DALLAS COUNTY
COUNTY AUDITOR

Memorandum

To: Honorable Michael Gothard
Constable Precinct No. 2

From: Virginia Porter
County Auditor

Subject: Review of Statutory Reporting and Compliance from FY2009 thru 12/31/2010

Date: Issued: January 17, 2012
Released: February 8, 2012

SCOPE

A review was performed on the records and reports of Constable Precinct No. 2 for fiscal year 2009 through December 31, 2010.

REVIEW PROCEDURES

Standard review procedures were followed to test the internal controls for cash, revenue, and other county assets. A random sampling of the total activity was selected for certain review steps based on risk, the dollar value of transactions, the volume of transactions, and noted internal control weaknesses. Testing also involved a review of the Constable civil system.

A partial list of the review tests include;

- Accounted for numerical sequence of manual receipts
- Traced amounts recorded on the receipts to the bank deposits
- Performed unannounced cash counts
- Examined special fund disbursements to determine if sufficient funds were collected, proper payees paid and if posting to the Constable civil system had occurred
- Reviewed assessed fees, commissions, executions and orders of sale for compliance with applicable state laws and Commissioners Court orders
- Reviewed time and attendance records for proper posting and compliance with County policies and procedures
- Reviewed Constable civil return lists for correct postings to the Constable civil system to determine if appropriate credit was given to the Constable by the District Clerk, County Clerk, and Justice of the Peace
- Reviewed Texas Attorney General IV-D billings
- Examined the Evidence/Property Room procedures and log sheets
- Reviewed warrant processes
- Tested filing of manual traffic tickets with the Justice of the Peace courts

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Statistical

Fiscal Year 2009:

- 14,901 civil papers served per Constable Civil System
- 1,324 writs and orders of sale served per Constable Civil System
- 26,208 criminal papers served per Constable Civil System
- $1,346,480 ($699,898 after deducting GL adjustment for $715,482 to correct prior year District Clerk deposit errors) Constable fee revenue collected all sources
- $9,099 Constable commission collected

Fiscal Year 2010:

- 15,299 civil papers served per Constable Civil System
- 1,382 writs and orders of sale served per Constable Civil System
- 31,133 criminal papers served per Constable Civil System
- $1,361,992 Constable fee revenue collected all sources
- $3,639 Constable commission collected

FINDINGS

Cash Management

Receipting – A review of 166 computer receipts and 1,721 manual office receipts revealed material compliance.

Field Receipts – A review of form 44-A field receipts, written by the writ deputies in the field, revealed seven (18%) of sampled office receipts were issued 3 to 5 business days after the form 44-A field receipts were written.

Special Fund Activity – A review of special fund activity revealed writ collections are disbursed timely from the Constable's special fund. Responses to the Internal Control Questionnaire (ICQ) revealed the Precinct does not research stale dated checks for re-issuance or escheatment to the State Comptroller and/or County Treasurer. A stale dated check was not recorded to the special fund ledger maintained by the Constable's office.

IV-D Billings – A review of two complete monthly billings to the Attorney General for IV-D papers revealed two service fees were billed on one case when only one paper was served. **Status**: Corrected.

Commission Calculations – A review of commission calculations on 25 writ collections revealed commissions assessed on one sale (bid less than judgment amount) exceeded commissioners court ordered rates by $1,270. **Status**: $1,270 was subsequently disbursed payable to the plaintiff's attorney rather than to the plaintiff and in care of the attorney. Multiple fees were assessed for posting notices at each location for sales of property.

Processes

Warrants/Civil Paper Service – Monetary credit for civil paper service is inconsistently reflected on the Justice of the Peace Accounting System and the Odyssey Civil Courts System due to posting by other offices.

Over 55,000 (approximately 52.6% outstanding over 1 year) warrants and 789 civil papers were unserved as of November 30, 2010. Management analysis is limited by system summary reports lacking true aging and manual tracking of unsuccessful service attempts. Constable Civil System is not consistently updated for unsuccessful service attempts. Monthly reports reviewed by management include: Previous on Hand, Received, Re-Opened, Served, Unexecuted, Deleted, Recall-Dismissed, Transferred, Transferred No-Work, and On Hand end of month.

Warrants are placed on regional and sent to the Sheriff when insufficient information is available to locate the defendant or out-of-county service is required. There is no defined time frame for unsuccessful service attempts before other warrants are placed on regional.

Manual Citations/Traffic Tickets – A review of manual tickets issued revealed one ticket was not filed in the designated Justice of the Peace court and the defendant's copy of one ticket remained in the ticket book.

Time and Attendance – A review of employee time and attendance records/activity revealed two personal days were posted to Kronos Time & Attendance system for one employee, a partial personal holiday was posted for one employee, eight hours vacation taken was not posted for one employee, and one ATO day was authorized for employee not averaging a 40 hour work week over a floating 12 month period.

RECOMMENDATIONS

Cash Management

Receipting/Depositing – Continue to monitor receipt control procedures and re-emphasize that all monies received should be promptly receipted and deposited in accordance with V.T.C.A., Local Government Code § 113.022 and procedures recommended by the County Auditor.

Special Fund Activity – Continue to maintain a special fund control ledger accounting for all special fund receipts, disbursements and case balances with consideration given to maintaining the activity in an electronic format. The final disbursement confirmation file from the Treasurer's office should be compared to the related special fund deposits then used to update the special fund control ledger. Unclaimed property statutes in V.T.C.A., Property Code Chapter 72 and 76 should be followed.

IV-D Billings – All eligible IV-D service fees should be accurately billed to the AG at the maximum rate allowed by Family Code, § 231.202, V.T.C.A., Local Government Code, § 118.131, and Commissioners Court orders.

Commission Calculations – The commission calculation should include the judgment, interest, and attorney fees and the approved commission percentages and hourly rates as authorized by Commissioners Court. Calculations should be verified / reviewed by another person such as

supervising chief deputy or clerk. One notice fee per posted sale/writ should be assessed unless parties to the sale request additional posting locations.

