

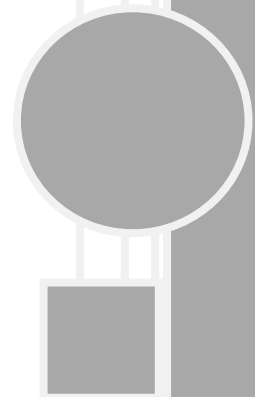


# AUDIT REPORT

DALLAS COUNTY

JUSTICE OF THE PEACE PRECINCT 3, PLACE 2 FY 2018

Darryl D. Thomas  
Dallas County Auditor  
ISSUED: November 04, 2019  
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# JUSTICE OF THE PEACE PRECINCT 3, PLACE 2 FY 2018

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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 Steven Seider  
Justice of Peace Precinct 3, Place 2  
Dallas, Texas

Attached is the County Auditor's final report entitled "**Justice of the Peace Precinct 3, Place 2 FY 2018**" Report. In order to reduce paper usage, a hard copy will not be sent through in-house mail except to the auditee.

If 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,

A handwritten signature in black ink that reads "Darryl D. Thomas". The signature is written in a cursive, flowing style.

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 3, Place 2 for fiscal year end 2018. Priority areas of risk which need consideration by management are:

### **Summary of Significant Observations**

- A balance of \$234,585.24 remains in the Court Special Fund Accounts; of this \$228,500.18 is unclaimed funds over three year old not escheated to the appropriate parties. **However, management is in the process of seeking a legislative change to clean up old and unclaimed fund.**
- The court does not review cases to ensure a case is appropriately docketed, all requested documentation has been received, and that enough approval is documented for case dismissals
- There is limited system functionality for assigning security roles and rights in JPAS, which allow court staff to delete cases. D/P Reports were not reviewed to follow up on case deletions.
- The court does not review case records and dockets for accuracy and completeness before disposing cases.
- The court did not update the JPAS docket screen to reflect the correct amounts due, timely post the credit card payments, and ensure all online credit card payments were posted to JPAS.
- Management has not implemented receipting procedures to ensure payments are posted to JPAS in compliance with state statute.

### **Internal Control Questionnaire (ICQ) and identified:**

- We observed the Judge's signature stamp was used to authorize the Judgments and Orders; however, we were unable to verify who used the stamp.
- The court does not record checks received through the mail on a check log.
- Employees do not have their own unique code to access employee only areas

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

- Lack of internal control over computer receipt void procedures.
- Lack of comprehensive internal controls to ensure a case is appropriately docketed and paid in full when a case is disposed.
- Inadequate JPAS system functionality that requires the manual entry of assessments and payments.

## 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, 2017 through September 30, 2018.

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

### **Special Funds**

We reviewed the Special Fund balance and transactions (period ending September 30, 2018) and identified the fund balance per JPAS is \$234,585.24, of which \$228,500.18 is for cases older than three years. **Status: However, management is in the process of seeking a legislative change to escheat unclaimed funds. Staff was trained to reconcile the Special Fund to the General Ledger.** The \$232,558.32 bank balance is \$2,117.46 less than the fund balance per JPAS, as a result of incomplete JPAS records. This is the difference between the bank balance and the JPAS fund balance. We also reviewed 25 Special Fund checks and identified four case files could not be located in the court or the County's Archives to corroborate to the judgment of the court, and one Special Fund check for \$48 was not posted to JPAS.

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. Management did not ensure all checks were posted and did not ensure Special Fund balances, consisting of overpayments and cash bonds paid by parties, were escheated. As a result, parties entitled to funds may not receive them or realize they are held in escrow by the court. Unless the Fund is actively managed the balance will continue to increase.

### **Recommendation**

#### **Special Funds**

Management should continue to seek a legislative change to clean up old and unclaimed Special Funds. We additionally recommend management to continue their progress of reconciling JPAS Special Fund Reports to Oracle General Ledger Reports.

### **Management Action Plan**

- The instruments characterized as "bonds" that have been inherited by the court, in many cases, do not meet the statutory definition of a bond and, as such, the forfeiture and/or the escheatment of said instruments lacks clear legal authority and/or procedure.
- The cost estimate in terms of personnel and procedure are of a prohibitive magnitude.
- The court received training from the auditor's office during the audit on the reconciliation of the special funds and the court will be pursuing auditor's recommendation in instances of clear legal authority.
- The court routinely experiences recovering files and records from the Dallas County archives—many of the records that have been archived are inherited from other courts and/or administrations
- The court is drafting a possible legislative change to allow the escheatment of unclaimed funds in a summary fashion, whether or not they meet the

legal definition of a bond.

