



DALLAS COUNTY COUNTY AUDITOR

Memorandum

To: Honorable Judge Sara Martinez
Justice of Peace, Precinct 5, Place 1

From: Darryl D. Thomas
County Auditor

A handwritten signature in blue ink that reads "Darryl D. Thomas".

Subject: Review Performed for Fiscal Years 2012 – 2014

Date: Issued January 22, 2015
Released April 9, 2015

Scope

A review was performed in accordance with statutory guidelines on the records and reports of Justice of the Peace, Precinct 5, Place 1 for fiscal years 2012 through 2014 during which the Honorable Sandra Ellis presided.

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 involved a review of the JP Accounting System (JPAS) as well as case jackets.

A partial list of the review tests include:

- Accounted for numerical sequence of manual and computer generated receipts
- Reviewed daily receipt transaction log reports
- Reviewed credit card transaction reports
- Traced amounts recorded on the receipts to the bank deposits
- Performed unannounced cash counts
- Examined special fund disbursements and associated fee dockets to determine if sufficient funds were collected, proper payees paid, and if posting to the JPAS had occurred
- Reviewed assessed fees for compliance with applicable state laws and Commissioners Court orders
- Reviewed unpaid criminal cases for outstanding warrants of arrest
- Reviewed outstanding warrant/capias reports for appropriateness
- Traced issuance of bad check actions to the criminal fee dockets to confirm the filing of the cases, collections of assessed fines and costs, or the issuance of arrest warrants
- Reviewed time and attendance records for proper posting and compliance with County policies and procedures
- Compared activity reports to actual new cases on the JPAS
- Reviewed 'Justice Fee Exception List' to determine reason for uncollected fees

Statistical

During fiscal year 2012, the justice court processed:

- 13,218 computer receipts totaling \$1,933,800
- 17,924 class C misdemeanors cases (includes 10,187 automated traffic case filings)
- 1,188 civil/small claims
- 1,793 eviction cases

During fiscal year 2013, the justice court processed:

- 10,907 computer receipts totaling \$1,533,381
- 10,551 class C misdemeanors cases (includes 6,213 automated traffic case filings)
- 1,021 civil / small claims (including debt and repair & remedy cases)
- 1,730 eviction cases

During fiscal year 2014, the justice court processed:

- 9,877 computer receipts totaling \$1,492,642
- 11,055 class C misdemeanors cases (includes 9,296 automated traffic case filings)
- 1,221 civil / small claims (including debt and repair & remedy cases)
- 1,577 eviction cases

FINDINGS

Cash Management

Cash Counts – Cash counts performed revealed: \$25 cash shortage; eleven un-receipted checks with dates ranging from five to 68 days prior to the cash count (*Status: Nine checks totaling \$505 subsequently receipted and two checks totaling \$40 reportedly returned to the payer*); and, 64.75 cash overpayment found in the safe.

Receipts – Manual/Computer – A complete review of 172 (less than 1% of population) voided computer receipts and a sample review of 34,002 computer receipts and corresponding daily receipt transaction logs revealed: seven voided computer receipts were not marked void, did not contain an explanation for void, and did not have both copies attached including one receipt for \$165 check not replaced; one voided computer receipt was missing; and two additional voided computer receipts did not have the original customer receipt copy attached including one receipt replaced for \$10 cash less than the original receipt.

A sample review of 296 manual receipts including three voided manual receipts revealed: one manual receipt was altered to a lower amount by \$5.25 cash.

Responses to the Internal Control Questionnaire revealed: separate cash drawers are not maintained by the back-up bookkeepers; and, monies not separately balanced prior to combining with the funds controlled by the bookkeeper due to a lack of separate tills within the JPAS.

Assessment/Distribution – A review of 121 cases and corresponding computer receipts (1,042 fee code entries) for compliance with statutorily required court costs, fees and fine revealed: seventeen partial payments not properly prorated to court costs, fees, and/or fine; and, limited instances of posting/assessment errors to the wrong fee types. Responses to the Internal Control Questionnaire revealed: the Fine field on the Docket screen is not updated on DA dismissals; and, all court clerks are authorized to update Court Costs and Fine fields on the Docket screen.

Disbursement / Special Fund Reconciliation- A review of special fund activity revealed: limited instances of disbursements, stale dated checks, and cancellations not posted; one check issued for \$1,000 more than case balance as part of funds escheated to the State Comptroller (*Status: overpayment was recovered*); and, one duplicate check for \$75 not posted to the JPAS with the overpayment not recovered. The court has made

considerable progress in clearing old items from the special fund with the balance as of October 11, 2014 down to \$22,954.20 including cash bonds totaling \$4,700 over four years old not eligible for forfeiture.

Processing/Reporting

Criminal Fee Dockets – A review of IT Services JP Warrant Error Report dated October 27, 2014 revealed: 12 active warrants or capias on the Constable warrant systems for cases without balances due, with time served, dismissed, and/or inactive/marked disposed on the JPAS Docket screen (*Status: All twelve warrants or capias were recalled*). All court clerks are authorized to recall warrants

Time Payment Plans – A review of 52 cases with time payment plans revealed: instances of delayed action on cases with delinquent time payment plans; and, limited documentation of collection efforts recorded to the JPAS.

Delinquent Collection Referral – A review of 60 cases referred to a delinquent collection law firm revealed: 31 partial payments not properly allocated/prorated including instances of no allocation to delinquent collection fees; instances of delinquent collection fees waived or not collected without indication whether the defendant was indigent or the case was referred in error.

Failure to Appear (FTA) Driver License (DL) Renewal Block Program – A review 90 cases form the Year to Date FTA Payment History Reports revealed material compliance.

Civil Fee Dockets – A limited review of 51 civil/small claims/eviction/debt claim cases on the “justice fee exception list” report and JPAS revealed: four pauper’s *affidavits of inability to pay costs* not documented on the JPAS Docket screen; two cases transferred from other counties without collection of filing fees; and, four cases filed without advance collection of filing and service fees (*Status: Filing fees were subsequently collected*).

Activity Reports – Comparison of activity reports filed by the court with the Office of Court Administration (OCA), the Office of Budget and Evaluation (OBE), and Auditor’s Office to the mainframe JPAS case records revealed minimum variances except reporting of small suits and other civil (debt claims) suits.

Credit Card Transactions – A review of 105 credit/debit card transactions, the associated JPAS postings, related procedures, and ongoing review revealed material compliance except two refunds of credit payments were processed via special fund checks to the customer rather back to the customer’s credit card account.

Other/Miscellaneous

Time and attendance – Observation of time and attendance during fieldwork and a sample review of manual attendance records, and KRONOS time and attendance postings revealed: the court closes to the public at 4:00 pm even though court personnel work until 4:30 pm; and, employees take 60 minutes for lunch with no breaks (lunch is recorded as 30 minutes on the KRONOS time and attendance system); and, instances of actual time not matching recorded time including early departure for inclement weather approved by the Judge without official approval by Commissioners Court.

Marriage License – A review of marriage license issuance and receipting records for fiscal year 2012 could not be completed because of missing documentation. The court ceased issuing marriage licenses at the end of FY2012.

RECOMMENDATIONS

Cash Management

Receipting and Depositing – Receipts should never be altered, but properly voided. Reemphasize retention of all copies of a voided receipt, clearly marking “void”, and affixing a reason for the void. Employees receipting money should verify that money tendered is accurately receipted prior to providing receipts to the customers. Cash handling duties should be properly segregated. Separate cash drawers should be maintained with collections

balanced prior to combining with other receipted funds. All monies received should be promptly receipted and deposited consistent with Local Government Code, § 113.022 and Code of Criminal Procedure, § 103.004.

Assessment/Distribution – Monitor assessment, collection, and prorating of court costs, fines, and fees in compliance with applicable state laws including Code of Criminal Procedure Chapter 102 and Local Government Code Chapter 133, Commissioners Court orders, Attorney General (AG) Opinion No. GA-0147, and applicable fee schedules based on the offense date. JPAS Docket screen court costs and fine fields should be updated as new court costs are assessed including administrative fees, time payment fees, warrant or capias fees, etc. and as fine amounts are reduced by the Judge or cases are dismissed. Separation of duties limiting (through security access) staff assigned to add, delete, or modify information on Docket screens.

Disbursement / Special Fund Reconciliation – Continue to periodically review the detailed special fund report in order to clear old items on disposed cases in accordance with unclaimed property statutes, Property Code, § 72 and § 76. Cash bonds should be forfeited in accordance with Code of Criminal Procedure, § 22.18.

Processing/Reporting

Criminal Fee Dockets – Outstanding warrants or capiases should be recalled timely when cases are dismissed or otherwise disposed, payments made in full, time is served, etc. Separation of duties should be established limiting (through system security access) staff assigned to recall warrants.

Time Payment Plans – Payment plans should be established and monitored in accordance with Code of Criminal Procedure, Art. 103.0033, and guidelines established by OCA.

Delinquent Collection Referral – The 30% add-on delinquent collection fee should be assessed and collected in accordance with Commissioners Court orders and Code of Criminal Procedure, § 103.0031 including proportionally prorating partial payments.

Failure to Appear (FTA) Driver License (DL) Renewal Block Program – Continue to assess and collect the \$30 failure to appear fee and release DL renewal blocks in accordance with Commissioners Court Order No. 2003-2085, dated November 11, 2003, and Transportation Code § 706.

Civil Fee Dockets – Monitor timing/collection of filing fees and service fees in compliance with applicable state laws and Commissioner Court orders for all eviction, civil and small claim cases filed by non-governmental entities and individuals except for those individuals with approved affidavits of indigence on file. Record the file date of a pauper's affidavit in predefined fields on the Docket screen.

Activity Reports – Monthly activity reports should be completed in an accurate and timely manner with copies provided to OCA, OBE, and the County Auditor.

Credit Card Transaction – Payments should be posted in compliance with *Dallas County General Policy for Use of Credit Card Transactions* including reference to the last five digits of the transaction ID number. Refunds should be issued in accordance with merchant services agreements.

Miscellaneous/Others

Time and Attendance – Actual hours worked, meal periods, vacation time, sick time, holiday time, jury duty, compensatory time, overtime, ATO, etc. should be properly and timely posted to the Kronos time attendance system in accordance with Dallas County Code and Commissioners Court orders. Historical edits should be requested for posting errors.

Marriage License – Documents should be retained in a secure location with restricted access for the statutorily defined retention period or audit completion date whichever is later.

