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Honorable Felicia Pitre
District Clerk
Dallas, Texas

RE: FINAL AUDIT REPORT **District Clerk Registry Trust - FY 2024**

The Dallas County Auditor's Office Internal Audit Division performed procedures for the period October 1, 2023 through September 30, 2024.

The objectives of the engagement were to determine whether:

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

Overall Results

A review of the District Clerk Trust and Registry investments for fiscal year 2024 revealed delays in posting disbursements and the incorrect posting of bond receipts in Odyssey.

We appreciate the cooperation of the department and the staff during our review. If you prefer that the released reports be emailed to a different (or additional) recipient, please inform me of the name and the change will be made.

Respectfully,

Timothy J. Hicks

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ISSUED: 1/29/2025
RELEASED: FEBRUARY 18, 2025

REPORTABLE FINDINGS

ISS.25-DC-12-01 Fund 504 Disbursements:

A review of Fund 504 disbursements and cancellations revealed delays in posting disbursements and cancellations in Odyssey totaling $443,485. Also, three disbursements were posted to Odyssey for the incorrect amount.

Suggested Actions

- Update Odyssey with issued disbursements and correct posting errors.
- Reconcile fund balances and subsidiary (Odyssey) ledgers against control records (GL and bank statements) to safeguard funds and improve reporting accuracy.
- Generate a daily Odyssey Transaction Listing report for disbursements and compare the report to the disbursement file received from the Treasurer's Office to confirm all checks have been posted to Odyssey in the correct amounts and to the correct cases.

Management Action Plan

- Errors related to Fund 504 disbursements have been updated.
- The District Clerk's Office will continue to ensure all records remain accurate and up to date. We will also implement the suggestion of generating a daily Odyssey Transaction Listing report.

ISS.25-DC-12-02 Cash bonds:

A review of felony cash bond receipts issued per the Adult Information System (AIS) Felony Bond Report revealed 152 AIS bond receipts totaling $384,326 were not posted to Odyssey. An additional 84 bond receipts totaling $436,460 were incorrectly posted by the Integration Till and/or DC Trust employees.

Suggested Actions

- Post the 152 bond receipts to Odyssey.
- Contact IT Services and/or Tyler Technologies to correct the Integration Till posting errors.
- Develop a process to improve the tracking, recording, and reporting of felony cash bond activity within the Odyssey courts system.
- Reconcile the daily AIS Bond Report to the Odyssey Registry and Trust Journal to ensure all receipts have been accurately posted.
- Verify all AIS bond receipts that are systematically posted to Odyssey are accurate and complete.

REPORTABLE FINDINGS

Management Action Plan

- For cash bonds, the District Clerk's Office has reviewed and corrected items where possible.
- The District Clerk's Office will continue to monitor Tyler Technology's input on our cases and address any issues that arise to the best of our ability. Additionally, we will maintain communication with Tyler until a solution is provided.

cc: Darryl Martin, Commissioners Court Administration