### **Auditors Response**

None

### **Disposed Cases**

We reviewed 80 disposed cases and identified:

- 16 cases where the court did not post credit for Time Served or Community Service in JPAS;
- 15 cases where the court did not post the Dismissal Date by the Judge in JPAS, after approval of the DA's motion (request) for Dismissal;
- 11 cases where the court did not post the date of the DA's motion (request) for Dismissal in JPAS;
- Seven cases where the court did not post the appeal bond file date in JPAS;
- Seven cases where the court did not post the Judgment Date for Time Served; four case files could not be located in the court or the County's Archives to corroborate the judgment of the court;
- Four cases do not have the Judge's signature approving time served;
- Two dismissed cases do not have the Judge's signature approving the dismissal;
- One compliance dismissal for "No Insurance" was inappropriately granted, because the court accepted proof of insurance that was not in effect at the time of the offense;
- One dismissed case in which the court did not obtain a copy of the defendant's insurance for completing the driver safety course; and one case in which the court posted a "Dismissed by DA" date in JPAS instead of the date the case was "Dismissed" by Judge (there is no record the DA made a motion in the defendant's case).

The court should docket fine waivers, community service, time served, appeal dates, judgments, DA motions (requests) to dismiss, and dismissals authorized by the Judge with a signature and date, consistent with C.C.P. Chapter 45. The court should ensure all documents required for a dismissal have been collected. The court should obtain insurance documents for compliance dismissals consistent with the Transportation Code 601 and C.C.P. Chapter 45. Per Dallas County Code Sec. 98-6 (a) Elected officials who designate themselves as the records management officer for their office will cooperate with the Commissioners Court and the county records management officer on records management issues. This occurred because the court does not review to ensure a case is appropriately docketed, all requested documentation has been received, and that sufficient approval is documented for case dismissals. The court store paper records in files and utilizes a manual system for categorizing and tracking case jackets stored remotely. As a result, assets may be misappropriated when waivers and dismissals are granted without supporting authorization and when disposed 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.

**Status: The court is implementing a process to dismiss aged cases with prejudice by motion of the appropriate prosecuting attorney for lack of evidence.**

## **Recommendation**

### **Disposed Cases**

Management should implement policies and procedures that include:

- Docketing cases as events occur, such as: dismissals, DA motions for dismissal, appeal bond file dates, and judgments rendered by the court.
- Ensuring judicial decisions, such as: fine reductions, judgments, credit for time served, community service requests, DA (prosecution) motions for dismissal, etc... are authorized by the Judge's signature on a court order and made in the judge's presence.
- Being provided proof of insurance, valid at the time the offense is alleged, consistent with Transportation Code 601. Proof of insurance should be provided as a condition of taking the Driver Safety Course consistent with CCP Ch.45.
- Reviewing case records and dockets for accuracy and completeness before disposing the case.
- Maintaining, safeguarding, and tracking and records transferred from the court. Files and records should be classified and inventoried before moving files off-site for ease in latter identification.
- Communicating Records Management issues to the Records Management Officer and communicating a need for an Electronic Document Imaging System.

## **Management Action Plan**

- The court completed the anticipated dismissal project for all JP courts. The court accepts all recommendations by the auditor's office.

## **Auditors Response**

None

## **Case Deletions**

We reviewed the monthly Defendant/Plaintiff (D/P) Reports and identified:

- 26 cases were deleted without management review, there are no means to determine if financial activity was recorded to the deleted cases
- Three cases deleted by the same person who approved the deletions, without segregation of duties.

As a best practice, management should not permit the deletion of cases and periodically review D/P Reports to ensure that case deletions do not occur. There is limited system functionality for assigning security roles and rights in JPAS, which allow court staff to delete cases. D/P Reports were not reviewed to follow up on case deletions. Assets can be misappropriated and not 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 implement policies and procedures that include:

- Not permitting staff to delete cases.
- Reviewing monthly D/P Reports for case deletions and communicating with staff when they occur.
- Reviewing circumstances surrounding each case deletion to understand the effect and impact.
- Working with Dallas County IT to limit system rights and roles based on the user's core job duties.