CURRENT FINDINGS/OBSERVATION AND RECOMMENDATIONS

Finding templates numbered 14-JP5.1-01-01 thru 12 are attached. Management responses have been incorporated within the templates.

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.

Highest areas of risk which need to be addressed include: monitoring the warrant exception report for inappropriate active warrants; prorating partial payments to delinquent collection fees as applicable; and, accurately recording time worked.

Consideration of all issues and weaknesses should be incorporated by the court as a self-assessment tool in testing processing functionality of a new justice court system. Adherence to and follow-through with the recommendations should strengthen internal control and compliance with Dallas County policies and procedures.

cc: Darryl Martin, Commissioners Court Administrator
Ryan Brown, Director OBE



Finding Number: 14-JP5.1-01-01 Computer and Manual Receipts
Date: December 17, 2014
Audit: Justice of the Peace 5-1 FY 2012 – FY 2014
Auditor(s) Assigned: PA/JA

Finding:	<p>A sample review of approximately 296 manual receipts including three voided manual receipt, sample review of 34,002 computer generated receipts including a complete review of 172 (less than 1% of the population) voided computer receipts, review of receipt continuity, testing of voiding procedures for proper accounting and internal controls, review of cash management procedures and a sample review of Daily Receipts Log revealed:</p> <ul style="list-style-type: none"> • Cash overpayment of \$64.75 received in July 2012 found in safe. • Eleven checks presented during a cash count were not receipted or restrictively endorsed with check dates ranging from 5 to 68 days prior to the cash count. Status: Nine checks totaling \$505 were subsequently receipted and two checks totaling \$40 were reportedly returned to the payer. • Three manual receipts did not have corresponding computer receipts attached. Status: Posting of funds was traced to the JPAS. • One manual receipt amount was altered to a lower amount by \$5.25 cash. • Seven voided computer receipts were not marked void, did not contain an explanation for void, and did not have both copies attached. Status: Two receipts were replaced for the same amount and payment type; two receipts were replaced for a higher amount and the same payment type; two receipts were replaced for a lower amount (.60 cents) and the same payment type (check); and, one receipt for \$165 check was not replaced. • Twenty-three voided computer receipts were not marked void. • Five voided computer receipts did not have an explanation for void. • One voided computer was missing. • Two voided computer receipts did not have the customer original receipt copy attached. Status: One \$22 cash receipt was replaced for \$12 cash and one \$75 check receipt was replaced for \$77 check. • Two voided computer receipts (initially created during the overnight automated payment posting batch process) were not documented on JPAS. Documenting voided auto-posted computer receipts in the JPAS is a routine procedure for this court. Status: The same auto citation numbers were issued to two separate violators resulting in one defendant paying via credit card over the Internet to the wrong cases. Credit card administrator corrected the credit card files and the automated payment posting receipts were voided by the court and re-entered under the correct case numbers. • A \$25 cash shortage in fiscal year 2013 could not be linked to a specific case or transaction. • Two check deposits were processed eight days and one check deposit was processed eleven days after initial collection awaiting check replacement (checks were receipted for the numeric amount rather than the written legal amount. <p>Responses to the Internal Control Questionnaire (ICQ) and observation indicate:</p> <ul style="list-style-type: none"> • The back-up bookkeeper does not maintain a separate cash drawer. When bookkeeper is at lunch, the back-up bookkeeper uses same drawer. • Monies receipted by the back-up bookkeeper are not separately balanced prior to combining with the funds controlled by the bookkeeper due to a lack of separate tills
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	<p>within the Justice of Peace Accounting System (JPAS).</p> <ul style="list-style-type: none"> • Clerks will issue manual receipts if both the bookkeeper and back-up bookkeeper are not available. • Combination to the safe is not changed when an employee with knowledge of the combination leaves employment with the court.
<p>Workpaper Reference: (or other method by which finding was identified)</p>	<p>Work papers 2.1-11, 5A.1-2, 5A.4-5, 5B.1-2, 5B.2, 5B3-4, 5C.1-2, 5D.1 for FY12, FY13 & FY14 Responses to ICQ</p>
<p>Condition: (Describe the current condition)</p>	<p>Cash payments received by the counter clerks are counted in the presence of the payer. Cash, check, and/or money orders collected by the counter clerks and supporting documentation are given to the bookkeeper or back-up bookkeeper for receipting. Cash is recounted by the bookkeeper or back-up bookkeeper prior to the generation of the computer receipt with change noted. Check/money order payments are inconsistently reviewed for correctness by comparing the numeric and written/legal amounts on the check and payer name to the case number, case style, and amount due on the case prior to the generation of the computer receipt. The JPAS is accessed for generating a computer receipt to the appropriate case number and the payment information is entered by the bookkeeper or back-up bookkeeper. The computer receipt is printed and reviewed by the bookkeeper or back-up bookkeeper for accuracy prior to submitting to the customer by the counter clerk. If errors are identified, the original computer receipt and copy is voided with an explanation noted. Computer receipts and any change due from cash payments are provided to the customers.</p> <p>On July 10, 2013, Justice of the Peace 5-1 began accepting credit card payments over the counter. The counter clerks inform the payer of the convenience fee to be assessed for the payment. A valid identification must be presented for the payer to pay with a credit or debit card. The counter clerk will swipe the debit or credit card on the POS device. The payer will enter their PIN number or sign the POS slip generated. The office POS slip copy and any supporting documentation are presented to the bookkeeper or back-up bookkeeper for receipting. The bookkeeper will apply the payment to the corresponding case and then staple the office POS slip copy to the office computer receipt copy. At the end of the day, the clerks will run a Detail Report for each POS device and give it to the bookkeeper for end of day closeout. A batch settlement report that details all the POS debit/credit card transactions performed by the court staff for the business day is emailed to the court overnight and will be included with the daily deposit.</p> <p>The court closes to the public at 4:00 PM in preparation for closeout. The cash, credit card payments, and checks/money orders on hand are totaled and compared to the system control totals. Adjustments are made on the JPAS by the bookkeeper when the payment type is incorrectly recorded, the check amount is not correctly receipted, or other errors are identified. Customers will not receive a copy of "closeout" voids / corrections. New computer receipts may be generated that do not match the receipt the customer received</p> <p>The ending computer receipt number to include in the overnight closeout process is entered into the JPAS. Computer receipts issued after the cut-off are included with the next business day's deposit. Cash, checks, and other supporting documentation will be placed in the safe overnight. The following business day the safe is opened and the bookkeeper will confirm cash and checks are still in balance with JPAS control totals. Cash, coin and check totals are</p>



	<p>entered to the JPAS deposit file. If entered amounts match system control totals, the JK98 process will allow the court to print the deposit form 98's by cash and check payment types. The funds and deposit totals are verified by a second court employee (Chief Clerk or back-up bookkeeper). Dual sign-off will be indicated on both deposit forms. The cash and check (including closed out / computer receipted credit card payments) deposits will be placed in separate clear plastic deposit envelope bags. Relevant information will be written on the clear plastic bags. Bag control numbers, payment type, and amount will be notated in the courier receipt book and signed by court staff. The courier will sign for the deposits and deliver to the County Treasurer.</p> <p>Document Direct reports are reviewed by the bookkeeper each morning for automated computer receipt postings created overnight from credit card payments processed over the Internet. In the event of an identified fee code distribution error, the computer receipt is voided in the JPAS by the bookkeeper. However, no hard copy of a receipt exists for receipts generated through the automated process. The bookkeeper will enter the correct fee code breakdown and generate a new computer receipt with the total amount matching the confirmation received by the customer.</p>
<p>Criteria: (Describe the optimal condition)</p>	<p>Management judgment in designing, implementing and conducting internal control, and in assessing its effectiveness is emphasized in the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework. Internal control requires that five core components be present: Control Environment; Risk Assessment; Control Activities, Information and Communication; and Monitoring Activities. Specific controls related to receipt control procedures require that:</p> <ul style="list-style-type: none"> • All computer receipts should be accounted for and properly used in order to affix responsibility, enhance cash control and prevent potential assertion that monies were paid and refund due. • All monies received should be promptly receipted and deposited consistent with state law, Local Government Code, § 113.022 and Code of Criminal Procedure, § 103.004 and procedures recommended by the County Auditor. • 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 and transaction logs (especially with respect to receipt deletions, lowered amounts, and payment type changes) to ensure that the explanation for the deletions is documented and reasonable. • Corrections are reviewed and approved by the chief clerk. • The number of individuals authorized to receipt payments and handle cash is properly segregated and limited. <p>Standard accounting and system control procedures require daily reconciliation and balancing of collected funds with receipts promptly issued for the amount of funds tendered. Separate cash drawers should be maintained by all clerks receipting payments and funds should be balanced prior to combining with other receipted funds.</p>
<p>Cause: (Describe the cause of the condition if possible)</p>	<p>Lack of separate tills within the mainframe Justice of the Peace Accounting System (JPAS). Incomplete cash handling controls</p>
<p>Effect:</p>	<p>Prevents potential assertion that monies were paid and refund due.</p>



(Describe or quantify any adverse effects)	JPAS computer receipt records do not accurately reflect payment submitted by customers. Inability to affix responsibility in the event shortages occur.				
Recommendation: (Describe corrective action)	<p>Cash handling and receipt control procedures should include:</p> <ul style="list-style-type: none"> • Separate cash drawers provided for the bookkeeper, back-up bookkeeper, and others assisting in the receipting process. Balance each drawer separately prior to combining with other receipted funds. A proper segregation of duties reduces the risk of misappropriated funds and establishes a clear line of liability in the event losses occur. • Limit individuals authorized to receipt payments and handle cash. • All copies of a voided receipt retained, clearly marked "void" and affixed with reason for void in order to affix responsibility, enhance cash control and prevent potential assertion that monies were paid and refund due. • Receipts verified for accuracy of amount (legal written), payment type, case number, and payer before issuing a receipted to a customer. • Compensating processes such as dual sign-off on voids, receipt corrections, supervisory review, testing, and validation. • At the end of the business day: the receipts totaled and compared to the funds on hand and system control totals. Corrections made such that both good internal control and audit trails are maintained. Receipt and deposit totals verified by the back-up bookkeeper or chief clerk. <p>The combination to the safe should be changed when employees with knowledge of the combination leave the justice court or otherwise reassigned.</p>				
Responsible Department or Organization:	Justice of the Peace 5-1				
Management's Response:	<input checked="" type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent:	Keisha Lowe, Chief Clerk	Date: 4/2/2015
Comments:	Per the bookkeeper, most of the findings were corrected at the time the auditor was in the court. We have read the recommendations and will adhere to each one. The combination is always changed when an employee with prior knowledge of the combination leaves.				
Disposition:	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration		