Processes

Warrants/Civil Paper Service - To extent feasible with current staffing levels, updates to the Constable Civil System should include recording unsuccessful service attempts. Conduct periodic inventories of papers on hand to report control totals. Develop standard procedures for staff to follow on timelines and number of unsuccessful service attempts before warrants are placed on regional. Recalled warrants or capias should be entered on CW50/WX50 with a disposition code of 'R'.

Manual Citations/Traffic Tickets – Tickets should be properly completed and issued to defendants during traffic stops and timely filed in the proper court of jurisdiction. Supervisory personnel should periodically review tickets and filings to verify adherence to proper procedures.

Time and Attendance – Train and update staff on county leave policies and annual holiday schedules. Care should be taken to properly record all time taken to the Kronos Time & Attendance System in accordance with the Dallas County Code and Commissioners Court orders. Each employee should affirm bi-weekly time paid / leave balances expended through review of pay slip on Employee Self-Service (ESS) application.

Current Findings/Observations/Recommendations

Detailed finding templates numbered 11.C2.01.01 through 11.C2.01.09 are attached.

SUMMARY

The report is intended for the information and use of the 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.

Emphasis on outlined procedures should be initiated to ensure compliance with recommended procedures, county policies, and state statutes. Consideration of all issues and weaknesses should be incorporated by the precinct as a self-assessment tool.

cc. Commissioners Court
Ryan Brown, OBE
Honorable Judge Martin Lowy, LADJ

Finding Number: 11.C2.01.01
Date: 4/4/11
Audit: Constable Precinct 2 FY 09-11(12/31/10)
Auditor(s) Assigned: JG

Findings:	**Office – Receipting Functionality** Review of 1,721 manual office receipts including 22 manual voided receipts and 166 computer receipts issued through County-Wide Receipting (CWR) including 8 cancelled receipts revealed material complaint procedures. • Limited instances were noted where bookkeeper voids receipt and returns funds.
Workpaper Reference: (or other method by which finding was identified)	Work Paper No. 3A and 3C. System implementation of automated receipting completed October 2010.
Condition: (Describe the current condition)	Parties wishing to secure service by the constable precinct may refer to the Commissioners Court order approved annually in September, contact the constable precinct by phone, or locate the listing published by the State Comptroller. Payments made direct to the constable include service requests from outside Dallas County and papers stamped with "costs not complied with" by the court of issuance. Most payments are received via the U.S. Mail. Parties to a suit occasionally remit the wrong service fee amount. Overpayments $10 or less are not refunded unless specifically requested by the party seeking service of process. Payments received for less than the authorized amount are not receipted and consistently returned with a standard form letter (without service performed) requesting the appropriate amount. Service fees are assessed / collected by the bookkeeper referencing the case number, style of the case, paper type, payer and payer address, payment type, date paid, payment amount, and type of deposit. Fees remitted for service on tax suits may be less than approved schedules due to insufficient collection of funds at a tax sale. If mistakes are identified after the receipt has been returned, the bookkeeper voids the receipt in the CWR system and does not deposit the remitted payment. The requesting party is either contacted by the bookkeeper via the phone to submit the balance due or the payment is returned via the U.S. mail without service performed. For internal control reconciliation, the bookkeeper posts a memo entry of payments received on the Constable Civil System. Due to mainframe limitations, data on served/disposed constable papers is periodically purged from the Constable Civil System. On October 11, 2010, the constable's office started issuing computer receipts on the County Wide Receipting (CWR) system. The bookkeeper chooses the paper (the type of process requested to be served) type and then follows prompts to enter payer information, plaintiff name, defendant name, case number, and office number. In most cases, the fee for the paper type is already pre-set. Payment type of check or cash is chosen and the payment is receipted. Receipts are printed only when necessary as transaction history is retained within the system. The receipts are single copies. When the bookkeeper needs to void a receipt, a prompt appears and the bookkeeper must enter the reason. If the bookkeeper exits out of the receipt before entering any type of information, the prompt to give a reason for cancellation may not appear. Manual receipts are used only when the CWR system is down. Once CWR is functioning, the manual receipts are entered into the CWR system. There is one county wide numeric receipt sequence.
Criteria: (Describe the optimal condition)	Best practices regarding receipt control procedures require that: • Statutorily required pre-payments which are received for less than the service fee due are not receipted. The requesting party should be contacted by the bookkeeper or chief clerk

	via phone, email, or fax to submit the balance due or the payment and corresponding process should be returned via the U.S. mail without service performed.
	• Laws that authorize service without advance payment include:
	  o Family Code § 231.202 for all eligible Title IV-D cases.
	  o Civil Practices and Remedies § 6.001, 6.002, and 6.003.
	  o Tax Code § 33 and 34.
	  o Rules of Civil Procedure, Rule 145, Affidavit of Indigency.
	• Rules of Civil Procedure, RULE 126. FEE FOR EXECUTION OF PROCESS, DEMAND - No sheriff or constable shall be compelled to execute any process in civil cases coming from any county other than the one in which he is an officer, unless the fees allowed him by law for the service of such process shall be paid in advance; except when affidavit is filed, as provided by law or these rules. The clerk issuing the process shall indorse thereon the words "pauper oath filed," and sign his name officially below them; and the officer in whose hands such process is placed for service shall serve the same.
	• According to Local Government Code § 118.131 and Commissioners Court orders, service fees should be collected at the time of service request for all cases filed by non-governmental entities and individuals except for those individuals with approved affidavits of indigence on file. Exceptions include only those entities listed under Civil Practices and Remedies § 6.001, 6.002, and 6.003.
	• All receipts are accounted for and properly used in order to affix responsibility, enhance cash control, and prevent potential assertion that monies were paid and refund due and "separation of duties for opening mail and receipting".
	• Receipts should not be altered, but properly voided and affixed with a reason for the void with retention of all voided copies
	• The chief clerk should periodically review the exception reports (especially with respect to receipt deletions, lowered amounts, and payment type changes) to ensure that the explanation for the deletions is documented and reasonable.
	• Receipts are printed from the CWR system when a self addressed stamped envelope is sent by the payer.

