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

RE: FINAL AUDIT REPORT **Justice of the Peace Precinct 2, Place 1 Audit - FY 2024 and FY2025 (Oct 2024 to March 2025)**

The Dallas County Auditor's Office Internal Audit Division performed procedures for the period October 1, 2023, through March 31, 2025.

The objectives of the engagement were to:

1. Ensure all funds were accounted for at the time of the unannounced cash count.
2. Ensure all funds collected were receipted and deposited accurately, completely, timely, and in compliance with statutory requirements.
3. Ensure court cost, fines, and fees were accurately assessed and recorded in compliance with statutory requirements.
4. Evaluate internal controls over financial transactions.

Overall Results

Justice of the Peace Precinct 2, Place 1 used a non-functioning till for daily operations and did not consistently process adjustments and manual receipts correctly. In addition, a case was deleted or disposed without collecting the appropriate court costs and fees.

We appreciate the cooperation of the department and the staff during our review. 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,

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ISSUED: 7/11/2025
RELEASED: AUGUST 11, 2025

REPORTABLE FINDINGS

ISS.25-JP21-24-01 Cash Count:

A cash count performed on April 25, 2025 revealed a non-functioning clerk till used during daily operations. The till will not lock because a broken key is stuck in the keyhole.

Suggested Actions

- Immediately submit a work order to replace the broken till.
- Until the till is replaced, secure cash in accordance with established cash handling procedures, such as using a locked, restricted-access location.

Management Action Plan

- The clerk location in question is not directly situated and/or positioned in the view of the customers. The seating area in question is secured for personnel access only which requires a code to enter.
- Clerks who are located away from the service windows do not openly display checks, especially if they are away from their workstation during which time the checks are placed securely in a location.
- Clerks do not accept cash payments.
- Clerks who are seated in direct view of the customers have tills for which a key is used to protect the funds.
- Before the closure of each business day, all funds are given to the Chief Clerk to store in the safe.

Auditor's Response

- None

ISS.25-JP21-24-02 Manual Receipts:

One manual receipt (cash payment) totaling $1,000 was not recorded in the case management system (Odyssey). **Status:** The funds were returned to the plaintiff after judgment in favor of the plaintiff was reached.

Suggested Actions

- Reinforce internal control procedures by providing training and regular reminders to staff regarding the requirement to document manual receipt numbers in the Odyssey system, using manual receipts in sequence, and posting the manual receipts to Odyssey.
- Conduct periodic monitoring to ensure compliance.

REPORTABLE FINDINGS

Management Action Plan

- This incident was fully explained and all documentation regarding this case was provided. This was the only occurrence which involved the Chief Clerk assisting a new employee and it involved the new Odyssey system.
- The court is aware of the processes involving manual receipts.

Auditor's Response

- None

ISS.25-JP21-24-03 Voided Computer Receipts:

A review of all voided computer receipts processed in fiscal year 2024 and partial fiscal year 2025 (October 2024 to March 2025) revealed a case was disposed without payment and another case was deleted from the Court's case management system (Odyssey).

Suggested Actions

- Reopen the case that was disposed of in error and send a balance due letter to the payor.
- Retrain staff to follow the Odyssey Quick Reference Guides

Management Action Plan

The department was not provided with the actual case number(s) in question for review. There was no direct communication regarding these items.

Auditor's Response

- Preliminary issues with the associated case numbers were provided to the department on May 6, 2025 via email.
- Department was provided issues with associated case numbers during the Exit Conference on July 9, 2025.

ISS.25-JP21-24-04 Receipt Adjustments:

Adjustments made to receipts in fiscal year 2024 and partial fiscal year 2025 (October 2024 to March 2025) revealed adjustment procedures were not followed, and a case was disposed prior to satisfying the judgment.

Suggested Actions

- Periodically review system reports and daily work for accuracy and staff compliance with established policies and procedures.

REPORTABLE FINDINGS

Management Action Plan

- The department was not provided with the actual case number(s) in question for review. There was no direct communication regarding this item.

Auditor's Response

- Preliminary issues with the associated case numbers were provided to the department on May 6, 2025 via email.
- The case numbers were provided during the Exit Conference on July 9, 2025.

ISS.25-JP21-24-05 Receipt Deposit:

A review of tills, closeouts, and deposits processed in fiscal year 2024 and partial fiscal year 2025 (October 2024 to March 2025) revealed seven tills totaling $2,456 were deposited more than five business days after the payments were receipted.

Suggested Actions

- Ensure all tills are closed and deposited daily.
- Fill vacant positions that have duties related to receipting and depositing funds in a timely manner

Management Action Plan

- Justice of the Peace 2-1 in Garland is an extremely heavy volume court. The staff of this court produces triple the amount of work compared to most other JP courts. The point of reference is the Office of Court Administration (OCA) reporting.
- With the implementation of Odyssey, there are situations in which the funds may not be reconciled by the expectations of the current Local Government Code, especially if the court does not have the staffing to process such expenditures or a Clerk III Accounting Clerk. The compensation level of these positions has created difficulty in hiring qualified personnel.
- The court will not deposit funds with the Treasurer's office that are inaccurate and have not been reconciled. We believe funds that have been transferred to the Treasurer's Office are to date, correct, and accounted for.
- The clerks of the court, chief clerk, and the Honorable Judge Margaret O'Brien continue to provide the community with exceptional service and diligently handle the business of Dallas County.

Auditor's Response

- None

cc: Darryl Martin, County Administrator