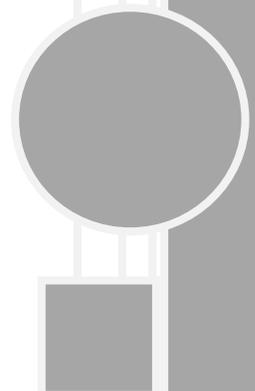




AUDIT REPORT

DALLAS COUNTY
County Clerk Truancy 91, 92 and 94 - FY2021

Darryl D. Thomas
Dallas County Auditor
ISSUED: 5/10/2022
RELEASED: JUNE 14, 2022



County Clerk Truancy 91, 92 and 94 - FY2021

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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 John Warren
County Clerk
Dallas, Texas

Attached is the County Auditor's final report entitled "County Clerk Truancy 91, 92 and 94 - FY2021" 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 of Truancy South, North and East Locations for fiscal year 2021 revealed the following significant observations.

Summary of Significant Observations:

- Truancy court 9-1 processed receipts and new case filings under the Truancy court 9-3 terminal, after Truancy court 9-3 was closed and inactive for 5 years.

Repeat observations from Previous Audits:

- Cases were not assessed fees in accordance to the new schedule effective January 1, 2020

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, 2020 through September 30, 2021.

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

Computer Receipting

A review of Truancy computer receipts issued and voided during fiscal year 2021 revealed Truancy court 9-1 moved to a new location and receipted payments through the Truancy 9-3 terminal in Odyssey between October 2020 through August 2021 without authorization. Truancy 9-3 court closed in October 2016 and the Odyssey terminal was inactive for five years. Two voided computer receipts were processed in the inactive terminal and seven computer receipts were voided more than 30 minutes after the original transaction.

All payments should be receipted and deposited in accordance with V.T.C.A., L.G.C. § 113.022. Closeout and balancing procedures should include deposit of checks the next business day after receipt. At the end of the business day, the receipts should be totaled and compared to the funds on hand and system control totals. Corrections should be made such that both good internal control and audit trails are maintained. Receipt and deposit totals should be verified by a supervisor with verification evidenced by signature or initial on control documents which are retained in accordance with Records Retention guidelines. All tills should be reconciled and closed daily and included on an Odyssey deposit through the Odyssey Managing Deposit functionality. Inaccurate terminal use, lack of controls in system to restrict access to terminal for closed locations, and incomplete controls over the timely receipting for voids has resulted in inaccurate financial records. increased potential that funds may be misappropriated, and additional time taken to reassign cases to the correct terminal location.

Recommendation

Computer Receipts

Management should:

- Obtain approval in advance to use or change to prior closed terminal
- Ensure staff are using the assigned terminal for the designated court
- Request IT services restrict access to the terminal location of all closed courts

Management Action Plan

- The Court Manager will continue to reiterate the importance of being focused and processing transactions correctly by adhering to the correct payment procedures and established Best Practices.

Auditors Response

- None



Fee Compliance

A sample review of fees in compliance with statute during fiscal year 2021 revealed ten cases were not assessed fees in accordance with the new fee schedule as of January 1, 2020 and five cases with assessments and payments processed under a court terminal that was permanently closed in October 2016.

Court costs, fines, and fees should be assessed/collected/prorated in compliance with applicable state laws including Code of Criminal Procedure Chapter 102 and Local Government Code Chapters 133 and 134, Commissioners Court orders, and Attorney General Opinions. GA-0147 and DM-250. Court costs should be assessed based on offense date and offense type. Inconsistent supervisory and management review, clerical oversight resulted in over-assessment and under-assessment of court costs to defendants. The incorrect or incomplete fee assessments could result in revenue loss for Dallas County.

Recommendation

Fee Compliance

Management should:

- Ensure fee schedule is updated with correct fee amounts per statute
- Establish written procedures and staff training related to maintaining the fee schedule and assessing/collecting statutorily required fees
- Ensure staff are using the assigned terminal for the designated court

Management Action Plan

- The Court Manager will check the Texas Municipal Court Education Center, Municipal Court Convictions Court Costs, Fines and Reimbursement fees, the Texas Judicial Branch/Office of Court Administration, and the Texas Family Code statutes that govern the Truancy division to ensure that the fee schedule is updated.
- Since the audit finding, Court Management and the Program Coordinator, will seek approval in advance to conduct business in open terminals that were not restricted when court locations were closed. Prior approval will ensure that staff members are using terminals that are assigned for the designated courts. Mr. John Warren, County Clerk, has the sole discretion to authorize Court Management and Truancy personnel to restrict access to the terminal location of closed courts. Based on Mr. Warren's approval, a request was submitted to the Service Desk for a HLR to close/obsolete the Truancy Court 9-3 node (Truancy Node, Court #3).

Auditors Response

- None

DALLAS COUNTY



COUNTY AUDITOR

cc: Darryl Martin, Commissioners Court Administrator