendant did not pay the \$119 as a condition of the deferred disposition.
- One case in which the judge's signature stamp was used to grant dismissal; however, we could not verify who used the stamp because the clerk's initials were not documented.

The court should docket fine waivers, community service, time served, judgements, DA motions (requests) to dismiss, and dismissals authorized by the Judge with a signature and date, consistent with the Code of Criminal Procedure (C.C.P.) Chapter 42 and 45. No case shall be dismissed without the consent of the presiding judge. Per 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 C.C.P. Article 45 and the Justice of the Peace 2-1 Clerk Manual, "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 court shall recall a capias pro fine under the same conditions. Court costs, fines, and fees should be assessed, collected, and prorated in compliance with C.C.P. Chapters 45 and 102, and Local Government Code Chapter 133. 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. These instances occurred because court management did not adhere to CCP 45, Justice of the Peace 2-1 Clerk Manual, AG Opinion JH-386, and LGC 115.901. Management did not review case files to ensure cases were appropriately docketed, all requested documentation was received, and that sufficient approval is documented for case dismissals. The court stores paper records in files and utilize a manual system for categorizing and tracking case jackets stored remotely. As a result, assets may be misappropriated when dismissals are granted without supporting authorization and when cases are not reviewed by the court for completeness of supporting documentation. Case docketing fields in JPAS may not reflect accurate and complete information if not appropriately updated. Missing case jackets increase the risk that assets may be misappropriated and not detected through examination of the case jacket and its contents. Issuing a capias warrant after dismissal poses a potential liability to the County for persons arrested in error.

### **Recommendation**

#### Dismissed Cases

Management should make the following corrective actions:

- Locate missing case files for examination by the County Auditor per LGC 115.
- Recall warrants and capias on disposed cases consistent with CCP Article 45.
- Require that judicial decisions, including DA (prosecution) motions for dismissal, are authorized by the Judge with the Judge's signature.
- Ensure court costs, fines, and fees are assessed, collected, and prorated in compliance with C.C.P. Chapters 45 and 102, and Local Government Code Chapter 133.
- Docket cases as events occur, such as: dismissals, DA motions for dismissal, appeal bond file dates, and judgements rendered by the court.
- Review case records, dockets, and payments for accuracy and completeness before disposing the case.

### **Management Action Plan**

No Response Received

### **Auditors Response**

N/A



## Special Fund

We reviewed the Special Fund activities (period ending September 30, 2020) and identified:

- The Special Fund balance is \$370,592.46 of which \$367,401.80 is for cases older than 3 years.
- The \$370,592.46 balance per JPAS is \$27,668.38 less than the \$398,260.84 bank balance, as a result of incomplete JPAS records.
- The court did not complete the FY2020 Special Fund Reconciliation by the start of the audit (01/21/2021). **Status: The court completed the FY2020 Special Fund reconciliation on 03/03/2021.**
- Five cancelled checks totaling \$282 were not posted to JPAS.
- Two checks totaling \$33 were disbursed, but not posted to JPAS.
- One receipted payment for \$56.95 was removed from JPAS at the request of the court, but the Special Fund reconciliation was not updated. The money order was returned to the defendant in FY2019 because it was over a year old.

In accordance with Local Government Code Section 113.008, 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 jackets, and bank statement) each month. Management should escheat funds per Property Code, § 72 and § 76 and cash bonds should be forfeited per Code of Criminal Procedure § 22. The Special Fund is intended to be a temporary escrow account, and the court has not escheated the \$367,401.80 balance which contains overpayments and cash bonds paid by parties. Management did not ensure Special Fund activities were timely reviewed, escheated, and that check disbursements and cancellations were posted accurately to JPAS. Parties entitled to funds have not received them and may not realize they are held in escrow by the court. Without effective oversight and timely Special Fund reconciliation, disbursement checks and cancellations may not get posted to JPAS.

### **Recommendation**

#### Special Fund

Management should make the following corrective actions:

- Contact parties to claim the \$367,401.80 in Special Funds held in escrow.
- Post the five canceled checks totaling \$282 and two disbursement checks totaling \$33 to JPAS.
- Ensure Special Fund check disbursements and cancellations are accurately and completely posted to cases in JPAS after the completion of monthly reconciliations.
- Review Special Fund reports and routinely escheat Special Funds in accordance with unclaimed property statutes, Property Code, § 72 and § 76.
- Forfeit cash bonds in accordance with Code of Criminal Procedure § 22.

### **Management Action Plan**

No Response Received

### **Auditors Response**

N/A





## Internal Control Questionnaire and Observations

We reviewed the responses from the Internal Control Questionnaire (ICQ), dated 01/19/2021, and identified Document Direct reports are not reviewed by management, including: JPAS exception reports for voided cases. Management should periodically review Transaction Logs, JPAS Case Index Reports, Defendant/ Plaintiff Log reports and Exception Reports (especially with respect to receipt deletions, lowered amounts, payment type changes, and agreeing the daily closeout) and other reports of case activities to ensure that errors and omissions are detected. Court management has access to Document Direct, but does not utilize reports to monitor JPAS postings and court activities. Without management oversight, transactions can be voided and cases can be deleted without segregation of duties.

### **Recommendation**

#### Internal Control Questionnaire and Observations

Management should make the following corrective actions:

- Review Document Direct reports of case activities to ensure that errors and omissions are detected.
- Periodically review Case index Reports to monitor docketing and court activities.
- Routinely review Exception Reports from JPAS to monitor computer voids and ensure the timely detection of errors and omissions by court staff.
- Review Defendant and Plaintiff Logs for deleted cases.

□

### **Management Action Plan**

No Response Received

### **Auditors Response**

N/A

cc: Darryl Martin, Commissioners Court Administrator