**Management Action Plan**

- The court has trained all employees on the effect and impact of deleting a case rather than editing a clerical error.
- The current Court Management System (CMS) does not allow for restricting individual employees access to deletion functions.
- Currently the chief clerk performs all deletions after communicating with staff and documenting the reason for the deletions.
- The clerical error of deleting the instant cases showed no evidence of misappropriation of county assets.

**Auditors Response**

None

**No Judgment/Plea**

We reviewed disposed cases filed in FY18 and identified:

- 39 cases were disposed without a judgment, appeal, dismissal, or deferred adjudication date in JPAS;
- 12 cases were disposed without a plea 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 C.C.P., Art. 27.14 (c). Per C.C.P. Art 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 does not review case records and dockets for accuracy and completeness before disposing cases. As a result, the court's docket records may be incomplete and inaccurate.

### **Recommendation**

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

Management should implement policies and procedures that include:

- Docketing cases as events occur, such as: pleas offered by the defendant, judgement and sentence of the court, dismissals and appeals, and the date each was taken.
- Reviewing case records and dockets for accuracy and completeness before disposing the case.
- Reviewing reports from JPAS to detect errors and omissions on disposed cases.

### **Management Action Plan**

- The court staff, on or about July 24, 2019, was provided a 12-page loose-leaf document entitled "Standard Procedures for Recording Misdemeanor Information to the Docket Screen" as the authority and guide for "docketing" consistent with the standards espoused by the field auditor.
- The "Standard Procedures for Recording Misdemeanor Information to the Docket Screen" reflects that it was printed January 19, 2005.
- The legal authority and statutes cited in the "Standard Procedures for Recording Misdemeanor Information to the Docket Screen" are September 1, 2001 and earlier.
- The court notes that significant changes to the underlying statutes have occurred in the intervening nineteen years.
- The court notes that with respect to the dismissal date of an offense by the DA, there are contradictions in the requirements contained in the "Standard Procedures for Recording Misdemeanor Information to the Docket Screen".
- The court accepts recommendations and provided to all clerks the FORVUS docketing standards provided by the onsite auditor to ensure all cases are properly documented in accordance with un-contradicted FORVUS docketing standards and current Texas law.

### **Auditors Response**

Since the Court is responsible for the management of cases in the JPAS, including how cases are electronically docketed, it is a JP Court responsibility to update, or provide an alternative procedural document to explain each field's functionality within the Courts electronic docket software. Currently, the Court does not use written procedures to electronically docket cases consistently in JPAS as indicated from the fieldwork.

### **Credit Cards**

We reviewed credit card postings, refunds, and failed transactions posted to JPAS during FY2018 and identified:

- 210 credit card payments totaling \$50,258.01 were receipted to JPAS after five business days (105 after six days, 75 after seven days, 20 after eight days, seven after nine days, and three after 10 or more business days).
- 11 credit card payments were refunded because the court did not update the court costs and fine in JPAS.
- One online credit card payment was not posted to JPAS for \$262.60.

Credit card payments should be timely receipted and posted to JPAS no later than the fifth day after the day money was received, consistent with Local Government Code 113.022. Consistent with the Code of Criminal Procedure, § 45.017, the misdemeanor docket screen should accurately reflect actions imposed by the court, including the court costs and fine amount due on any given case. When the court costs and/or fine change (issuance of warrants, time payment fee assessed, fine reductions by the judge, driver safety course granted), these fields should be updated so that accurate receivable information is maintained. The court did not update the JPAS docket screen to reflect the correct amounts due, timely post the credit card payments, and ensure all online credit card payments were posted to JPAS. Defendants may pay more than the amount owed and there may be adverse consequences to defendants when payments are not timely posted to cases. Also a defendant did not receive credit for a payment made to their case.

### **Recommendation**

#### **Credit Cards**

Management should ensure:

- Payments are posted to JPAS within five business days and reported to the Treasurer in compliance with Local Government Code 113.022.
- The court's records and docket reflect the correct court costs and fine amounts owed consistent with the Code of Criminal Procedure, § 45.017.
- The court posts the defendant's payment for \$262.60.
- The functionality of automatically posting non-autocite credit card payments should be incorporated to the Court Management software.