Cause: **(Describe the cause of the condition if possible)**	N/A
Effect: **(Describe or quantify any adverse effects)**	N/A
Recommendation: **(Describe corrective action)**	Continue existing receipt control monitoring and reporting anomalies including entry of reason codes for voided receipts in the CWR system. Consider use of form letter for returning overpayments. Establish procedures for e-retention of form letter.

Responsible Department or Organization:	Constable Precinct 2					
Management's Response:	☒ Agree	☐ Disagree	**Respondent:**	Honorable Michael Gothard	**Date:**	1/19/2012
Comments:						
Disposition:	☒ Audit Report	☐ Oral Comment	☐ Deleted From Consideration			

Finding Number: 11.C2.01.02
Date: 4/4/11
Audit: Constable Precinct 2 FY 09-11(12/31/10)
Auditor(s) Assigned: JG

Finding:	**Field – Receipting Functionality** Review of 40 form 44-A manual receipts written by deputies in the field and associated office receipts revealed materially compliant procedures except: • Seven office receipts were issued between 3 to 5 business days after the corresponding manual receipt was written including one cash collection (totaling $920) which was delayed four days.
Work paper Reference: (or other method by which finding was identified)	Work Paper No 3F.1 and 3B
Condition: (Describe the current condition)	Writ deputies collect funds in the field using form 44-A receipts for writs of execution, orders of sale, or tax warrants. In some instances, the defendant will pay the judgment amount to avoid a sale of property by the writ deputy. In some instances, the plaintiff that holds a lien against the property for sale will purchase the property. No funds will change hand for the sale except for service fees and commissions due the constable. The writ officer will issue a form 44-A receipt for the total amount of judgment credit, service fees, and commission, and delineate on the officer's return sent to the issuing court. When payments are received, the writ deputy will prepare a three-part manual receipt noting the payment method, certified/cashiers check/money order number or count the cash received as applicable, amount paid by judgment and commission including total paid, payer information, case style and number, and receipt date. If an error is made on the receipt, the writ deputy will write 'VOID' across the receipt and note the reason for the void. All copies of the voided receipt will be retained by the writ deputy for filing at the precinct office. For all valid receipts, the writ deputy will sign the receipt and issue the original receipt to the payer. The second receipt copy and funds received will be turned over to the bookkeeper when the deputy returns to the office. An original office receipt will be received from bookkeeper and attached to the third copy of the form 44-A (manual field) receipt which is retained in numerical order. The bookkeeper posts a memo entry of funds received to the Constable Civil System, and prepares weekly deposits and submits to the County Treasurer. The bookkeeper, on occasion writes 44-A receipts when the writ deputy is not available. The bookkeeper will notify the writ deputy that a payment was made on an execution. The bookkeeper then issues a corresponding office receipt. With the implementation of County-Wide Receipting (CWR), computer receipts are printed and attached to the form 44-A receipt. A second copy of the computer receipt is printed and attached to the pink copy of the form 44-A receipt and kept by the bookkeeper in a folder for pending special fund disbursements.
Criteria: (Describe the optimal condition)	Best practices for accounting controls require that: • All monies received by Constable personnel should be promptly receipted for the amount of funds tendered, correct change given to customers, and all funds received properly secured, and deposited in accordance with V.T.C.A., Local Government Code § 113.022 and procedures recommended by the County Auditor. • Filed receipting should include use of form 44-A manual receipt forms and prompt office receipting through the computer. • In accordance with V.T.C.A., Civil Practice and Remedies Code, § 34.047. DISTRIBUTION OF SALE PROCEEDS. (a) An officer shall deliver money collected on execution to the entitled party at the earliest opportunity.

Cause: **(Describe the cause of the condition if possible)**	Unknown
Effect: **(Describe or quantify any adverse effects)**	Delay of payment to applicable party. Inherent risks for delayed deposits include non-recovery of funds, checks or cash could be lost or stolen.
Recommendation: **(Describe corrective action)**	Continue documented receipt control monitoring. Additionally, proper receipt procedures for money received outside the office should include: • The deputy constable should immediately on return to the office provide collections and the second copy of the form 44-A (manual field) receipt to the bookkeeper. At which time, the bookkeeper should immediately issue an office receipt from the CWR system for the correct amount. All funds should be presented to the bookkeeper in the payment type received. If the bookkeeper is not present, money should be taken to the office and placed in a safe drop box accessible by the chief clerk and bookkeeper only. • The chief clerk should periodically scan the receipt books returned to verify adherence to the prescribed procedures with follow-up conducted for any anomalies. • Writ collections should be monitored for timely receipt and deposit. • All monies received should be promptly receipted and deposited consistent with state law, V.T.C.A. L.G.C., § 113.022, Vernon's Ann., C.C.P., § 103.004 and procedures recommended by the County Auditor. • Funds should be properly secured at all times.

Responsible Department or Organization:	Constable Precinct 2					
Management's Response:	☒ Agree	☐ Disagree	**Respondent:**	Honorable Michael Gothard	**Date:**	1/19/2012
Comments:						
Disposition:	☒ Audit Report	☐ Oral Comment	☐ Deleted From Consideration			

Finding Number: 11.C2.01.03
Date: 4/6/11
Audit: Constable Precinct 2 FY 09-11(12/31/10)
Auditor(s) Assigned: JG

