





# DALLAS COUNTY COUNTY AUDITOR

## Memorandum

To: Honorable Roy Williams, Jr.  
Constable Precinct No. 4

From: Darryl D. Thomas   
County Auditor 

Subject: Review of Statutory Reporting and Compliance for October 1, 2014 through September 30, 2015.

Date: *Issued: September 11, 2017*  
*Released: October 17, 2017*

### **Scope**

A review was performed on the records and reports of Constable Precinct No. 4 for October 1, 2014 through September 30, 2015 during the term of the Honorable Roy Williams, Jr.

### **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 (CCS).

A partial list of the review tests include:

- Examined Constable Precinct 4's cash handling internal controls
- Accounted for numerical sequence of manual receipts
- Traced amounts recorded in County Wide Receipt (CWR) system 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 Justices of the Peace
- Reviewed Texas Attorney General IV-D billings
- Examined the Evidence/Property Room procedures and log sheets
- Documented warrant processes
- Confirmed requisite bond on file
- Reviewed responses to internal control questionnaires (ICQ) completed by staff

## Statistical

### Fiscal Year 2015

- 10,695 civil papers served per Constable Civil System
- 905 writs and orders of sale served per Constable Civil System
- 2,674 criminal papers served per Constable Civil System
- \$1,235,889 Constable fee revenue collected all sources
- \$1,881 Constable commission collected

## FINDINGS:

### Cash Management

**Field Receipts** – A review of the manual field receipts revealed that the same type of manual receipt was used for both field receipts and office receipts; the receipts being used were not official Dallas County receipts; one book used by writ deputies of 50 receipts could not be located; and a manual receipt log book is not maintained. A review of 189 form manual receipts including 23 void receipts (13.9%) written by the writ deputies in the field revealed instances in which the manual receipts were not appropriately marked “void” (labeled void with an explanation justifying the void). **Status: Unofficial receipt books have been destroyed on July 6, 2017. Constable Office has received 20 Form 44 (office receipts) and 20 Form 44-A receipts book from the County Supply Room on June 29, 2017 and now a log is maintained.**

A review of 40 manual receipts revealed eight instances in which CWR receipts were issued two or more business days after the initial manual receipt date causing the funds to be deposited more than five business days after initial receipting.

Responses to the writ section Internal Control Questionnaire revealed rather than correctly voiding small amounts, writ deputies will put a mark through and will initial the change.

**Assessment/Collection** – A review of 40 office receipts to determine if the amount collected was in compliance with state laws and Commissioners Court orders, and properly recorded to the Constable Civil System (CCS) revealed instances of posting errors to the CCS including: nine instances in which the fee amount earned was not entered into CCS; one instance in which the fee amount collected was not entered into CCS, and one instance in which the incorrect amount was collected per Commissioners Court order.

**Disbursements/Special Fund Reconciliation** – A review of Special Fund activity revealed the bookkeeper is authorized to prepare and approve checks for printing without segregation of duties; old balances totaling \$6,952.90 have not been researched for disbursing to the applicable party and/or escheating to the County Treasurer or State Comptroller; one instance in which the commission earned by Precinct 4 was deposited into the Special Fund account; ten instances in which funds for deputy reserve bonds were deposited to and paid from the Special Fund account without any documentation; nine of ten deputy reserve bond disbursements were issued for a different amount than was collected; and two of ten deputy reserve bond disbursements were issued without funds being deposited to the Special Fund account (funds were deposited instead to the Constable Fees account).

**Commission Calculations** – A review of 18 writ collections and commission calculations for compliance with Commissioners Court approved rates revealed: one instance in which the interest was under calculated by \$16.26; two cases where commission was over collected by a total of \$52.71; two cases where commission was under collected by a total of \$33.10; one instance in which \$89.45 in commission was incorrectly receipted as Constable Fee Other; and one instance in which the Writ Deputy's calculation form was not completed.

## **Processing**

**Civil Paper Service** – Monetary credit for civil paper services is consistently collected / reflected on the Justice of the Peace Accounting System; however, the Odyssey Civil Courts System reflects instances where the Sheriff or other Constable Precincts received monetary credit for papers served by the Precinct 4. Additionally, there were two instances where payment for service was not collected by the court or the constable's office.

**Criminal Paper Service** - Warrants are timely posted to CCS and are served by mail. As of June 19, 2017, there are 6,979 active warrants assigned to Constable Precinct 4

**Abandoned Vehicle Reporting Procedures & Receipts** – A review of 20 Abandoned Vehicle Reports revealed an instance in which a VIN was incorrectly searched.

## **Recommendations:**

### **Cash Management**

**Receipting** - All copies of a void receipt should be retained, clearly marked "void" and affixed with sufficient/clear reason for voiding in order to affix responsibility, enhance cash control and prevent potential assertion that monies were paid and a refund due. Reinforce current practice receipt procedures for money received outside the office. All funds received in the office should be receipted immediately into CWR.

**Management Response:** *Agree*

**Assessment/Collection** – Continue to assess service fees in accordance with state laws and Commissioners Court orders. All data elements including the Paper Type should be accurately entered in the CCS. Timely deposit fees received should be based on state laws and Commissioners Court orders.

**Management Response:** *Agree*

**Disbursements/Special Fund Reconciliation** – Maintain a Special Fund control ledger accounting for all Special Fund receipts, disbursements, and case balances. The Special Fund ledger should be periodically reviewed by supervisory personnel. Erroneous disbursements/refunds should be recovered or a funding source identified. Unclaimed property statutes in accordance with Property Code Chapters 72 and 76 should be followed. Properly deposit funds received to pay Reserve Deputy Bonds into the correct account.

**Management Response:** *Agree. All issues have been cleared.*

**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, chief clerk or bookkeeper.

**Management Response:** *Agree. We are working on a new system to eliminate this issue.*

## **Processing**

**Civil Paper Service** – Examine computerized court records associated with papers served or attempted to verify that the fees are properly credited to Precinct No. 4. All data elements including payments made to the court should be accurately entered in the CCS.

**Management Response:** *Disagree. We don't have the ability to check fees earned in Odyssey.*

**Auditor Response:** *That is correct, however, the Constable's Office should request that the information be provided.*

**Abandoned Vehicle Reporting Procedures & Receipts** – Reports should be verified / reviewed by another person such as supervising Chief Deputy, Lieutenant, or Chief Clerk. If error is noted correction should be made on a timely manner to reflect accurate record.

**Management Response:** *Agree.*

### **Summary**

This 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.

Highest areas of risk which need to be addressed include: clearing old Special Fund balances; evidence and property room inventory controls; and complete and accurate entry of civil paper service to the Constable Civil System.

Development of written internal 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. Darryl Martin, Commissioners Court Administrator  
Ryan Brown, Office of Budget and Evaluation