Finding Number: 14-JP5.1-01-02 Fee Assessment & Allocation
Date: December 17, 2014
Audit: Justice of the Peace 5-1 FY2012 – FY2014
Auditor(s) Assigned: PA/JA

<p>Finding:</p>	<p>Review of 121 cases and corresponding computer receipts (approximately 1,042 fee code entries) for appropriate collection of court costs, fines, and fees, and accurate posting to the Justice of the Peace Accounting System revealed:</p> <ul style="list-style-type: none"> • Seventeen partial payments were not properly prorated / allocated to court costs, fees, and fine. • Two cases without assessment/collection of the \$25 Time Payment Fee for payments made 31 or more days after the judgment date. • Four instances in which the incorrect fee schedules were used to assess and collect court costs. • Two fine payments for child passenger safety seat systems violations not recorded to designated fee type 23 (50% allocation to both County and State fines). • Two instances in which payments were partially recorded to the wrong fee types. Status: Corrected. • One \$5 citation issuance fee for DART incorrectly posted to DCHD fee type 35. Status: Corrected. • One \$5 citation issuance fee for DPS incorrectly posted to Sheriff fee type 01. Status: Corrected. • One \$5 citation issuance fee for DART incorrectly posted to special fund fee type 07. <p>Responses to the Internal Control Questionnaire (ICQ) indicate:</p> <ul style="list-style-type: none"> • All clerks are authorized to update court costs and fine fields on the JPAS Docket screens. • Fine fields are not updated on DA dismissals. • JP Exception and Transaction logs are not reviewed by supervisory personnel.
<p>Workpaper Reference: (or other method by which finding was identified)</p>	<p>Work paper 5E Assessment of Fees Responses to ICQ</p>
<p>Condition:(Describe the current condition)</p>	<p>The Justice of Peace Accounting System lacks automated assessment and partial payment distribution functions. Pre-assessed court costs and fine amounts are posted to the JPAS Docket screen by justice court (or populated via automated traffic case filings) staff based on state statutes in effect at the time of the offense. Payments are allocated to court costs, fees, and then fine amounts; however, payments are subject to proration errors.</p> <p>Time payment fees (for cases not paid in full by the 31st day after the judgment), transaction fees, and warrant fees (for each warrant and/or capiases issued) are additional court costs that must be manually updated and assessed by the compliance clerk, court clerks, or the bookkeeper in JPAS Court Costs field on the Docket screen. The Courts Costs field is updated with the appropriate administrative fee for dismissal when defendants present proof of registration, inspection, or a valid driver’s license. Proof of insurance will result in dismissal of “no insurance” cases without payment of an administrative fee. The Fine field is not consistently updated with a zero fine amount on administrative and DA dismissals.</p> <p>The court does not charge the \$2 transaction fee for every payment made in a criminal case.</p>



	<p>Defendants appearing before the court may receive a reduced fine from the Judge with the judgment reflecting a fine less than the pre-assessed amount, requiring the court clerks or bookkeeper to update the JPAS Fine field on the Docket screen. Other defendants may request and be approved for a driving safety course with the compliance clerk, court clerks, or the bookkeeper updating the JPAS Court Costs field on the Docket screen by adding an additional \$10 administrative fee to the standard moving violation court costs amount and requiring payment at the time of request. Some defendants may request and receive deferred disposition from the court which requires full payment of the court costs for the offense and payment of a "special expense" set by the Judge. The "special expense" in lieu of the fine may not exceed the maximum amount of the fine for the offense. Adjustments are required to the JPAS Docket screen fields by the compliance clerk, court clerks, or the bookkeeper to reflect deferred disposition including noting a date in the JPAS DEFER ADJU date field.</p> <p>Prior to receipting payments, the bookkeeper, back-up bookkeeper, or chief clerk reviews the JPAS payment history screen for prior payments and the case jacket and JPAS Docket screen for accuracy of amounts due including Court Costs, Fine/Special Expense, FTA Fee, and/or Delinquent Collection Fee. During the receipting process, the bookkeeper, back-up bookkeeper, or chief clerk must perform a modified manual cost allocation process to record payments to each fee type due to limited system functionality. Court costs grids are used by the bookkeeping staff at the point of receipting to provide a guide for the Fee Type breakdown in the JPAS.</p>
<p>Criteria: (Describe the optimal condition)</p>	<p>Management judgment in designing, implementing and conducting internal control, and in assessing its effectiveness is emphasized in the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework. Internal control requires that five core components be present: Control Environment; Risk Assessment; Control Activities, Information and Communication; and Monitoring Activities. Specific cash controls related to internal control, segregation of duties, and other require that:</p> <ul style="list-style-type: none"> • Court costs, fines, and fees should be assessed/collected/prorated in compliance with applicable state laws including Code of Criminal Procedure Chapters 45 and 102 and Local Government Code Chapter 133, Commissioners Court orders, and Attorney General Opinion No. GA-0147. • Court costs should be assessed based on offense date and offense type. • Court costs and court cost tables should be updated each time a legislative change or a Commissioners Court change is made affecting court costs. • The fee assessment process should be automated as much as possible with manual overrides restricted in use. • Assigned duties for payment processing and assessment reductions are adequately separate. <p>Once collected, each fee should be posted to the proper JPAS fee type and paper type to assure subsequent distribution to proper governmental entity. Paper types for designated traffic programs should be used when recording payments on traffic cases.</p> <p>According to Transportation Code, Sec. 545.412. CHILD PASSENGER SAFETY SEAT SYSTEMS; OFFENSE. (h) Notwithstanding Section 542.402(a), a municipality or county, at the end of the municipality's or county's fiscal year, shall send to the comptroller an amount equal to 50 percent of the fines collected by the municipality or the county for violations of this section.</p>



	<p>The comptroller shall deposit the amount received to the credit of the tertiary care fund for use by trauma centers.</p> <p>JPAS Docket screens should be updated as cases are filed and additional case activity occurs including, but not limited to, the assessment of additional court costs and/or changes in fines or special expense amounts as ordered by the judge in accordance with Code of Criminal Procedure, § 45.017.</p>			
<p>Cause: (Describe the cause of the condition if possible)</p>	<p>Inadequate JPAS system functionality Clerical error</p>			
<p>Effect: (Describe or quantify any adverse effects)</p>	<p>Incorrect distribution/disbursement of funds to the State of Texas, Dallas County, and/or other governmental entities requiring additional time to correct posting.</p>			
<p>Recommendation: (Describe corrective action)</p>	<p>Continue to monitor assessment, collection, and prorating of court costs fines, and fees in compliance with applicable state laws including Code of Criminal Procedure Chapter 102 and Local Government Code Chapter 133 or Commissioners court orders and applicable fee schedules based on the offense date and offense type for criminal offenses and file date for civil type cases.</p> <p>Code partial payments to the correct fee types prorating to each state and local court cost/fee before recording amounts to fine or only one court cost.</p> <p>Adjustments to assessments should be made reflecting internal control and audit trails including compensating processes such as dual sign-off on adjustments, supervisory review and pre-approval, testing, and validation.</p> <p>JPAS Docket screen posting procedures should include separation of duties limiting (through system security access) staff assigned to add, delete, or modify information on Docket screens.</p> <p>Continue to pursue a new Justice of the Peace system with improved features.</p>			
<p>Responsible Department or Organization:</p>	<p>Justice of the Peace 5-1.</p>			
<p>Management's Response:</p>	<input checked="" type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<p>Respondent: Keisha Lowe, Chief Clerk</p>	<p>Date: 4/2/2015</p>
<p>Comments:</p>	<p>JP 5-1 requests that the Auditor's office forward proper procedures in prorating & allocating the funds to each type. We have read the recommendations and will adhere to each one.</p>			
<p>Disposition:</p>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration	



Finding Number: 14-JP5.1-01-03
Date: December 17, 2014
Audit: Justice of the Peace 5-1 FY2012 - FY2014
Auditor(s) Assigned: PA/JA

<p>Finding:</p>	<p>Credit Card Transactions Review of financial activity associated with one hundred-five (105) credit card transactions and the associated JPAS postings and other testing revealed:</p> <ul style="list-style-type: none"> • One credit card transaction posted with partially incorrect Transaction ID. • Four partial payments were not properly prorated to court costs and/or delinquent collection fees. <p>Status: One case with payments subsequently collected / posted in full to all fee types.</p> <ul style="list-style-type: none"> • One \$30 FTA payment on case dismissed prior to referral for driver license renewal hold. <p>Status: Refunded to defendant.</p>
<p>Work Paper Reference: (or other method by which finding was identified)</p>	<p>Work paper 6 Desk Review JPAS and Settlement reports</p>
<p>Condition: (Describe the current condition)</p>	<p>Defendants paying with a credit or debit card in person are required to provide a government issued photo ID. The clerk informs the payer of the convenience fee amount to be assessed. The clerk swipes the credit or debit card on the POS device. The clerk generates two POS sales slips (customer and office copy) and obtains the customer's signature on the court's copy for non-PIN transactions only. For debit card transactions, the customer is required to enter a PIN on the numeric pad. The clerk takes the signed slip and any supporting documentation to the bookkeeper or back-up bookkeeper for receipting. The bookkeeper staples the signed POS slip to the JPAS receipt. At the end of the business day (not prior to 4 PM), the clerks will generate a Device Detail Report for each POS device and give it to the bookkeeper for reconciling and balancing the daily JPAS transactions. The next business day, the bookkeeper and chief clerk receive, by email from the court's proxy email account, a Batch Settlement Report, listing all the POS credit/debit card transactions completed by the court staff for that period. The bookkeeper will compare the Batch Settlement Report to the prior day Device Detail Report to verify the reports match. The Batch Settlement amount is noted on the check deposit Form 98 and a copy of the Batch Settlement Report will be attached to the deposit form.</p> <p>Defendants paying with credit card via mail are required to provide cardholders name and address, credit card number and expiration date, check the case(s) to be paid, record the amount to be paid, sign and date, and enter a plea on the citation provided at the time of offense. Mailed in credit card payment data are submitted to the bookkeeper for processing through the County's Intranet portal. A confirmation number is generated by the system for successful transactions and the confirmation will be printed by the bookkeeper. Credit/debit card payments processed through the 'automated traffic citation' payment channel by 6:59:59 PM are not consistently included in the next day business closeout (processing is dependent on IT parameters not JP court clerk). Credit card number and other information are not stored on Dallas County servers or systems.</p> <p>Defendants paying with credit card over the Internet for tickets issued via automated traffic citations must have their citation number and JP court id from the citation in order to remit payment online. If the defendant does not have the citation, the defendant can contact the Justice of the Peace court for the information. Defendants are required to click box and agree to "By paying this violation, I hereby voluntarily, intelligently, and knowingly waive my right to a trial by jury". The defendant will be redirected to the JPMorgan Chase PayConnexion site. A valid credit or debit card must be entered at this point. A convenience fee (charged and collected by JPMorgan Chase) will display on the payment verification screen where the defendant will have the</p>