Finding:	**Special Fund Transactions** Review of all the special fund activity revealed: • One stale dated check totaling $3.70 was not recorded to the special fund ledger maintained by the Constable's Office. • One disbursement was issued for $0.03 more than amount receipted. • General compliance to proper recording of deposit / disbursements to the subsidiary ledger. Responses to the Internal Control Questionnaire revealed the Precinct does not research stale dated checks for re-issuance or escheatment to the State Comptroller and/or County Treasurer.
Work paper Reference: **(or other method by which finding was identified)**	Work Papers No 4C-2009-2011
Condition: **(Describe the current condition)**	The bookkeeper maintains a manual ledger of the special fund activity due to lack of accounting and reporting within the Constable Civil System. The bookkeeper records receipt numbers, dates, and amount deposited into the special fund bank account. After review and determination regarding funds in order to generate disbursements, the bookkeeper prepares and saves a special fund disbursement file to a designated computer drive. The file is reviewed for General Ledger funds availability and approved for processing by the Auditor's office. The County Treasurer's office sends a confirmation file to the department for approval or rejection prior to printing the special fund checks. If approved, the checks are printed in the County Treasurer's office via Document Express and mailed as addressed. The bookkeeper updates the disbursement information to the ledger sheets and records a memo entry on the Constable Civil System. The bookkeeper keeps copies of the 44-A receipts and the special disbursement file in a binder for future reference. Supervisor reviews the manual ledger and the disbursement list before bookkeeper approves list. The constable's office relies on the County Treasurer for bank reconciliations to Oracle and does not affirm transactions on the Oracle special fund general ledger to the manual ledger maintained by the bookkeeper.
Criteria: **(Describe the optimal condition)**	According to recommended best practice: • To safeguard funds and improve reporting accuracy, departmental subsidiary ledgers should be periodically reconciled and compared to Oracle GL. Assigned cash handling duties are separated. • To comply with statutes, stale dated checks and undisbursed funds should be reviewed in accordance with unclaimed property statutes, V.T.C.A., Property Code, § 72 and 76. • To provide oversight, supervisory verification of all cash transactions (receipts or disbursements) should be consistent and evidenced on subsidiary reconciliation and written authorization for e-processing checks periodically affirmed. • To provide constituent service, funds should be disbursed in a timely manner to the appropriate parties.
Cause: **(Describe the cause of the condition if possible)**	Clerical error
Effect: **(Describe or quantify any adverse effects)**	• Special fund ledger variances (subsidiary and general ledger) • Dormant unclaimed funds are not escheated

Recommendation: **(Describe corrective action)**	Proper special fund procedures should include: • Continue to maintain a special fund control ledger accounting for all special fund receipts, disbursements and case balances. The control sheet (or an associated subsidiary ledger) should clearly identify all individuals to whom money is due and include the related receipt and case numbers. The precinct should consider converting the manual ledger to an Excel or Access database file to improve tracking, accuracy, and efficiency. The final disbursement confirmation file from the Treasurer's office should be compared to the related special fund deposits then used to update the special fund control ledger. • The special fund control ledger should be periodically reviewed and reconciled to the Oracle general ledger by supervisory personnel to ensure that all special fund deposits and disbursements are properly posted. • Unclaimed property statutes in V.T.C.A., Property Code Chapter 72 and 76 should be followed when special fund checks are stale dated by the County Treasurer or funds remain undisbursed in the special fund and cannot be disbursed to the court of jurisdiction.					
Responsible Department or Organization:	Constable Precinct 2					
Management's Response:	☒ Agree	☐ Disagree	**Respondent:**	Honorable Michael Gothard	**Date:**	1/19/2012
Comments:						
Disposition:	☒ Audit Report		☐ Oral Comment		☐ Deleted From Consideration	

Finding Number: 11.C2.01.04
Date: 4/6/11
Audit: Constable Precinct 2 FY 09-11(12/31/10)
Auditor(s) Assigned: JG

Findings:	**Civil Papers** Comparison of 40 civil paper returns and the associated County Clerk and District Clerk Odyssey financial records and 30 civil paper returns and the various Justice of the Peace mainframe records for proper credit revealed: • Two civil papers returned executed with monetary credit recorded to a prepaid account by the District Clerk (5% of sample) • Two civil papers served without collection of service fees by the constable or District Clerk (5% of sample). Review of the associated papers revealed one paper with a stamp affixed showing county service fees collected and the other paper did not. • Both Constable and County Clerk staff collected service fees for a civil paper returned executed. The paper issued by the County Clerk staff had a stamp affixed showing officer fees were collected by the County Clerk. • Five civil papers served where funds collected were credited to another precinct by the justice of the peace staff (16.7% of sample)
Workpaper Reference: (or other method by which finding was identified)	Work Paper No. 6A1&2 and 6A.3.
Condition: (Describe the current condition)	Constables receive papers via court clerks where parties to a case request service through the court clerk. The court clerks require payment in advance or denote payment exception for civil papers to be served by the Dallas County sheriff or constable agencies with the papers routed to the appropriate agency for service. A stamp is affixed to the paper by the District and County Clerk staff showing whether officer fees were collected. Exceptions to pre-payment for service include: • Parties that have been approved by the court as indigent. The clerk issuing the process would indorse thereon the words "pauper oath filed". After paper service, constable staff returns papers to the issuing court: justice court, county clerk or district clerk enabling clerk to properly recognize prepaid revenue. Only papers issued by the Justice of the Peace courts are reviewed for proper credit by constable staff. Constable staff without access to Odyssey Civil Courts System financial tabs cannot review the civil return lists to see if proper credit has been given for papers served. While the Dallas County District Clerk does not move funds from a prepaid service escrow account until a completed paper return is received, instances occurred where papers were returned without recognition of revenue.
Criteria: (Describe the optimal condition)	County, District, and Justice of the Peace courts should properly assess and record credit for civil paper service including the collection of constable fees due. Per L.G.C., Sec. 113.903. COLLECTION MADE BY ONE OFFICER ON BEHALF OF ANOTHER. (a) With the prior consent of the commissioners court and the officer to whom funds are owed, a district, county, or precinct officer authorized by law to receive or collect money or other property that belongs to the county may receive or collect, on behalf of another district, county, or precinct officer, money or property owed to the county. (b) If the officer collects money under this section, the officer shall deposit the money in accordance with Section 113.022. (c) When the officer reports or deposits the collection, the officer shall file with the report or

