Timothy J. Hicks, CPA
Dallas County Auditor

500 Elm Street
Suite 4200
Dallas, TX 75202

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

Honorable Felicia Pitre
District Clerk
Dallas, Texas

RE: FINAL AUDIT REPORT **District Clerk Registry Trust - FY 2025**

The Dallas County Auditor's Office Internal Audit Division performed procedures for the period October 1, 2024, through September 30, 2025.

The objectives of the engagement were to determine whether:

1. Ensure compliance with statutory requirements
2. Evaluate internal controls
3. Verify accuracy and completeness of reporting
4. Review controls over safeguarding of assets

Overall Results

A review of District Clerk Trust and Registry for fiscal year 2025 revealed inaccurate or incomplete Odyssey system records: disbursements, cancelled disbursements, and bond receipt transactions totaling $115,612 were not posted to Odyssey; disbursements totaling $1,662,705 were posted between six and 17 business days after issuance; and cash bond receipts totaling $426,103 were incorrectly posted. Additionally, Odyssey was not timely updated to reflect zero balances for three trust accounts closed at the banking institution.

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

Timothy J. Hicks, CPA
County Auditor

ISSUED: 1/29/2026
RELEASED: FEBRUARY 16, 2026

REPORTABLE FINDINGS

ISS.26-IA-DC-12-01 Fund 504 Disbursements and Cancellations:

A review of all Fund 504 disbursements and cancellations processed during fiscal year 2025 revealed 21 disbursements totaling $35,702 and five cancelled disbursements totaling $26,109 were not posted to Odyssey; seven disbursements totaling $18,175 were posted to Odyssey with the incorrect check number. Additionally, disbursements totaling $1,661,980 were posted to Odyssey between six and 17 business days after issuance, and the cancellation of checks totaling $725 were posted in Odyssey 25 to 44 business days after the Fusion void date.

Suggested Actions

- Update Odyssey to correct posting errors and omissions.
- Ensure disbursements and cancellations are posted timely and accurately to Odyssey.
- 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

To improve the accuracy and timeliness of disbursement and cancellation postings, additional safeguards have been put in place. Automatic reminders are now used to help ensure check numbers and related details are entered into Odyssey promptly. A double-verification process has also been impemented to confirm that check numbers and amounts are entered correctly and on time. This process includes supervisory review and a sign-off to provide added accountability. Management will continue to provide ongoing oversight and periodic reviews to ensure these improvements remain effective and to support stronger audit results in future reviews.

ISS.26-IA-DC-12-02 Odyssey Investment Interest:

A review of District Clerk Trust and Registry investment account balances as of September 30, 2025 revealed interest amounts totaling $196,747 were not updated in Odyssey for 304 cases. Three accounts were closed per the banking institutions; however, the corresponding cases in Odyssey had recorded balances totaling $27,823.

Status: On November 12, 2025, after notification from Internal Audit, the Trust section updated the cases in Odyssey.

Suggested Actions

- Periodically reconcile investment balances to bank records to confirm accuracy and identify any material discrepancies.

- Regularly reconcile interest amounts recorded in Odyssey to official records of banking institutions.
- Implement supervisory review of reconciliations to verify timely posting, follow-up and resolution of identified differences.

Management Action Plan
To address investment interest postings, the department will work more closely with banking institutions to ensure monthly statements are received on time. Interest balances will be reviewed and updated more regularly to help maintain accurate case balances in Odyssey. Management will continue to provide ongoing oversight and periodic reviews to ensure these improvements remain effective and to support stronger audit results in future reviews.

ISS.26-IA-DC-12-03 Cash Bonds:

A review of felony cash bond receipts issued per the Adult Information System (AIS) Felony Bond report compared to the Odyssey Registry and Trust Account Journal report for fiscal year 2025 revealed 28 AIS cash bond receipts totaling $53,801 were not posted to Odyssey, 52 cash bond receipts totaling $175,601 were posted multiple times to Odyssey resulting in an overstatement of the bond balance, and 44 bond receipts totaling $162,500 that were posted to Odyssey in prior years were re-posted resulting in duplicate transactions. Additionally, 32 cash bond receipts totaling $88,002 were voided in AIS and incorrectly posted to Odyssey. Sixteen of the 32 bond receipts that were voided in AIS were issued a new receipt; however, the Integration Till posted the voided AIS receipt in Odyssey instead of the new AIS receipt.

Suggested Actions
- Update Odyssey with unposted bond receipts and corrections for the identified posting errors.
- Contact IT services to correct the Integration Till posting errors and develop a solution that prevents future posting errors.
- Periodically 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 automatically posted to Odyssey are accurate and complete.

Management Action Plan
Cash bond processing has been identified as a top priority. The department will focus on sorting through existing issues, improving reconciliation between AIS and Odyssey, and coordinating with IT as needed to address integration concerns. This area will continue to receive close attention to reduce the risk of duplicate or inaccurate prostings.

REPORTABLE FINDINGS

Management will continue to provide ongoing oversight and periodic reviews to ensure these improvements remain effective and to support stronger audit results in future reviews.

cc: Darryl Martin, County Administrator