	<p>opportunity to terminate the transaction or pay the full payment. Once the defendant accepts the final amount, a confirmation number s generated by the system for successful transactions and the confirmation can be printed by the defendant. Credit/debit card payments processed through the 'automated traffic citation' payment channel by 6:59:59 PM are not consistently included in the next day business closeout (processing is dependent on IT parameters not JP court clerk). Credit card number and other information are not stored on Dallas County servers or systems.</p> <p>Defendants paying with credit card over the Internet for traffic, IBC, truancy, parks and wildlife, etc. cases must have their case number and JP court id in order to remit payment online. If the defendant does not have the case number or JP court id, the defendant can contact the Justice of the Peace court for the information. The defendant has the option to pay the full amount or a partial amount. After going through two additional screens, the defendant will be redirected to the JPMorgan Chase PayConnexion site after clicking on the 'continue' button. A valid credit or debit card must be entered at this point. A convenience fee (charged and collected by JPMorgan Chase) will display on the payment verification screen where the defendant will have the opportunity to terminate the transaction or make payment. Once the defendant accepts the final amount, a confirmation number is generated by the system for successful transactions and the confirmation can be printed by the defendant. Credit/debit card payments processed through the 'JP courts online payment center' channel by 6:59:59 PM are not consistently included in the next day business closeout (processing is dependent on IT parameters not JP court clerk). Credit card number and other information are not stored on Dallas County servers or systems.</p> <p>Each business morning, the bookkeeper prints the credit card transaction reports from both credit/debit card payment channels and the mainframe automated posting/reject reports. Accepted transactions (completed prior to 7 PM) processed through the 'auto citation' payment channel create a computer receipt in the overnight batch process without data entry required except for amounts that do not match the limited allocation table. A receipt does not print for these transactions. The bookkeeper reviews the 'automated traffic citation' payment channel accepted (titled Settlement Report) report and compares to the JPAS for accuracy in fee code distribution. There are limited court costs tables available for the automated posting of credit/debit card payments so some items appear on a mainframe reject (amounts do not match table) report and require research and manual posting for generation of a computer receipt.</p> <p>Valid transactions from the 'JP Court' precinct payment channel accepted (titled Settlement Report) report and the rejected 'auto citation' transaction mainframe report will be receipted by the bookkeeper or chief clerk to the JPAS as payment type 'check' due to JPAS limitations. Daily balancing of receipt activity will include credit/debit card payments that appear on the accepted/settlement (previous day's activity prior to 7 PM) reports generated by court staff from the County's Intranet site.</p> <p>A copy of the POS settlement report and the two accepted/settlement ('auto citation' and 'JP Court') reports will be sent to the County Treasurer with the check deposit.</p>
<p>Criteria: (Describe the optimal condition)</p>	<p>Management judgment in designing, implementing and conducting internal control, and in assessing its effectiveness is emphasized in the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework. Internal control requires that five core components be present: Control Environment; Risk Assessment; Control Activities, Information and Communication; and Monitoring Activities. Specific cash controls related to internal controls, system security, and statutes regarding e-file control procedures require that:</p> <ul style="list-style-type: none"> • All monies received should be promptly receipted and deposited properly, and timely in accordance with Local Government Code, § 113.022 and Code of Criminal Procedure, § 103.004.



	<ul style="list-style-type: none"> Accounting and system control procedures require daily reconciliation and balancing of collected funds, including supervisory review. E-Commerce requires information processing controls to test that transactions completed through computerized applications are valid and properly authorized, completely, accurately, and timely processed, and reported. <p>Per Dallas County General Policy for Use of Credit Card Transactions Policy, any customer credit card numbers or security numbers from the back of the credit card received through the mail by the justice courts and used to process credit card transactions must be securely retained for 24 months after the transaction is processed through web access in a locked file cabinet with limited access. After 24 months, the credit card information should be destroyed or redacted. At no time should credit card information be left on desks or other work areas nor be filed in case jackets.</p> <p>According to Local Government Code, § Sec. 130.003. PAYMENT CONDITIONAL. (a) The acceptance of a check or credit card invoice for the payment of a fee or tax does not constitute payment of the fee or tax. The fee or tax is not considered paid until the check is honored by the bank on which the check is drawn or the credit card invoice is honored by the issuer.</p>				
Cause: (Describe the cause of the condition if possible)	Non-integrated financial systems for e-commerce requiring manual intervention. Multiple credit card reports and payment channels.				
Effect: (Describe or quantify any adverse effects)	Incorrect distribution/disbursement of funds to the State of Texas, Dallas County, and/or other governmental entities requiring additional time to correct posting.				
Recommendation: (Describe corrective action)	Payment posting procedures should include: <ul style="list-style-type: none"> Continue review of reports for credit card acceptance and rejection postings to properly and timely account for payments. Valid payments not auto-posted should be receipted to the JPAS when appearing on the settlement report. Post payments in compliance with <i>Dallas County General Policy for Use of Credit Card Transactions Policy</i> including reference to the last five digits of the transaction id number. Code partial payments to the correct fee types prorating to each State and local court costs/fees before recording amounts to fine or only one court cost. <p>Document proposed modifications to the automated posting process and incorporate in <u>technology assessments</u>.</p>				
Responsible Department or Organization:	Justice of the Peace 5-1				
Management's Response:	<table border="1"> <tr> <td><input type="checkbox"/> Agree</td> <td><input type="checkbox"/> Disagree</td> <td>Respondent:</td> <td>Date:</td> </tr> </table>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent:	Date:
<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent:	Date:		
Comments:					
Disposition:	<table border="1"> <tr> <td><input checked="" type="checkbox"/> Audit Report</td> <td><input type="checkbox"/> Oral Comment</td> <td><input type="checkbox"/> Deleted From Consideration</td> </tr> </table>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration	
<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration			



Finding Number: 14-JP5.1-01-04
Date: December 17, 2014
Audit: Justice of the Peace 5-1 FY 2012 – FY2014
Auditor(s) Assigned: PA/JA

<p>Finding:</p>	<p>Time Payment Plans Review of 52 cases on time payment plans revealed:</p> <ul style="list-style-type: none"> • Instances of delayed action on cases with delinquent time payment plans. • Limited documentation of collection efforts on JPAS. • Five partial payments were not properly prorated to court costs and/or delinquent collection fees. <p>The court established a collections process for time payment plan cases as required by the Office of Court Administration (OCA) Collections Improvement Program. The Office of Budget and Evaluation (OBE) has provided one designated collection clerk for each court.</p>
<p>Workpaper Reference: (or other method by which finding was identified)</p>	<p>Workpaper No. 7A</p>
<p>Condition: (Describe the current condition)</p>	<p>In response to the OCA and Senate Bill 1863 (enacted by the 79th Legislature in 2005), the court established procedures for defendants requesting time payment plans. The court’s procedures include but are not limited to: defendant completing a personal data form when requesting time to pay, defendant signing a payment agreement, defendant’s phone numbers and references verified by court collection clerk, phone calls are made by the court collection clerk 2 to 3 days after a missed payment, and delinquent collection postcards and balance due letters are sent by court collection clerk within 30 days.</p> <p>No controls exist to prevent the Costs Due date advanced on delinquent cases without receipt of payment.</p> <p>Collection effort information is documented on case jacket but limited information is recorded to the JPAS case Docket screen.</p>
<p>Criteria: (Describe the optimal condition)</p>	<p>Management judgment in designing, implementing and conducting internal control, and in assessing its effectiveness is emphasized in the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework. Internal control requires that five core components be present: Control Environment; Risk Assessment; Control Activities, Information and Communication; and Monitoring Activities. Specific controls related to billing procedures, collection efforts, and accounting controls include:</p> <ul style="list-style-type: none"> • Monitoring the age of receivables (run an aged receivable report on a weekly or monthly basis), and systemically follow-up on any accounts that are past due more than a predetermined number of days <ul style="list-style-type: none"> ○ Accounts receivable sub-ledger is reconciled monthly. Reconciliation is reviewed by management and evidence of review is maintained. ○ Referral of uncollected receivables for delinquent collection assistance in a timely manner • Invoices include an accurate breakdown of fees assessed. <ul style="list-style-type: none"> ○ Invoices are mailed timely (emailed if email address is available) • Collection efforts initiated on all cases with balances pending <ul style="list-style-type: none"> ○ Automated phone calls (or live call scripts) and delinquent notice mailings (standard collection letters)