### **Management Action Plan**

- The court must accept all payments as they are tendered.
- The court is unable to control the timing or the volume of cases being filed with payments:
  - Eviction cases in huge volumes are filed between the 10<sup>th</sup> and 15<sup>th</sup> of every month;
  - Collection cases are filed in batches of 10 to 200 cases at a time;
  - The current CMS based upon technology that is more than 35 years old, it does not allow for the entry of cases nor the payment of filing fees in a summary/multiple entry fashion
- The court is unable to control the timing or the volume of cases being disposed of with payments
  - Traffic cases are routinely paid during the days before and after the two docket days for traffic cases every month..
- The current court staffing and technology are insufficient to accurately and timely process payments during periods of increased volume.
- All recommendations accepted by the court and additional controls have been put in place to ensure accurate docketing of all cases.
- Onsite auditor provided the FORVUS docketing standards and all employees received a copy and training on the docketing standards—he was also shown the increases in daily volume.
- The Court has implemented daily checklists and protocols for the posting of all payments promptly in accordance with the LGC 113.022 prompting payments to be posted within 5 business days – ONLY keeping in consideration ALL non-standard conditions that may affect meeting the five day deadline each and every time.

### **Auditors Response**

None

## **Cash Count**

We performed a cash count on 07/25/19 and identified 36 check payments totaling \$2,376 were received by the court, but not receipted within five business days. The checks were file stamped on 7/8/19 and 7/18/19 by the court. Local Government Code (LGC) § 113.022 states, "A county officer or other person who receives money shall deposit the money with the County Treasurer on or before the next regular business day after the date on which the money is received. If this deadline cannot be met, the officer or person must deposit the money, without exception, on or before the fifth business day after the day on which the money is received." This occurred because management has not implemented receipting procedures to ensure payments are posted to JPAS in compliance with state statute. As a result, checks may be lost, misappropriated, and may not be timely posted to JPAS which delays revenue recognition.

### **Recommendation**

#### **Cash Count**

Management should process and receipt payments to JPAS within five business days, in accordance with LGC 113.022.

### **Management Action Plan**

- The court must accept all payments as they are tendered.
- The court is unable to control the timing or the volume of cases being filed with payments:
  - Eviction cases in huge volumes are filed between the 10<sup>th</sup> and 15<sup>th</sup> of every month;
  - Collection cases are filed in batches of 10 to 200 cases at a time;
  - The current CMS based upon technology that is more than 35 years old) does not allow for the entry of cases nor the payment of filing fees in a summary/multiple entry fashion
- The court is unable to control the timing or the volume of cases being disposed of with payments
  - Traffic cases are routinely paid during the days before and after the two docket days for traffic cases every month.
- The current court staffing and technology are insufficient to accurately and timely process payments during periods of increased volume.
- All recommendations accepted by the court and additional controls have been put in place to ensure accurate docketing of all cases.
- Onsite auditor provided the FORVUS docketing standards and all employees received a copy and training on the docketing standards—he was also

shown the increases in daily volume.

- The Court has implemented daily checklists and protocols for the posting of all payments promptly in accordance with the LGC 113.022 prompting payments to be posted within 5 business days – ONLY keeping in consideration ALL non-standard conditions that may affect meeting the five day deadline each and every time.

### **Auditors Response**

None

### **Internal Controls**

We reviewed responses to the Internal Control Questionnaire (ICQ) and identified:

- The court does not make two calculator tapes for the numeric and written amounts of receipted checks to identify discrepancies.
- Employees do not have their own unique code to access employee only areas.

We made the following observations during fieldwork:

- We observed the Judge's signature stamp was used to authorize the Judgments and Orders; however, we were unable to verify who used the stamp.
- The court does not record checks received through the mail on a check log.

Uniform Commercial Code § 3-114. CONTRADICTORY TERMS OF NEGOTIABLE INSTRUMENTS states: If an instrument contains contradictory terms, typewritten terms prevail over printed terms, handwritten terms prevail over both, and words prevail over numbers. Written and numeric amounts of receipted checks should be reviewed to detect errors. Per Dallas County Code Section 106-52(c)(1)(a), "Only one ID/access card shall be issued to all elected officials, appointed officials and/or county employees. It is not permitted to share ID cards, or to "piggy back" or "tail gate" into any building or secured area. "As a best practice, one person should open all the mail, record the check information received, and restrictively endorse the checks. Signature stamps should be locked in a secure location and in custody of the signing authority or assignee (staff). Staff using signature stamps should initial and date each signature. Use of stamps should be closely tracked and reviewed by management. This occurred because, the court has not implemented procedures to detect check amount discrepancies before the deposit is sent to the Treasurer, a procedure to log checks received in the mail, a procedure requiring employees to initial judgments and orders when they used the judges stamp, and unique door codes assigned to employees were not added to the building's interior doors that access employee only areas. As a result, it is possible errors may be made or that assets may be misappropriated.