	deposit a statement of: (1) the name of the party paying the money; (2) the amount received; (3) the purpose for which the amount was received; and (4) the officer on whose behalf the money was collected. (d) The county auditor, or county clerk, if there is no county auditor, and the county treasurer shall attribute money or property received or collected under this section to the account of the officer on whose behalf it is received or collected. (e) A person who accepts a payment under the terms of this section shall issue a receipt for any money received to the payer of the debt. **Rules of Civil Procedure, RULE 17. OFFICER TO EXECUTE PROCESS** - Except where otherwise expressly provided by law or these rules, the officer receiving any process to be executed shall not be entitled in any case to demand his fee for executing the same in advance of such execution, but his fee shall be taxed and collected as other costs in the case. **Rules of Civil Procedure, RULE 126. FEE FOR EXECUTION OF PROCESS, DEMAND** - No sheriff or constable shall be compelled to execute any process in civil cases coming from any county other than the one in which he is an officer, unless the fees allowed him by law for the service of such process shall be paid in advance; except when affidavit is filed, as provided by law or these rules. The clerk issuing the process shall indorse thereon the words "pauper oath filed," and sign his name officially below them; and the officer in whose hands such process is placed for service shall serve the same.
Cause: **(Describe the cause of the condition if possible)**	Clerical error
Effect: **(Describe or quantify any adverse effects)**	Fees credited to the wrong precinct or paper service not recognized as income offsetting constable expenditures. Potential revenue loss for Dallas County.
Recommendation: **(Describe corrective action)**	The department should: • Request inquiry access to the Odyssey Civil Courts system for the appropriate staff • Inspect papers received from the Dallas County Clerk or District Clerk for notations related to service fees collections. Confirm case service fee posting supports collections indicated. • Review County Clerk and District Clerk Odyssey records and Justice of the Peace mainframe records by referencing civil return lists to ensure that fees are properly credited. • Notify appropriate department to make any necessary corrections.
Responsible Department or Organization:	Constable Precinct 2

Management's Response:	☐ Agree	☒ Disagree	**Respondent:**	Rebecca Norris, Chief Clerk	**Date:**	1/19/2012
Comments:	Auditor staff should insure that Clerks & JP's deposit funds to the correct department. **Audit response**: It is management's responsibility (of the Clerks, Courts, and Constable) to implement internal control procedures related to the accuracy of transactions.					
Disposition:	☒ Audit Report		☐ Oral Comment		☐ Deleted From Consideration	

County Auditor

Dallas County, Texas

Finding Number: 11.C2.01.05
Date: 6/6/11
Audit: Constable Precinct 2 FY 09-11(12/31/10)
Auditor(s) Assigned: JG

Finding:	**AG IV-D Billings** Review of two complete monthly billings to the Attorney General (AG) for IV-D papers revealed material compliant procedures except: • Two service fees billed on one case when only one paper was served. The Constable civil system showed only one paper served. **Status:** Credit given to AG on June 2010.
Work paper Reference: (or other method by which finding was identified)	Work Paper No. 6A-4
Condition: (Describe the current condition)	Attorney General's office submits citations, notices, capiases, etc. for IV-D papers directly to the constable's office for processing without payment of the required service fee. AG IV-D papers are tracked separately by constable staff. After the end of the month, constable's staff prepares detailed billings based on the prior month's IV-D papers received and processed for service. A summary invoice is prepared by the chief clerk requesting reimbursement at 66% of the approved service fee amount. The invoice is submitted to the attorney general for review and processing. Notification of service fee amounts (effective January 1st of each year) is posted by the Commissioners Court Clerk available for inquiry by all constable precincts, sheriff, justice court precincts, County Clerk and District Clerk offices.
Criteria: (Describe the optimal condition)	According to the recommended best practice: • Service fees should be assessed / collected in compliance with applicable state laws including V.T.C.A, Local Government Code, § 118.131 and Commissioners Court orders. • All eligible Title IV-D service fees should be billed to the Attorney General at the maximum rate as allowed by Family Code § 231.202
Cause: (Describe the cause of the condition if possible)	Clerical error
Effect: (Describe or quantify any adverse effects)	N/A
Recommendation: (Describe corrective action)	Continue existing Attorney General (AG) billing procedures and monitor in accordance with statutes and AG guidelines.

Responsible Department or Organization:	Constable Precinct 2					
Management's Response:	☒ Agree	☐ Disagree	**Respondent:**	Honorable Michael Gothard	**Date:**	1/19/2012
Comments:						
Disposition:	☒ Audit Report	☐ Oral Comment	☐ Deleted From Consideration			

County Auditor

Dallas County, Texas

Finding Number: 11.C2.01.06
Date: 6/6/11
Audit: Constable Precinct 2 FY 09-11(12/31/10)
Auditor(s) Assigned: JG

