Timothy J. Hicks, CPA
Dallas County Auditor

500 Elm Street
Suite 4200
Dallas, TX 75202

Tel: (214) 653-6472
Fax: (214) 653-6440

Honorable John Warren
County Clerk
Dallas, Texas

RE: FINAL AUDIT REPORT **County Clerk Central Records - FY 2024 and FY 2025 (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 determine whether:

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 to 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

A review of the County Clerk Central Records for fiscal year 2024 revealed delays in depositing funds with the County Treasurer's Office and delays in voiding computer receipts.

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,

Timothy J. Hicks, CPA

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ISSUED: 6/17/2025
RELEASED: JULY 8, 2025

REPORTABLE FINDINGS

ISS.25-IA-CC-60-01 Computer Receipt Voids:

A review of Central Records computer receipt voids processed during fiscal years 2024 and partial 2025 (October 2024 to March 2025) revealed three computer receipts totaling $113 were voided between three and seven hours after the original transaction. In addition, all 17 computer receipt voids were processed and voided by the same user.

Suggested Actions

- Establish written cash handling/receipt procedures that emphasize receipts are to be verified for accuracy of amount, payment type, case number, and payer before issuing to a customer.
- Periodically review employees' adherence to the procedures.

Management Action Plan

- We will develop step-by-step written procedures outlining how voids should be processed. This includes documenting the reason for voids and retaining all related records.
- Employees will no longer be permitted to void their own transactions. The Dallas County Information Technology (I.T.) department has been contacted to disable clerks' ability to void transactions. Voids will be reviewed and completed by a member of management.

ISS.25-IA-CC-60-02 Receipt Deposits:

A review of all Odyssey tills, closeouts, and deposits during fiscal years 2024 and partial 2025 (October 2024 to March 2025) revealed adjustment tills and credit card transactions totaling $301 were deposited between five and 46 days after being receipted. Additionally, one credit card transaction totaling $10 was not receipted in Odyssey, but was included in the daily deposit resulting in an overage.

Suggested Actions

- Develop closeout and balancing procedures emphasizing that funds are deposited the next business day after receipt.
- Require supervisory review to ensure all tills are closed and deposited daily.
- Ensure the ACT-0010 JPMorgan Chase Paymentech report is used as a source to verify VeriFone credit card transactions in daily deposits.
- Periodically review system reports and daily work for accuracy and staff compliance with established policies and procedures.

REPORTABLE FINDINGS

Management Action Plan

- We will draft cash handling procedures outlining how and when funds must be deposited to ensure compliance. Additionally, we will develop a spreadsheet to record the date each payment is received and when it is deposited.
- Staff will receive training on the new cash handling procedures and the importance of timely reconciliation.
- The $10 credit card transaction was not receipted in Odyssey. The clerks have been advised to use the Manual Verifone Credit Card entry in Odyssey. Management is going over this process with the cashiers to avoid this issue from occurring in the future.

cc: Darryl Martin, County Administrator