	<ul style="list-style-type: none"> ○ Use skip tracing or available address search engines <p>In accordance with state statutes and at judge’s discretion, warrants/capias should be issued within a reasonable time frame to further enhance the court’s collections process. All warrants should be recalled when a defendant makes proper disposition of court costs & fines by payments made, jail time served, community service or other disposition such as appeal of the case.</p> <p>In accordance with Code of Criminal Procedure, § 45.041, the judgment and sentence, in case of conviction in a criminal action before a justice of the peace or municipal court judge, shall be that the defendant pays the amount of the fine and costs to the state. The justice or Judge may direct the defendant to pay: (A) the entire fine and cost when sentence is pronounced; (B) the entire fine and cost at some later date; or (C) a specified portion of the fine and costs at designated intervals.</p> <p>In accordance with Code of Criminal Procedure, Art. 103.0033 (c) unless granted a waiver under Subsection (h), each county and municipality shall develop and implement a program that complies with the prioritized implementation schedule under Subsection (h). A county program must include district, county, and justice courts.</p> <p>(d) The program must consist of:</p> <ol style="list-style-type: none"> (1) a component that conforms with a model developed by the office and designed to improve in-house collections through application of best practices; and (2) a component designed to improve collection of balances more than 60 days past due, which may be implemented by entering into a contract with a private attorney or public or private vendor in accordance with Article 103.0031. 				
<p>Cause: (Describe the cause of the condition if possible)</p>	<p>Inconsistent controls over the billing and collection process Inadequate system exception reporting Defendants not held accountable for delinquent payment plans</p>				
<p>Effect: (Describe or quantify any adverse effects)</p>	<p>Sanctions from the State Comptroller and the Office of Court Administration including the loss of the County’s quarterly administrative fee on State collections.</p>				
<p>Recommendation: (Describe corrective action)</p>	<p>Written policy and procedures manual should be developed (consistent with OCA guidelines) for billing responsibilities with training reinforced. Continue established payment plan procedures and monitor in accordance with Code of Criminal Procedure, Art. 103.0033.</p> <p>Collection efforts should be initiated on all cases with a balance due. Flag cases (including adding due dates) in JPAS with unpaid balances and generate bills on a predetermined basis taking into consideration court orders reducing fine amounts.</p> <p>Continue to pursue a new system with improved features.</p>				
<p>Responsible Department or Organization:</p>	<p>Justice of the Peace 5-1</p>				
<p>Management’s Response:</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;"><input checked="" type="checkbox"/> Agree</td> <td style="width: 30%;"><input type="checkbox"/> Disagree</td> <td style="width: 20%;">Respondent: Keisha Lowe, Chief Clerk</td> <td style="width: 20%;">Date: 4/2/2015</td> </tr> </table>	<input checked="" type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent: Keisha Lowe, Chief Clerk	Date: 4/2/2015
<input checked="" type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent: Keisha Lowe, Chief Clerk	Date: 4/2/2015		
<p>Comments:</p>	<p>JP 5-1 does have a written policy in place for OCA collections that was given to us by Cynthia Montes. Prior to Judge Ellis presiding over the bench at JP 5-1 in 2012, we were unaware of the collections procedure. In May 2012, OCA completed a spot check of the collections program where the court received an average of 95% (see attached). There has not been a spot check for 201. On all OCA Collections paperwork, there is a place for each clerk to initial who completed</p>				



	the payment plan. Also prior to 2013, JP 5-1 did not issue capias warrants on delinquent cases. Defendants are held accountable at this present time for delinquent payment and capias warrants have been issued ever since 2013. We have read the recommendations and will adhere to each one.		
Disposition:	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration



Finding Number: 14-JP5.1-01-05
Date: December 17, 2014
Audit: Justice of the Peace 5-1 FY 2012 – FY2014
Auditor(s) Assigned: PA/JA

<p>Finding:</p>	<p>Delinquent Collection Services Review of 50 cases from the Justice of the Peace 5-1 Collection Referral Report for adequate collection procedures on cases referred to delinquent collection law firm revealed:</p> <ul style="list-style-type: none"> • 31 partial payments were not properly prorated including instances of no allocation to delinquent collection fees. <ul style="list-style-type: none"> ○ Departmental practice is to apply partials payments to court costs, then fine amounts and finally to collection fees. • One case disposed without full payment of collection fee due. • One case where collection fees were not collected on a \$25 time payment fee. • Two cases where collection fees were not collected with no indication in JPAS fees were waived by the Judge. • One case without collection of delinquent collection fees as the result of an error by the compliance clerk on the defendant’s time payment plan schedule. • One case where collection fees were waived by the Judge without indication the defendant was indigent. • One case where collection fees were waived on a case delinquent more than 60 days at various times prior to full payment. • One payment was allocated to fine instead of collection fees. <p>Status: Corrected.</p>
<p>Workpaper Reference: (or other method by which finding was identified)</p>	<p>Work paper No. 7B Monthly Collection Referral Reports</p>
<p>Condition: (Describe the current condition)</p>	<p>Dallas County Commissioners Court entered into a contract with the Law Firm of Linebarger, Goggan, Blair & Sampson for the purpose of providing collection services for delinquent justice court traffic cases (JT case type) that are more than 60 days past due. The contract indicates the 30% is due when the case "has been referred to Contractor for collection". Once the case is referred to Linebarger for collection, the defendant should be charged the collection fee for any unpaid court costs and fine amounts. Linebarger only gets paid when payments are recorded by the Dallas County justice courts on referred cases. Payments are inconsistently prorated or allocated to the collection fee (fee type 26).</p> <p>Cases that meet delinquent collection referral criteria (including at least 61 days delinquent) are systemically analyzed daily using programs developed by IT Services. Previously un-referred cases with balances due equal to or greater than \$5 are included on a daily ‘future’ report by JP court which lists all cases that are eligible for referral in the next 15 days based on the defined selection criteria. These cases are initially flagged with a future status code. During the 15 day period, the court has the opportunity to review the cases and change the status code to prevent the cases from being referred.</p> <p>On a weekly basis, all cases previously flagged for future referral that have reached the end of the 15 day period, are updated with a 30% delinquent collection fee systemically extracted by IT Services and sent to the delinquent collection law firm. The status code is changed to reflect the date sent. Due to JPAS limitations, only the last two status codes are viewable on the Docket</p>



	<p>screen. The delinquent collection law firm sends letters and makes phone calls to the defendant notifying of the delinquent collection referral and balances due on the cases. All payments are directed to be sent to the Dallas County JP courts.</p> <p>Daily updates are provided to the delinquent collection law firm for previously referred cases with changes to assessment, payment, and disposition information. Changes to the assessments (Court Costs field) result in the 30% delinquent fees to be systemically updated. When defendants remit payment in full, the COLL referral status is not systemically updated by the JPAS programs. Court staff can also update the COLL referral status code to remove 'R' the delinquent collection referral which results in the 30% delinquent fee to be systemically removed. The delinquent collection firm is systemically notified resulting in collection efforts to be discontinued.</p>
<p>Criteria: (Describe the optimal condition)</p>	<p>According to Code of Criminal Procedure, Art. 103.0031. COLLECTION CONTRACTS. (b) A commissioners court or governing body of a municipality that enters into a contract with a private attorney or private vendor under this article may authorize the addition of a collection fee in the amount of 30 percent on each item described in Subsection (a) that is more than 60 days past due and has been referred to the attorney or vendor for collection. The collection fee does not apply to a case that has been dismissed by a court of competent jurisdiction or to any amount that has been satisfied through time-served credit or community service. The collection fee may be applied to any balance remaining after a partial credit for time served or community service if the balance is more than 60 days past due. Unless the contract provides otherwise, the court shall calculate the amount of any collection fee due to the governmental entity or to the private attorney or private vendor performing the collection services and shall receive all fees, including the collection fee. With respect to cases described by Subsection (a)(2), the amount to which the 30 percent collection fee applies is: (1) the amount to be paid that is communicated to the accused as acceptable to the court under its standard policy for resolution of the case, if the accused voluntarily agrees to pay that amount; or (2) The amount ordered paid by the court after plea or trial. (d) A defendant is not liable for the collection fees authorized under Subsection (b) if the court of original jurisdiction has determined the defendant is indigent, or has insufficient resources or income, or is otherwise unable to pay all or part of the underlying fine or costs.</p>
<p>Cause: (Describe the cause of the condition if possible)</p>	<p>Incomplete application of Code of Criminal Procedure, Art. 103.0031 regarding allocation of payments to delinquent collection fees.</p>
<p>Effect: (Describe or quantify any adverse effects)</p>	<p>Non-compliance with delinquent collection contract and state statute.</p>
<p>Recommendation: (Describe corrective action)</p>	<p>30% add-on delinquent collection fee should be assessed and collected in accordance with Commissioners Court Order No. 2013-1709 and Code of Criminal Procedure, § 103.0031 including proportionally prorating partial payments.</p> <ul style="list-style-type: none"> • A defendant's claim of indigence should be determined prior to the waiver of the 30% add-on fee and properly docketed.
<p>Responsible Department or Organization:</p>	<p>Justice of the Peace 5-1</p>
<p>Management's Response:</p>	<p><input type="checkbox"/> Agree <input type="checkbox"/> Disagree Respondent: _____ Date: _____</p>
<p>Comments:</p>	<p> </p>
<p>Disposition:</p>	<p><input checked="" type="checkbox"/> Audit Report <input type="checkbox"/> Oral Comment <input type="checkbox"/> Deleted From Consideration</p>



Finding Number: 14-JP5.1-01-06
Date: December 17, 2014
Audit: Justice of the Peace 5-1 FY 2012 – FY2014
Auditor(s) Assigned: PA/JA

<p>Finding:</p>	<p>Criminal Fee Dockets Review of IT Services JP Warrant Error report dated October 27, 2014 for validity of warrant issuances, recalls, and served/returned/active/regional statuses (approximately 5,815 active warrants or capias as of 10/19/2014) revealed:</p> <ul style="list-style-type: none"> • All court clerks are authorized to recall warrants. • Twelve warrants or capias reflected as active or outstanding on WX50 or WRWI for cases without balances due; with time served; dismissed; and/or inactive (marked with Disposed flag 'X'). <p>Status: As of 10/29/14, all twelve warrants have been recalled and removed as active on WX50.</p>
<p>Workpaper Reference: (or other method by which finding was identified)</p>	<p>Workpaper No. 8A Criminal Fee Dockets IT Services Active Warrants on Disposed Cases Report and responses to ICQ R05870 Outstanding Warrant Report</p>
<p>Condition: (Describe the current condition)</p>	<p>Warrants including alias warrants and failure to appear warrants are issued by the court and signed by the Judge when defendants do not appear or do not comply with the terms of release. The issuance date is recorded to the JPAS Docket screen by the court staff. A notice of show cause hearing is issued by court staff when defendants do not satisfy the terms of the judgment including payment of fine and court costs. Criminal process is sent to the constable's office for service.</p> <p>Court clerks transmit (prompting recall notices to print at the law enforcement agency) recall notices to the appropriate law enforcement agency but without notice of confirmation recall received. Recalled dates are noted in the Docket notes and returned dates are consistently entered in the designated fields as warrants and/or capias are returned from law enforcement agencies by court clerk. Process verification is problematic since systems are not linked and lack warnings when payments are made in full, defendants appear, or defendants comply with orders of the court, etc. The chief clerk inconsistently reviews the warrant error report to ensure any active warrants that need to be recalled are processed by court staff.</p> <p>No separation of duty procedure is established for issue/recall of warrants.</p>
<p>Criteria: (Describe the optimal condition)</p>	<p>In accordance with state statutes and at judge's discretion, warrants/capias should be issued within a reasonable time frame to further enhance the court's collections process. All warrants should be recalled when a defendant makes proper disposition of court costs & fines by payments made, jail time served, community service or other disposition such as appeal of the case.</p> <p>Best practices for internal control require separation of assigned duties for personnel authorized to issue and/or recall warrants.</p> <p>Docket screen procedures recommended by the County Auditor in document titled 'Standard Procedures for Recording Misdemeanor Information to the Docket Screen' should be followed when recording entries to the court's official electronic docket which is governed by Code of Criminal Procedure, § 45.017. JPAS Docket screens should be updated as additional case activity occurs, including but not limited to warrant/capias issuance/recall/return, jail time served,</p>