Finding:	**Commission Calculations** Review of commission calculations on 25 writ collections for compliance with Commissioners Court approved rates revealed: • Two commission calculations exceeded commissioner's court ordered rates by $1,270 and $0.10, respectively. **Status**: Constable staff distributed the $1,270 payable to the plaintiff's attorney in February 2011. • One commission calculation was under collected by $0.05. • Multiple fees are assessed for posting notices at each location for sales of personal and real property
Work paper Reference: (or other method by which finding was identified)	Work Paper No. 6A-6
Condition: (Describe the current condition)	Writs of execution and orders of sale are routed by constable clerical staff to the writ officers for service. A commission calculation worksheet is prepared by the writ officer based on collection with or without a sale including the calculation of any post judgment interest. The defendant is served and advised of the amount required to be paid to satisfy the judgment and commission. If payment is received satisfying the judgment, a sale will not occur. If payment is not received, the officer identifies statutorily eligible real property and/or personal property that can be seized and sold. Notice of a sale for real property is published in the Daily Commercial Record newspaper and notices are posted in different locations, thereafter; a sale is conducted. The Daily Commercial Record is paid by either the plaintiff or its representative before the auction date. A $20 fee is assessed for each location where a notice is posted and for every one sent through certified mail. Real property is sold at the George Allen Courts Building. Commissions on sales are calculated at twice the rate as without a sale. Writ deputies obtain services of insured (level of insurance that is equal to or exceeding minimum levels required by the State and acceptable to the Constable with the constable precinct named as an additional insured as of February 16, 2011) wreckers and/or storage facilities/warehouseman (previously authorized by the Constable) to remove and store seized personal property until the sale takes place. Seized personal property is stored by a warehouseman who is eligible to receive compensation from the sale for hauling seized items and the corresponding storage fees. The deputy will sell property at the location listed in the notice. Storage facility fees are deducted from the successful bid and required to be paid directly to the storage facility by the successful bidder to obtain the property. In some instances, the storage facility fees are receipted by the writ deputy and disbursed to the storage facility/warehouseman by the constable precinct. The successful bidder is required to pay by cash, cashiers check, and/or money order. The writ officer issues a receipt of payment to the successful bidder for the full (except when storage fees are to be paid directly to the storage facility by the successful bidder) amount bid. The writ officer accepts valid bids from anyone present and records each bid by bidder on bid data sheets for each item being sold. The writ officer issues the required bill of sale to the successful bidder and completes other legally required documentation. The bid sheets, commission calculation sheet, copy of the writ, and copies of other documentation are maintained by the writ officer at the constable's office in individual folders.
Criteria: (Describe the optimal	Constable commission calculation worksheet should list all variables including, but not limited to judgment amount, judgment date, attorney fees, interest rate, court costs, indication

condition)	of sale or execution without a sale and date, applicable commission percentages, and deputy hours spent and be subject to review. According to Dallas County court orders 2008-1821, 2009-1802, and 2010-1626, "Commissions calculations should include judgment, interest, and attorney fees collected while excluding any court costs." According to Rule of Civil Procedure, Rule 647, NOTICE OF SALE OF REAL ESTATE, the officer shall post such notice in writing in three public places in the county if no newspaper will publish the notice of sale for the compensation herein fixed. According to Rule of Civil Procedure, Rule 650, NOTICE OF SALE OF PERSONAL PROPERTY, the sale of any personal property levied on under execution shall be given by posting notice thereof for ten days successively immediately prior to the date of sale at the courthouse door of any county and at the place where the sale is to be made.
Cause: **(Describe the cause of the condition if possible)**	Writ deputy calculation errors
Effect: **(Describe or quantify any adverse effects)**	Potential liability to County if bidders are required to pay more than required by law.
Recommendation: **(Describe corrective action)**	• The commission calculation should include the judgment, interest, and attorney fees and the approved commission percentages and hourly rates as authorized by Commissioners Court. Calculations should be verified / reviewed by another person (chief deputy or chief clerk). • One notice fee per posted sale (per writ) should be assessed in accordance with Commissioner's court orders unless parties to the sale request additional locations not required by statute or the Rules of Civil Procedure. • All payments are disbursed to the proper payees for the correct amount.

Responsible Department or Organization:	Constable Precinct 2					
Management's Response:	☒ Agree	☐ Disagree	**Respondent:**	Honorable Michael Gothard	**Date:**	1/19/2012
Comments:						
Disposition:	☒ Audit Report	☐ Oral Comment	☐ Deleted From Consideration			

Finding Number:	11.C2.01.07
Date:	4/7/11
Audit:	Constable Precinct 2 FY 09-11(12/31/10)
Auditor(s) Assigned:	JG

Finding:	Review of warrant/capias procedures revealed: • Warrants are entered on a daily basis as received; no pending backlog • Constable Civil System lacks true aging • Unsuccessful service attempts are manually tracked on the warrant and not recorded to the Constable Civil System • Approximately, 52.56% of warrants outstanding for one year or more as of 12/19/2010 • Letters are mailed by clerical staff and phone calls are made by deputies to notify defendants of existing Class C warrants.
Work paper Reference: (or other method by which finding was identified)	Review of warrant/capias workflow process
Condition: (Describe the current condition)	In accordance with the Precinct's General Orders and Code of Conduct manual, Section 250.08 Warrant Procedures, warrants and capias are time stamped when received from the courts. Subsequently, the warrants and capias are stamped by clerical staff with an internal office number, article statement, and the Constable's name. Data from the warrants and capias are entered by the clerks to the Constable Civil System (CW50/WX50) with limited information transferred from the JP mainframe system. Subsequently, the warrants and capias are alphabetized. Addresses are researched with Mapsco information added. The drivers' license numbers are cross referenced for correct identification with changes noted in red. Warrants in each stack are searched on CW50 and regional for other active warrants on the same defendant. If an active warrant exists, the new warrant will be placed with the existing warrants. If active warrants exist on Omnix, regional warrant database from DPS for the same defendant, the new warrant will be added to Omnix, updated with the required information, and readied to be transferred to the Sheriff 'wall file'. If a defendant is in custody (jail) downtown, the warrant will be noted as disposed by the clerks to CW50/WX50 the same day. The warrant officer will be given the warrant to place on the defendant in jail and the Sheriff will note a warrant hold in AIS requiring the defendant to provide a bond before being released from jail. A waiver must accompany any Capias for the defendant to receive credit against court costs and fine due for jail time served. Remaining warrants are placed in plastic jackets with designated mapsco drawers pending issue of warrant letters, phone calls, etc. For class C warrants, the clerks print and mail the warrant letters only if no previous warrant exists already. Deputies make initial phone calls. Defendants are instructed to report to the court on class C warrants. Eight deputies are currently assigned to attempt physical service/execution of the warrants if letters and phone calls are unsuccessful. Defendants with class C capiases from JP 2-2 are taken straight to jail. Defendants with class C capiases from JP 2-1 are taken either to court or to jail. For felony and class A or B warrants, the deputies research the warrant and attempt to serve it. If subject is high risk additional deputies may be needed to execute warrant. Once subject is taken into custody a computer generated check is done. Clerks only add (and reflect as 'S' (served) with the date of execution) felony and class A or B warrants to CW50/WX50 if a defendant is arrested and taken to jail. Dallas County Probation Absconder Unit assigns probation warrants to this department. Two deputies are assigned. Deputies serve the warrant and take subject to jail. Clerks from the Justice of the Peace court notify the constable's office a mental warrant is ready to be served. Two officers are sent to serve the warrant. The officers obtain additional information to see if the subject is of high risk to himself/herself and/or others. If necessary, additional deputies are sent. After subject is taken into custody, he/she is taken to a designated hospital. Deputies are released after