### **Recommendation**

#### **Internal Controls**

Management should implement procedures:

- Securing the Judge's signature stamps in a locked location and limiting access to the signing authority or assignee. Staff using signature stamps should be instructed to initial and date each stamp signature. Management should track use of stamps

and periodically conduct an inventory to detect missing stamps.

- Detecting check amount discrepancies made in the receipting process by making two calculator tapes for the numeric and written amounts of receipted checks
- Ensuring staff utilize an individual door code or key card to access interior employee only areas in the court's new building.
- Logging checks and money orders received through the mail on a Check Log before providing to the Bookkeeper to post in JPAS.

### **Management Action Plan**

- Current level of court staffing and case volume do not allow for redundancy in processing mail with a separate "check log".
- Online payments by credit card or debit card are not automatically posted with complete accuracy to the Justice of the Peace Accounting System (JPAS) – Court has implemented daily checklist for the review and correct posting of online payments promptly after deposits are prepared each morning, keeping in consideration non-standard conditions that may affect meeting the five day deadline each and every time.
- Current Court Management System (CMS) and accounting software do not allow for automatic proration when payments are made. Court has recommended software upgrade and been informed that upgrades will not be made to the current system with a new CMS being considered.
- The court has all of the signature stamps in a secured area of the building.
- While there is no legal requirement for the recommendations on the use of the signature stamp, the court accepts the recommendation.
- The security concerns involving card-access to secured areas are outside the scope and control of the court—there are no access badges, there are unique codes and restricted times for building entry only.
- The court welcomes any budget input that would provide for sufficient staffing to implement redundant logging, receipting and depositing measures.

### **Auditors Response**

None

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

We reviewed 40 cases for appropriate assessment and collection of court costs, fines, and fees posted to the Justice of the Peace Accounting System (JPAS) and identified:

- Two cases where partial payments were not prorated to all applicable court costs and collection fees before applying to the fine.
- Two cases where the court did not post the date of the DA's motion (request) for Dismissal in JPAS.
- Two disposed cases where the court did not post the warrant return date in JPAS after the cases were paid in full.
- One case where the court did not post the agency citation fee to the correct fee type.
- One case where the court did not assess and collect the fee for the Indigent Defense Fund.

Court costs, fines, and fees should be assessed, collected, and prorated in compliance with applicable state laws including Code of Criminal Procedure (C.C.P.) Chapters 45 and 102, Local Government Code Chapters 103 and 133, Commissioners Court orders, and Attorney General Opinion No. GA-0147. Warrants should be recalled consistent with C.C.P. Art. 45. The JPAS docket screen should be updated consistent with C.C.P. Chapter 45.017. Per Dallas County Code Sec. 98-6 (a) Elected officials will cooperate with the county records management officer on records management issues. These issues occurred because of clerical errors and omissions from manual case entries; inadequate JPAS system functionality that requires the manual entry of assessments and payments; the court does not have a review process to ensure court costs were accurately assessed and collected, and cases activities are completely logged in JPAS prior to case disposition; the court stores paper records in files and utilizes a manual system for categorizing and tracking case jackets stored remotely; and the court does not utilize document imaging or other electronic means to maintain case records. This can result in the incorrect collection of court costs, incorrect distribution and disbursement of funds, and docket fields in JPAS may not reflect accurate and complete information. Assets may be misappropriated when disposed cases are not reviewed by the court for accuracy and completeness.

### **Recommendation**

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

Management should implement policies and procedures that include:

- Reviewing case records, dockets, and payments for accuracy and completeness before disposing the case.
- Docketing cases as events occur, including: posting warrants issued and returned by the court and date of the DA's motion (request) for Dismissal in JPAS.
- Detecting errors and omissions by reviewing JPAS collection and docketing reports.
- Ensuring partial payments are prorated to all applicable court costs and collection fees before applying to the fine.
- Maintaining, safeguarding, tracking, and transferring records of the court. Files and records should be classified and inventoried before moving files off-site for ease in later identification.
- Communicating Records Management issues to the Records Management Officer



and communicate the need for an Electronic Document Imaging System.