	<p>dismissal dates, deferred disposition dates, judgment dates, assessment of additional court costs, and/or changes in fine/special expense amounts as ordered by the judge. The disposed flag field should be marked with an "X" when the case has reached final disposition, including dismissals, appeals to the County Court of Criminal Appeals, jail time served for satisfaction of fine and court costs, payment in full for satisfaction of fine and court costs.</p> <p>In accordance with Code of Criminal Procedures §45.041, the judgment and sentence, in case of conviction in a criminal action before a justice of the peace or municipal court judge, shall be that the defendant pays the amount of the fine and costs to the state. The justice or Judge may direct the defendant to pay: (A) the entire fine and cost when sentence is pronounced; (B) the entire fine and cost at some later date; or (C) a specified portion of the fine and costs at designated intervals.</p>			
<p>Cause: (Describe the cause of the condition if possible)</p>	<p>Inadequate system exception reporting for recall of warrants and follow-up</p>			
<p>Effect: (Describe or quantify any adverse effects)</p>	<p>Liability to County for persons arrested in error.</p>			
<p>Recommendation: (Describe corrective action)</p>	<p>Continue to issue warrants or capiases when defendants do not appear, do not comply with conditions of release, or default on payment terms.</p> <p>Other warrant and capias procedures should include:</p> <ul style="list-style-type: none"> • Separation of duties limiting (through system security access) staff assigned to recall warrants. • Outstanding warrants or capias recalled same business day when cases are dismissed or otherwise disposed, payments are made in full, time is served, community service is performed, time payment plans are implemented/followed, or official notification/verification of a defendant's death is received. • A tracking list of recalled, but unreturned warrants or capias maintained with weekly follow-up communications to the constable until returned. • Outstanding warrant reports periodically reviewed for accuracy. <p>JPAS Docket screen posting procedures should include periodic verification of workflow and entry accuracy.</p> <p>Continue to pursue new system with improved features.</p>			
<p>Responsible Department or Organization:</p>	<p>Justice of the Peace 5-1</p>			
<p>Management's Response:</p>	<input checked="" type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<p>Respondent:</p> Keisha Lowe, Chief Clerk	<p>Date:</p> 4/2/2015
<p>Comments:</p>	<p>There have been occasions where the warrants have been recalled, but the warrants were not being recalled by the Constables office. There are copies of the recalled warrants in the defendants file, but the warrants were still showing active on JPAS. This JP Warrant Error Report is maintained every Monday by the traffic clerk. As to date, there are only 4 warrants showing, 2 defendants have 2 warrants with a name error. The warrants were recalled and returned to the court on 3/31/15. The attached warrants are showing "S" on JPAS, but are listed on the Warrant Error Report. We have read the recommendations and will adhere to each one.</p>			
<p>Disposition:</p>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration	

County Auditor



Dallas County, Texas



Finding Number: 14-JP5.1-01-07
Date: December 18, 2014
Audit: Justice of the Peace 5-1 FY 2012 – FY2014
Auditor(s) Assigned: PA/JA

<p>Finding:</p>	<p>FTA Driver’s License Renewal Block Program Review of 90 cases referred to DPS through OmniBase for driver’s license (DL) renewal block from the FTA Payment History Reports revealed:</p> <ul style="list-style-type: none"> • Two cases (2.22% of cases sampled) referred to OmniBase/DPS with DL released and \$30 fee waived without meeting statutory criteria for waiver. Status: Court transferred \$30 from fine collections to FTA fees. • Two cases where Omni hold was released prior to full satisfaction of all court costs and fine. Status: Both cases subsequently paid in full. • One instance where payment was allocated to the wrong fee type. Status: Corrected. • One instance where the case was marked disposed prior to collecting the \$30 FTA fee. Status: DL renewal remains blocked. <p>Review of 62 cases with ‘R’ status (rejected) listed on report R10716 YTD FTA Payment History for FY2013 and violation status on the Texas Department of Public Safety Failure to Appear website revealed:</p> <ul style="list-style-type: none"> • Thirty-eight disposed cases flagged as rejected in the JPAS without payment of the \$30 FTA fee are reflected as on hold for DL renewal per the Omnibase website. Status: Patch implemented in 2014 resolved issue with status errors on the JPAS for new referrals. However, a resolution for prior year cases reflected as ‘R’ rejected in error remains outstanding.
<p>Workpaper Reference: (or other method by which finding was identified)</p>	<p>Desk review of Omni report and observation Workpaper 7C AND FTA R STATUS REVIEW TAB (FY 13 ONLY)</p>
<p>Condition: (Describe the current condition)</p>	<p>Cases that meet FTA referral criteria are systemically analyzed daily using programs developed by IT Services. Previously un-referred cases with balances due equal to or greater than \$5 are included on a daily ‘future’ report by JP court which lists all cases that are eligible for referral in the next 15 days based on the defined selection criteria. These cases are initially flagged with a future status code. During the 15 day period, the court has the opportunity to review the cases and change the status code to prevent the cases from being referred.</p> <p>On a daily basis, all cases previously flagged for future referral that have reached the end of the 15 day period, are systemically extracted by IT Services and sent to OmniBase. The status code is changed to reflect the date sent. Upon acceptance or rejection of the referral by DPS through OmniBase, an electronic file is sent back to the County to systemically update the referral status code and date. Due to JPAS limitations, only the last two status codes are viewable on the Docket screen. For cases accepted for DL renewal block by DPS, a one-time letter is sent by OmniBase to the defendant notifying of the block with case and court contact information.</p> <p>When defendants remit payment in full, the FTA referral status is systemically updated by the JPAS programs during the daily FTA extraction process and updates are submitted to OmniBase. Upon acceptance of the updates by DPS through OmniBase, an electronic file is sent back to the County to systemically update the FTA referral status code and date to reflect payment in full and DL hold block released. Court staff can also update the FTA referral status code to force</p>



	<p>clear the renewal block and waive the \$30 FTA fee, force clear the renewal block and keep the \$30 FTA fee, or reprocess the renewal block. All manual updates by the court staff follow the same process as the automated updates which are systemically captured daily and sent to OmniBase for processing. Defendants infrequently report instances where the DL block fails to clear through the systemic process. Chief clerks complete a 'clearance' form and send to the designated County representative within the Office of Budget and Evaluation for faxing to OmniBase in order to manually clear the hold.</p> <p>Court staff will infrequently release DL renewal holds prior to full satisfaction of court costs, collection fees, and fines.</p>
<p>Criteria: (Describe the optimal condition)</p>	<p>According to Transportation Code, Sec. 706.005. CLEARANCE NOTICE TO DEPARTMENT.</p> <p>(a) A political subdivision shall notify the department that there is no cause to continue to deny renewal of a person's driver's license based on the person's previous failure to appear or failure to pay or satisfy a judgment ordering the payment of a fine and cost in the manner ordered by the court in a matter involving an offense described by Section 706.002(a), on payment of a fee as provided by Section 706.006 and:</p> <ol style="list-style-type: none"> (1) the perfection of an appeal of the case for which the warrant of arrest was issued or judgment arose; (2) the dismissal of the charge for which the warrant of arrest was issued or judgment arose; (3) the posting of bond or the giving of other security to reinstate the charge for which the warrant was issued; (4) the payment or discharge of the fine and cost owed on an outstanding judgment of the court; or (5) other suitable arrangement to pay the fine and cost within the court's discretion. <p>(b) The department may not continue to deny the renewal of the person's driver's license under this chapter after the department receives notice:</p> <ol style="list-style-type: none"> (1) under Subsection (a); (2) that the person was acquitted of the charge on which the person failed to appear; or (3) from the political subdivision that the failure to appear report or court order to pay a fine or cost relating to the person: <ol style="list-style-type: none"> (A) was sent to the department in error; or (B) has been destroyed in accordance with the political subdivision's records retention policy. <p>According to Transportation Code, Sec. 706.006. PAYMENT OF ADMINISTRATIVE FEE.</p> <p>(a) A person who fails to appear for a complaint or citation for an offense described by Section 706.002 (a) shall be required to pay an administrative fee of \$30 for each complaint or citation reported to the department under this chapter, unless the person is acquitted of the charges for which the person failed to appear. The person shall pay the fee when:</p> <ol style="list-style-type: none"> (1) the court enters judgment on the underlying offense reported to the department; (2) the underlying offense is dismissed; or (3) bond or other security is posted to reinstate the charge for which the warrant was issued. <p>(b) A person who fails to pay or satisfy a judgment ordering the payment of a fine and cost in the manner the court orders shall be required to pay an administrative fee of \$30.</p> <p>(c) The department may deny renewal of the driver's license of a person who does not pay a fee due under this section until the fee is paid. The fee required by this section is in addition to any other fee required by law.</p>



Cause: (Describe the cause of the condition if possible)	Incomplete application of the Transportation Code § 706.005 and § 706.006 and Dallas County policies regarding the clearance of the Omni holds. Omnibase system FTA referral status code errors				
Effect: (Describe or quantify any adverse effects)	Loss of revenue for Dallas County, the State of Texas and OmniBase.				
Recommendation: (Describe corrective action)	\$30 failure to appear fee should be assessed and collected in accordance with Commissioners Court Order No. 2003-2085, dated November 11, 2003, and Transportation Code § 706. Court staff should verify driver's license status on the Omnibase website prior to disposing cases with 'R' status on JPAS.				
Responsible Department or Organization:	Justice of the Peace 5-1				
Management's Response:	<input checked="" type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent:	Keisha Lowe, Chief Clerk	Date: 4/3/2015
Comments:	We have read the recommendations and will adhere to each one.				
Disposition:	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration		



