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 Civil and Family - FY 2023 and FY2024**

The Dallas County Auditor's Office Internal Audit Division performed procedures for the period of October 1, 2022 through September 30, 2024.

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 District Clerk Civil and Family for fiscal years 2023 and 2024 revealed Odyssey tills totaling $1,678,316 were deposited between four and 26 business days after the till creation date.

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

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ISSUED: 3/25/2025
RELEASED: APRIL 14, 2025

REPORTABLE FINDINGS

ISS.25-DC-8.01-01 Computer Receipt Voids and Deposits:

A review of all 613 computer receipt voids processed during fiscal years 2023 and 2024 revealed delays in voiding transactions, including 102 computer receipts totaling $16,892 that were voided between 15 hours and seven days after the original transaction and 133 computer receipts totaling $10,514 were voided between five hours and nine hours after the original transaction. Additionally, 87 computer receipts voids totaling $2,632 voided were the result of issuing duplicate receipts.

A review of all Odyssey tills, closeouts, and deposits during fiscal years 2023 and 2024 revealed 102 Odyssey tills totaling $1,678,316 were deposited between four and 26 business days after the till creation date.

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.
- Close and deposit tills daily.
- Submit collected funds to the County Treasurer the next business day after receipt.

Management Action Plan

- The District Clerk Civil and Family division will establish written cash handling/receipt procedures that emphasize receipts are to be verified for accuracy of amount, payment type, case number, andpayer before issuing to a customer.
- The District Clerk Civil and Family division will emphasize that staff total and balance the funds on hand to the system receipt control totals at the end of each business day. Receipt and deposit totals should be verified by supervisory personnel.

ISS.25-DC-8.01-02 Registered Mail:

A review of the registered mail process and all 14 items listed on the log revealed the department did not charge the $65 registered mail fee required by Court Order 2023-1082.

Additionally, the department did not maintain controls related to processing registered mail, which included inconsistent retention of post office receipts, delays in transmitting mail to the post office, and not receipting change due to customers requesting registered mail in Odyssey.

Status: The change due to customers were receipted to Odyssey on March 28, 2025.

Suggested Actions

- Establish written policies and procedures for cash handling responsibilities and the processing of registered mail, which emphasize that receipts are to be issued for all money received.
- Train staff on the required fees for serving citations by registered mail.

Management Action Plan

- After the registered mail has been processed at the post office, supervisors and leads will update the registered mail spreadsheet and deposit change due to the customer in the Odyssey system.
- District Clerk Civil and Family division will establish written policies and procedures for cash handling responsibilities and the processing of registered mail, which emphasize that receipts should be issued for all money received. No money will be accepted without immediately issuing an official Dallas County receipt.

ISS.25-DC-8.01-03 Cash Management and Mail Payments:

A sample review of 40 mail payments listed on District Clerk Civil, Family and Accounting check log for fiscal year 2023 and 2024 revealed 21 mail payments totaling $7,706 were recorded on the mail log and receipted in Odyssey by the same person.

Suggested Actions

- Assign the logging of checks on the mail log to an employee without receipting responsibilities.
- Review the mail log for completeness.

Management Action Plan

- The two functions have been separated. If one cashier logs in a mailed in check, a different cashier will receipt the check.

ISS.25-DC-8.01-04 Manual Receipts:

A sample review of 30 out of 345 manual receipts posted to Odyssey revealed 30 manual receipt numbers were not entered into the Odyssey Comment field.

Suggested Actions

- Establish and enforce written procedures requiring manual receipt numbers to be entered into Odyssey.
- Reconcile manual receipts to Odyssey receipts to ensure all transactions have been recorded.

REPORTABLE FINDINGS

Management Action Plan

- District Clerk Civil and Family division will reconcile manual receipts to Odyssey receipts to ensure all transactions have been recorded, including ensuring manual receipt numbers are entered on the cases in Odyssey.
- Management will verify manual receipt books and computer receipts more frequently to ensure accuracy and that processes are completed timely.

cc: Darryl Martin, Commissioners Court Administration