	physicians take custody of subject. A number of warrants may require several attempts to serve. After all efforts have been exhausted, unserved warrants or capias will be entered by the clerical staff on Omnix, and the paper document will be routed to the Sheriff for placing on the 'wall file'. The 'Return' information (including date and deputy name) on served warrants or capias will be completed by the deputy constables, service information entered by the clerical staff on CW50/WX50, returned to the court of issuance. Served and unserved warrants are return to the court and taken off the constable civil system and Omnix. On Omnix if one warrant is taken off so are others for the same person, although the other warrants are still active. The clerk has to reenter the active warrant back to Omnix. Warrants or capias recalled by the courts create a printout within the constable's office on a designated printer. Recalls are processed as soon as possible by two assigned clerks. Constable staff enters an 'S' (Served) on CW50/WX50 as the Disposition type for all recalled warrants with a notation of return to court on constable message screen and then the warrant is returned to the court if not on Regional. A cancelled date will be added by constable staff for warrants or capias on Regional. Cancelled Regional warrants or capias will be returned by the Sheriff to the court. A summary report of all entered recalls (JINC) is generated & warrant clerk compares it to court's copy of the recall. The recalls are totaled up and a count is kept with the printout and the recalls. If an error is found, the recall will be given back to the clerk to make corrections. Long standing Sheriff policy is to age purge class C warrants or capias on Regional after two years.
Criteria: **(Describe the optimal condition)**	According to Local Government Code § 86.021(a), a constable shall execute and return as provided by law each process, warrant, and precept that is directed to the constable and is delivered by a lawful officer. According to Local Government Code § 86.024(a), a constable that fails or refuses to execute and return according to law a process, warrant, or precept that is lawfully directed and delivered to the constable, the constable shall be fined for contempt before the court that issued the process, warrant, or precept on the motion of the person injured by the failure or refusal. According to Code of Criminal Procedures § 23.18, RETURN OF CAPIAS, The return of the capias shall be made to the court from which it is issued. If it has been executed, the return shall state what disposition has been made of the defendant. If it has not been executed, the cause of the failure to execute it shall be fully stated. If defendant has not been found, the return shall further show what efforts have been made by the officer to find him, and what information he has as to the defendant's whereabouts. Constable civil system should accurately reflect the status of the warrant/capias, example recalled ("R"), regional ("O"), served ("S"), and unserved ("U").
Cause: **(Describe the cause of the condition if possible)**	N/A
Effect: **(Describe or quantify any adverse effects)**	N/A
Recommendation: **(Describe corrective action)**	Continue established warrant procedures. Processes should include: • Warrants are clocked in as received and assigned an office number. • Clerical staff key required information into the Constable civil system, accurately and timely. • Warrants are appropriately assigned to deputy constables for working. • Warrants recalled by courts are properly and timely recalled through the Constable civil system and Regional system. • Disposition codes are properly entered on the Constable civil system. • Warrants remain active until served or recalled by the court.
Responsible Department	Constable Precinct 2

or Organization:						
Management's Response:	☒ Agree	☐ Disagree	**Respondent:**	Honorable Michael Gothard	**Date:**	1/19/2012
Comments:						
Disposition:	☒ Audit Report	☐ Oral Comment	☐ Deleted From Consideration			

County Auditor

Dallas County, Texas

Finding Number: 11.C2.01.08
Date: 4/8/11
Audit: Constable Precinct 2 FY 09-11(12/31/10)
Auditor(s) Assigned: JG

Finding:	**Ticket / Citation Issuance** Review of 40 traffic tickets issued by deputies revealed: • One issued ticket did not include a valid offense date resulting from deputy entry error of the defendant's date of birth. That ticket (2 violations) was not posted to Justice of the Peace Accounting System (JPAS) by the JP traffic clerk. • The defendant's copy of one ticket remained in the manual ticket book. The defendant's signature field was marked "mailed." The JPAS shows a partial payment on one of two associated cases. Both cases remain active.
Work paper Reference: (or other method by which finding was identified)	Work Paper No. 6B
Condition: (Describe the current condition)	Before April 1, 2010, deputies, not assigned automated ticketing handheld devices, issued manual tickets/citations. Deputies, assigned automated ticketing handheld devices, issued manual tickets/citations when the handheld devices were not operational. Manual tickets written in the field were filed by the deputies with the JP court for manual processing. Constable traffic programs were discontinued effective October 1, 2010 with traffic ticket issuance halted prior to that date.
Criteria: (Describe the optimal condition)	According to Code of Criminal Procedure, § 12.02, MISDEMEANORS, (b) A complaint or information for any Class C misdemeanor may be presented within two years from the date of the commission of the offense, and not afterward. According to Transportation Code, § 706.003. WARNING; CITATION. (a) If a political subdivision has contracted with the department, a peace officer authorized to issue a citation in the jurisdiction of the political subdivision shall issue a written warning to each person to whom the officer issues a citation for a violation of a traffic law in the jurisdiction of the political subdivision. (b) The warning under Subsection (a): (1) is in addition to any other warning required by law; (2) must state in substance that if the person fails to appear in court as provided by law for the prosecution of the offense or if the person fails to pay or satisfy a judgment ordering the payment of a fine and cost in the manner ordered by the court, the person may be denied renewal of the person's driver's license; and (3) may be printed on the same instrument as the citation.
Cause: (Describe the cause of the condition if possible)	Deputy oversight
Effect: (Describe or quantify any adverse effects)	Statue of limitations may run out. Potential revenue loss.
Recommendation: (Describe corrective action)	For any new or reinstated programs: • Procedures including timely and accurate processing should be documented • Tests for system interfaces and quality review should be developed
Responsible Department or Organization:	Constable Precinct 2