Finding Number: 14-JP5.1-01-08
Date: December 19, 2014
Audit: Justice of the Peace 5-1 FY2012 – FY2014
Auditor(s) Assigned: PA/JA

<p>Finding:</p>	<p>Civil Fee Dockets Review 51 civil/small claims/eviction cases from the Justice Fee Exception report and the Daily Fee Log revealed:</p> <ul style="list-style-type: none"> • Four <i>Affidavits of Inability to Pay Costs</i> not docketed on the Justice of Peace Accounting System (JPAS). • Four cases not meeting criteria for upfront waiver of cost filed without payment. Status: Filing fees were subsequently collected /posted to satisfy costs due for filing and service fees. • Two cases transferred from other counties and filed without collection of filing fees. • Ten payments posted to incorrect cases. Status: Corrected. • One case without a reason documented in the JPAS for not collecting filing fees was transferred from another Dallas County Justice of the Peace court.
<p>Work Paper Reference: (or other method by which finding was identified)</p>	<p>Work papers 9B, 9C</p>
<p>Condition: (Describe the current condition)</p>	<p>Court costs and service fees are required to be paid at the time of filing. Parties to a suit that do not have adequate resources may request to file a case without payment. Indigent plaintiffs complete an affidavit of inability to pay (pauper’s affidavit) filing/service fees in accordance with Rule of Civil Procedure 145. The affidavit is reviewed by the court and if approved, filed in the case jacket. JPAS Docket screen lacks predefined fields for recording the filing of a pauper’s affidavit. Civil, eviction, or small claims court clerks do not consistently record notations of filing of pauper affidavits on the Docket free-form Comments screen. JPAS receipt functionality does not include assessments for charges so credits are not recorded for pauper's affidavits. Paper service is stamped with “pauper oath filed” in accordance with Rule of Civil Procedure 126 and 145.</p>
<p>Criteria: (Describe the optimal condition)</p>	<p>In accordance with statutes (Local Government Code § 118.121, 118.122, 118.123, 118.131, and Chapter 133) and Commissioners Court orders, filing fees should be collected at the time of filing and service fees should be collected at the time of service request for all evictions, civil and small claim cases filed by non-governmental entities and individuals except for those individuals with approved affidavits of indigence on file or those entities listed under Civil Practices and Remedies § 6.001, 6.002, and 6.003, <u>but are ultimately responsible for court costs if it cannot be recovered from the losing party.</u> See Attorney General Opinion No. DM-459 and District Attorney’s opinion dated September 4, 2003.</p> <p>Texas Rules of Civil Procedure, RULE 145. AFFIDAVIT ON INDIGENCY (a) Affidavit. In lieu of paying or giving security for costs of an original action, a party who is unable to afford costs must file an affidavit as herein described. A "party who is unable to afford costs" is defined as a person who is presently receiving a governmental entitlement based on indigence or any other person who has no ability to pay costs. Upon the filing of the affidavit, the clerk must docket the action, issue citation and provide such other customary services as are provided any party.</p> <p>Filing fees should be collected on cases transferred from courts outside of Dallas county under Rule of Civil Procedure, No. 89.</p>



	<p><http://www.supreme.courts.state.tx.us/rules/trcphome.asp>.</p> <p>Texas Rules of Civil Court Procedures Rule 143. A party seeking affirmative relief may be ruled to give security for costs at any time before final judgment, upon motion of any party, or any officer of the court interested in the costs accruing in such suit, or by the court upon its own motion. If such rule be entered against any party and he failed to comply therewith on or before twenty (20) days after notice that such rule has been entered, the claim for affirmative relief of such party shall be dismissed.</p>				
Cause: (Describe the cause of the condition if possible)	Clerical error Weak system functionality				
Effect: (Describe or quantify any adverse effects)	Inhibits cost recovery if the plaintiff's claim is upheld. System extracts do not include indigent status. Potential loss of revenue for Dallas County and State of Texas.				
Recommendation: (Describe corrective action)	Filing fees should be collected at the time of filing on all non-misdemeanor cases except the following whereas a reason for collecting the filing fees should be documented on the JPAS and the case jacket: <ul style="list-style-type: none"> • Transferred from other Dallas County JP courts • Involving tax suits • Involving mental illness warrants • Filed by governmental entities which are exempted from security of filing and service fees under Civil Practices and Remedies § 6.001, 6.002, and 6.003, but are ultimately responsible for court costs if it cannot be recovered from the losing party. See Attorney General Opinion No. DM-459 and District Attorney's opinion dated September 4, 2003. • Ordered as indigent under Texas Rules of Civil Procedure, Rule 145. Filing fees should be collected on cases transferred from courts outside of Dallas county under Rule of Civil Procedure, No. 89. Record the file date of a pauper's affidavit on predefined fields on the Docket screen.				
Responsible Department or Organization:	Justice of the Peace 5-1				
Management's Response:	<input checked="" type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent:	Keisha Lowe, Chief Clerk	Date: 4/3/2015
Comments:	The cases in question in regards to the "Inability to Pay" were either notated on the file or posted to JPAS. We have read your recommendations and will adhere to each one.				
Disposition:	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration		



Finding Number: 14-JP5.1-01-09
Date: December 8, 2014
Audit: Justice of the Peace 5-1 FY2012 – FY2014
Auditor(s) Assigned: PA/JA

<p>Finding:</p>	<p>Comparison of activity reports filed by the court with the Office of Court Administration (OCA), the Office of Budget and Evaluation (OBE), and the Auditor’s Office to the mainframe JPAS case records revealed:</p> <p>JPAS to OCA</p> <ul style="list-style-type: none"> • Non-traffic misdemeanors (JM) were underreported by 19.55% (104 cases) for FY12 • Non-traffic misdemeanor cases (JM) were underreported by 15.52% (81 cases) for FY14 • Small Claim suits (JS) were over reported by 150.96% (474 cases) for FY14 • Other civil suits (JX) were underreported by 51.93% (471 cases) for FY14 <p><i>Note: When combined, small claims and other civil suits offset net variance to 0.25% (3 cases)</i></p> <p>JPAS to OBE</p> <p>Non-traffic misdemeanor cases (JM) were underreported by 6.90% (36 cases) for FY14</p> <p>Response to the Internal Control Questionnaire (ICQ) indicates court personnel are not assigned to monitor JPAS case index reports for skips or deletions.</p>
<p>Work Paper Reference: (or other method by which finding was identified)</p>	<p>Work papers 11A.2 for FY2012 & FY2013, OCA website, comparison of cases filed per JPAS and activity reported by the court Responses to ICQ</p>
<p>Condition: (Describe the current condition)</p>	<p>Court clerk assignments include processing traffic, other class C misdemeanor, evictions, other civil, debt claims, or small claims cases. In addition, the court clerks and bookkeeper manually capture case activity, disposition and payment information on a daily basis. Oversight or mathematical errors result in monthly data provided by the court clerks to the chief clerk to not accurately reflect case activity as recorded to the Justice of Peace Accounting system. The chief clerk compiles a monthly summary of case activity, disposition, and payment information based on data provided and submits to OCA, OBE, and Auditor’s office without complete cross reference to the JPAS or validation of totals.</p> <p>Automated traffic case numbers are retrieved daily by court personnel accessing Document Direct.</p>
<p>Criteria: (Describe the optimal condition)</p>	<p>Government Code Section 71.035(b) and Texas Administrative Code Sections 171.1 and 171.2 requires all activity reports to be accurately and timely completed and mailed (or updated via the Internet) to the council (Texas Judicial Council/OCA) no later than 20 days following the end of the month reported.</p> <p>Local Government Code, § 114.002 authorizes the County Auditor to determine the time and manner for making reports to the auditor. The County Auditor has determined that activity reports should be provided to the Internal Audit section no later than 20 days following the end of the month reported.</p> <p>Internal control for reporting requires that all case numbers are accounted for, issued consecutively by case type, and properly and timely indexed to the JPAS.</p>
<p>Cause: (Describe the cause of the condition if possible)</p>	<p>Mathematical errors and lack of automated tracking system.</p>
<p>Effect:</p>	<p>Inaccurate statewide court analysis by OCA.</p>



(Describe or quantify any adverse effects)					
Recommendation: (Describe corrective action)	<p>In accordance with statutory guidelines, monthly activity reports should be completed in an accurate and timely manner with copies provided to OCA, OBE, and the County Auditor.</p> <p>Activity reports should be corrected if errors are later identified, as the accuracy of activity reports may affect staffing levels or statewide analysis.</p> <p>All case numbers should be accounted for, with reason codes for missing numbers, deleted numbers, or numbers issued out of sequence, and timely documented. Chief clerk should test for accurate, proper, and complete information provided by court staff.</p> <p>Continue to pursue a new system with automation and reporting functionality.</p>				
Responsible Department or Organization:	Justice of the Peace 5-1				
Management's Response:	<input checked="" type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent:	Keisha Lowe, Chief Clerk	Date: 4/2/2015
Comments:	We have read the recommendations and will adhere to each one.				
Disposition:	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration		



Finding Number: 14.JP5.1-01-10
Date: December 8, 2014
Audit: Justice of the Peace 5-1 FY2012 – FY2014
Auditor(s) Assigned: PA/JA