### **Management Action Plan**

- Current Court Management System (CMS) and accounting software do not allow for automatic proration when payments are made. Court has recommended software upgrade and been informed that upgrades will not be made to the current system with a new CMS being considered; Court has requested and been informed that the next generation CMS will provide automatic proration and accounting of court costs and fines.
- Currently over 160 unique manual breakdowns of court costs exist for the population of active cases.
- The court notes that with respect to the dismissal date of an offense by the DA, there are contradictions in the requirements contained in the "Standard Procedures for Recording Misdemeanor Information to the Docket Screen".
- The court accepts recommendations and provided to all clerks the FORVUS docketing standards provided by the onsite auditor to ensure all cases are properly documented in accordance with un-contradicted FORVUS docketing standards and current Texas law.

### **Auditors Response**

None

### **Computer Receipts**

We reviewed 46 voided computer receipts and identified:

- Five computer receipts were voided without documented approval by management or the backup reviewer and
- Two voided computer receipts where both the courts and customers printed receipts were not retained.

It is the court's procedure to require dual sign off by the Chief Clerk and Bookkeeper on all void receipts, that each are labeled void with an explanation written on the receipt, and all void receipt copies are retained by the court. Management's procedure is to periodically review exception reports and transaction logs to detect errors and omissions. These errors were made during the voiding process and the computer receipt voids were not reviewed for accuracy. Receipt errors were found after the defendant left the court and staffs were unable to obtain the original receipts. A lack of segregation of duties and review over voiding transactions may result in the misappropriation of assets.

### **Recommendation**

#### **Computer Receipts**

Management should enforce its own policies and procedures by:

- Obtaining and documenting management's approval prior to voiding receipts, to ensure void duties are segregated.
- Reviewing monthly Exception Reports (especially with respect to receipt deletions, lowered amounts, and payment type changes) from Document Direct to timely detect errors, omissions, and voids that were not reported to management.
- Reviewing JPAS postings before handing the receipt to the customer to ensure all void receipts are retained by the court.

### **Management Action Plan**

- The court is unable to compel the return of an individual to tender a receipt that was corrected.
- Recommendations are accepted and the court will develop additional internal controls to ensure all voids are reviewed and contain dual sign-off and detailed explanations for the void.

### **Auditors Response**

None

### **Un-posted Traffic Tickets**

We reviewed un-posted traffic tickets as of July 11, 2019 and identified 16 out of 58 un-posted traffic tickets were not posted to JPAS within 7 business days (six traffic tickets were posted to JPAS after 14 business days and 10 were posted to JPAS after eight business days). 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. As a best practice, management should ensure traffic tickets are file stamped on the date received by the court and posted to JPAS within seven business days (consistent with the performance of eight other Dallas County JP Courts). Management has not established a performance measure for the timely processing of traffic tickets to JPAS for management to enforce. Tickets not timely posted to JPAS may delay the collection of revenue.

### **Recommendation**

#### **Un-posted Traffic Tickets**

Management should implement policies and procedures that include:

- Establishing un-posted traffic ticket performance measures for staff.
- Reviewing un-posted traffic tickets to ensure tickets are timely posted to JPAS.

### **Management Action Plan**

- The court must accept all filed tickets as they are tendered.
- The court is unable to control the timing or the volume of cases being filed by police agencies and they are routinely filed with handwritten citations and require entry by hand of each individual case—they are filed in masse by police agencies with scores being filed at any given time.
- The current CMS based upon technology that is more than 35 years old) does not allow for the entry of cases in a summary/multiple entry fashion
- The court is unable to control the timing or the volume of cases being filed.
- The current court staffing and technology are insufficient to accurately and timely process filed traffic cases during periods of increased volume.
- All recommendations accepted by the court and additional controls have been put in place to ensure accurate docketing of all cases.
- Onsite auditor provided the FORVUS docketing standards and all employees received a copy and training on the docketing standards—he was also shown the increases in daily volume.
- The current volume of cases and current level of staffing do not allow for the entry of cases with the technology
- The court accepts auditor's recommendations keeping in consideration non-standard conditions that may affect meeting the deadline each and every time.
- Current Court Management System (CMS) does not allow electronic filing of cases. Court has recommended software upgrade and been informed that upgrades will not be made to the current system with a new CMS being considered.
- The court welcomes any budget input that would provide for sufficient staffing to implement redundant logging, receipting and depositing measures.

### **Auditors Response**

None

cc: Darryl Martin, Commissioners Court Administrator