Management's Response:	☒ Agree	☐ Disagree	**Respondent:**	Honorable Michael Gothard	**Date:**	1/19/2012
Comments:						
Disposition:	☒ Audit Report	☐ Oral Comment	☐ Deleted From Consideration			

Finding Number:	11.C2.01.09
Date:	6/8/11
Audit:	Constable Precinct 2 Audit FY 09-11(12/31/10)
Auditor(s) Assigned:	JG

Finding:	**Time and Attendance** Observation of office schedules and review of manual attendance records and Kronos time and attendance system postings revealed: • Two personal holidays were posted to the Kronos Time & Attendance system (Kronos) for one employee during calendar 2009 when only one personal holiday was approved. **Status:** Corrected via a historical edit. • A partial personal holiday (3.5 hours) was posted to Kronos for one employee. • Chief deputy received 8 hours approved time off (ATO) in September 2010 while not averaging a 40 hour work week over a floating 12 month period in FY2010 as reflected on official records. • Eight hours vacation taken as shown on the manual record was not posted to Kronos. **Status:** Corrected via a historical edit.
Work paper Reference: (or other method by which finding was identified)	Work Paper NO.6D-2and 6D-5
Condition: (Describe the current condition)	Clerks began using time clock card swipe to record time in September 2010. Deputy constables time is recorded in advance to the Kronos time and attendance system based on scheduled hours and time is subsequently changed by the chief deputy or chief clerk to reflect benefits taken or extra hours worked as reported and approved by management. Chief clerk supervises clerks' time. Chief deputy supervises deputies' time. When either the chief clerk or chief deputy is unable to verify employees' time the other will. Deputies and clerks give their employee leave requests to their corresponding chief clerk or chief deputy. Time and attendance exceptions are entered into Kronos and the bi-weekly pay period is signed off by the chief clerk or chief deputy. Oracle DC Employee Self-Service is available for constable staff to review hours paid and accrual balances taken / earned / available.
Criteria: (Describe the optimal condition)	According to Dallas County Code Sec. 82-175, **Supervisory responsibilities:** (a) Supervisory responsibilities fall to the elected official, department head or their designee. (b) Supervisors shall educate their employees about how to use the time entry method they are assigned and about the time and attendance policies for their department. (c) Supervisors are responsible for ensuring employee time records are accurate and that no abuses occur. (d) Supervisors are responsible for recording employee vacation and sick time and for entering time for employees who are working outside their department work area. (e) Supervisors are responsible for checking daily start times, meal periods, end times, vacation time, sick time, compensatory time and overtime to ensure employees are in compliance with their shift work schedule and the county's overtime policies. Supervisors are responsible for promptly documenting actions warranting discipline and for promptly reporting possible fraud to the county auditor. According to Dallas County Code Section 82-771, **Granting conditions**, "In addition to the holidays listed in section 82-741, during the budget process each year, the commissioners court may grant an additional personal holiday (eight hours) with the following stipulations: (1) Must be a regular, full-time employee; (2) Must be employed by the county for more than six months. (3) Must be taken in a full day increment; (4) Can be taken on any day of the year with supervisory approval; and (5) If the personal day is not taken during the effective calendar year, the personal day shall be forfeited.

	According to Dallas County Code, Section 82-132, **Work schedules**: Exempt employees shall report all hours worked and adhere to an established work schedule approved by the elected official/department head. Exempt employees' work schedules **shall average a minimum of 40 hours per week**, including use of accrued leave time. All time worked shall be recorded in the official time and attendance system. According to Dallas County Code, Section 82-134, **Scheduled time off:** Periodically, elected officials/department heads may grant administrative time off for exempt employees. Such time off must be approved by the elected official/department head. In order to approve such leave, **the elected official/department head must ensure the exempt employee's most current 12-month average weekly work schedule exceeds 40 hours**. For exempt employees whose tenure is less than 12 months, their average weekly hours worked shall be determined by the average hours worked over the number of weeks worked for the county. If this criterion is met, the elected official/department head may, at his/her discretion, approve the time off. Under no circumstances will this time be granted on an hour-for-hour basis and the total amount of time granted shall not exceed 15 work days in a 12-month period except by formal approval by the commissioners court. Any exempt employee who is not approved for administrative time off by the elected official/department head shall have the appropriate accrued leave balances docked. If appropriate leave is unavailable, the employee's salary shall be docked. Elected official/department heads should carefully monitor the amount of administrative leave time granted to each exempt employee to ensure against abuse and the leave is being granted fairly. The county auditor's office will periodically audit administrative time off usage and submit a report to county departments and/or commissioners court.
Cause: **(Describe the cause of the condition if possible)**	Oversight Inaccurate application of county time and attendance policies
Effect: **(Describe or quantify any adverse effects)**	Overstated employee accruals Actual times may vary from scheduled hours
Recommendation: **(Describe corrective action)**	All start times, meal periods, end times, vacation time, sick time, holiday time, jury duty, compensatory time, overtime, ATO, etc. should be properly and timely posted to the Kronos time and attendance system in accordance with the Dallas County Code and Commissioners Court orders. Each employee should affirm bi-weekly time paid / leave balances expended through review of pay slip on Employee Self-Service (ESS) application. Train and update staff on county leave policies and annual holiday schedules.

Responsible Department or Organization:	Constable Precinct 2					
Management's Response:	☐ Agree	☐ Disagree	**Respondent:**	Rebecca Norris, Chief Clerk	**Date:**	1/19/2012
Comments:	Chief Clerk & Chief Deputy each have total sign-off authorization from Constable Gothard.					
Disposition:	☒ Audit Report		☐ Oral Comment		☐ Deleted From Consideration	