<p>Finding:</p>	<p>Time & Attendance Observation of office schedules, review of responses to the Internal Control Questionnaire (ICQ), inquiry of court personnel, and review of manual time and attendance records and Kronos time and attendance system postings revealed:</p> <ul style="list-style-type: none"> • Full-time regular employees take 60 minutes for lunch with no breaks. Lunch is recorded as 30 minutes on the KRONOS time and attendance system. • The court is open to the public from 8:00 a.m. – 4:00 p.m. Employees continue to work until 4:30 p.m. • Two instances in which KRONOS postings do not accurately reflect manual attendance records. • Two requests for bereavement leave were coded as holiday in KRONOS. • Exempt employee authorized 8 hours Approved Time Off (ATO) resulting in average time worked for 52 week period to be below 40 hours. • Observation: Judge allowed court staff to leave at 4:00 pm on May 9, 2013 due to inclement weather. <ul style="list-style-type: none"> ○ Employees were told not to clock out because chief clerk would “fix” their time. ○ Regular time instead of holiday time was entered for last 30 minutes for employees. ○ No notation made in Kronos that court closed early. ○ No notification to OBE of early closure.
<p>Workpaper Reference: (or other method by which finding was identified)</p>	<p>Work papers 13C.1 and 13C.2 review of time and attendance records Observation and review of ICQ</p>
<p>Condition: (Describe the current condition)</p>	<p>Court policy to meet public demands does not allow employees to take a ten minute morning or afternoon break. Break times are combined to the authorized 30 minute lunch period with employees taking an additional unauthorized paid 10 minutes at lunch.</p> <p>Web-timestamp functionality is used by non-exempt staff to record start and end times. Annual leave, sick leave, holidays, etc. taken are recorded to the Kronos system based on information available to the chief clerk. Request for leave forms are completed by the clerks and given to the chief clerk for approval. The Chief Clerk maintains a folder with the request forms filed by employee name. Oracle DC Employee Self-Service is available for court staff to review hours paid and accrual balances taken / earned / available. Kronos time is ‘approved’ bi-weekly with a ‘sign off’ by the chief clerk.</p>
<p>Criteria: (Describe the optimal condition)</p>	<p>According to Dallas County Code, Section 82.32, Work hours scheduling:</p> <p>(b) <i>Office hours.</i> An elected official/department head, with the approval of the commissioners court, has the right to establish and schedule reasonable work hours, rules and working conditions in a manner most advantageous to the county in accomplishing its service and work requirements. Compensatory time and overtime are also scheduled by the elected official/department head according to appropriate county policies. County offices, excluding 24-hour operations, are expected to remain open between the hours of 8:00 a.m.-4:30 p.m. and remain open during the noon hour. Employees should verify office hours and work hours with their supervisor.</p> <p>(c) <i>Breaks and lunch periods.</i> An elected official/department head may also establish breaks and</p>



lunch periods for their employees. **Employees may be granted one break of ten minutes for each four hours worked.** Employees are paid while on break. A lunch period may be 30 minutes or an hour depending on the work schedule approved by the elected/appointed official/department head. **Lunch periods are in addition to the regular eight-hour work period and shall not be combined with breaks.** Employees are not paid during their lunch period; therefore, they should be completely relieved of all duties and be free to leave their post of duty.

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.

ARTICLE III. EMERGENCY AND INCLEMENT WEATHER CONDITIONS (This section reflects recent court approved policy language: Court Order #2012 0145 – January 24, 2012).

Sec. 82-61. Emergency conditions.

(a) *Authority to close government operations.* The county commissioners court has the authority to close general government operations due to emergency conditions. Such action, unless specifically stated, does not close essential, emergency, residential and detention operations. The county fire marshal, under the direction of the county judge, is responsible for communicating with elected officials/department heads and media outlets if there are office closings or delayed openings due to inclement weather. Whenever possible, notification will be made before 6:00 a.m. to the designated radio and television stations.

(b) *Employee time off with pay when the county is closed.* With the approval of the commissioners court, regular employees of general government operations may be allowed approved time off with pay for those scheduled hours they would have worked had the county been in operation. If an employee is not aware that the county is closed and reports for work, he is not authorized additional pay or compensatory time for hours worked during this period. Approved time off with pay is not considered time worked, and such time off shall not be used to determine eligibility for overtime.

(c) *Employee time off with pay with the county is open.* When an elected county official closes his or her office due to inclement weather or other circumstances for a period that is normally a part of a regular work period, and intends to compensate those employees, the Office of Budget and Evaluation will: (1) notify commissioners court of the department that closed, (2) the reason(s) the department closed, and (3) the cost of the department closure during the first posted meeting after the closure.

(d) *Vacation, sick or holiday leave during periods of closure.* Employees on vacation, sick leave or holiday leave during periods of closure are still recorded as using accrued leave.

(e) *Time off with pay not authorized for home workers.* Employees authorized to work at home shall not be authorized time off with pay for times the county is closed by the commissioners court.

Sec. 82-519. Bereavement Leave.



	<p>(This section reflects court approved policy language: Court Order #2008 0157-January 22, 2008 and Court Order #2008 1128-June 10, 2008 and Court Order #2011 1463 – August 30, 2011).</p> <p>The County recognizes that a death in the family creates some very difficult times for an employee. In an effort to support the employee during this time and to specify the guidelines involved with granting leave to an employee during this time, the following policy guidelines shall apply:</p> <p>(a) An elected official/department head may grant a regular, full-time employee up to the following number of days off, depending on family ties:</p> <p>(1) Up to 5 working days (40 hours) of leave time off for bereavement leave if the relative who dies is a: mother, father, spouse, child, sister, brother, grandchild , grandparent, or someone who has acted as the employee’s parent(s);</p> <p>(2) up to 3 working days (24 hours) of leave time off for aunts, uncles, nieces, nephews, step-parents, stepchild, step-brother/sister, in-laws or for any relative living in the same household;</p> <p>(3) One day of leave for cousins; and</p> <p>(4) For funerals of other relatives, friends, and acquaintances not included above, the employee shall utilize county time, compensatory time or vacation time accruals.</p> <p>(b) The guidelines specify up to the maximum number of days or hours; however, due to business necessity, the elected official/department head may require the employee to return sooner;</p> <p>(c) Such leave shall be charged to the employee’s sick leave accruals;</p> <p>(d) If additional time off is requested, the elected official/department head or their designee, at their discretion, may grant additional time off; however, this additional time off must be charged to the employee’s vacation, compensatory, and county time accruals or taken off as leave without pay if the employee’s has no such accruals; and</p> <p>(e) An elected official/department head may, at their discretion, request verification of the absence (i.e., death certificate, newspaper article, etc.).</p>
<p>Cause: (Describe the cause of the condition if possible)</p>	<p>Inaccurate application of county time and attendance policies.</p>
<p>Effect: (Describe or quantify any adverse effects)</p>	<p>Official time and attendance records do not accurately reflect time worked and taken.</p>
<p>Recommendation: (Describe corrective action)</p>	<p>Actual hours worked, meal periods, vacation time, sick time, holiday time, jury duty, compensatory time, overtime, ATO, etc. should be properly and timely posted to the Kronos time attendance system in accordance with Dallas County Code and Commissioners Court orders.</p> <p>Historical edits should be submitted to the Payroll Hotline to reflect correct leave types and time taken on Kronos.</p>
<p>Responsible Department or Organization:</p>	<p>Justice of the Peace 5-1</p>
<p>Management’s Response:</p>	<p><input type="checkbox"/> Agree <input type="checkbox"/> Disagree Respondent: _____ Date: _____</p>
<p>Comments:</p>	<p> </p>
<p>Disposition:</p>	<p><input checked="" type="checkbox"/> Audit Report <input type="checkbox"/> Oral Comment <input type="checkbox"/> Deleted From Consideration</p>



Finding Number: 14-JP5.1-01-11
Date: July 23, 2014
Audit: Justice of the Peace 5-1 FY 2012 – FY 2014
Auditor(s) Assigned: PA

Finding:	A review of marriage license logs/applications and a selection of JPAS receipts could not be completed for FY2012 because the current court staff did not know the location of the documentation.
Workpaper Reference: (or other method by which finding was identified)	Work papers 10C
Condition: (Describe the current condition)	Justice of the Peace 5-1 officially relocated from the Beckley Courthouse to the East Dallas Government Center in January of 2012. When the court was located at Beckley, marriage applications were processed. The court discontinued processing marriage applications shortly after the move. No documentation was located for the marriage licenses that were issued during fiscal year 2012.
Criteria: (Describe the optimal condition)	According to Texas Administrative Code, Title 25, Part 1, Chapter 181, Subchapter B, RULE §181.25: a) The bureau shall furnish application forms for a marriage license to each county clerk in the format as prescribed by the State Registrar. (b) The application form shall contain at a minimum the items and information prescribed in the Texas Family Code, §2.004. (c) When reproduced locally by the county clerk, the form shall be identical in content, format, and size as prescribed by the bureau. Documents including confidential information should be retained in a secure location to prevent improper usage including identify theft. According to the Texas State Library and Archives Commission, Local Schedule CC, (Third Editions), Retention Schedule for Records of County Clerks, the retention period for CC1325-23 Marriage License Applications is as long as administratively valuable. County clerks are not required to retain copies of marriage licenses applications after forwarding the applications to the Texas Vital Statistics Office of the Texas Department of State Health Services.
Cause: (Describe the cause of the condition if possible)	Unknown
Effect: (Describe or quantify any adverse effects)	Potential misuse of official documents County liability for improper storage and destruction of confidential information
Recommendation: (Describe corrective)	<ul style="list-style-type: none"> Documents should be retained in a secure location with restricted access and retained in accordance with records retention requirements.



action)	<ul style="list-style-type: none"> Maintain a marriage license issuance log instead of retaining a court copy of the marriage license application 					
Responsible Department or Organization:	Justice of the Peace 5-1					
Management's Response:	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent:		Date:	
Comments:						
Disposition:	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration			



Finding Number: 14-JP5.1-01-12
Date: December 22, 2014
Audit: Justice of the Peace 5-1 Audit FY 2012 – 2014
Auditor(s) Assigned: PA/JA

<p>Finding:</p>	<p>Special Fund Transactions Reconciliation and sample review of special fund activity including a complete review of 52 disbursements, postings to the JPAS, general ledger and internal control procedures for separation of duties, authorization, funds available for disbursement and proper payees revealed:</p> <p>FY2012 Reconciliation</p> <ul style="list-style-type: none"> One special fund check for \$12 not cancelled on the JPAS. Status: Cancellation posted to the JPAS. <p>FY2013 Reconciliation</p> <ul style="list-style-type: none"> One special fund check for \$14.40 not cancelled on the JPAS. Status: Cancellation posted to the JPAS. One check issued for \$1,000 more than available case balance as part of funds escheated to the State Comptroller. Status: Overpayment recovered. One special fund disbursement for \$500 not posted to the JPAS. Status: Disbursement posted to the JPAS. Two delays of twenty-nine (29) days and sixty-nine (69) days, respectively, between issuance of special fund checks and posting to the JPAS. <p>FY2014 Reconciliation</p> <ul style="list-style-type: none"> One special fund check for \$131 not posted or cancelled on the JPAS (Zero dollar net effect). One stale date check for \$565 not posted on the JPAS. Two cases with initial payment by credit card payment were subsequently refunded via check disbursement. A duplicate check for \$75 issued, but not posted to the JPAS. Status: Overpayment has <u>not</u> been recovered. <p>Bookkeeper and chief clerk have made substantial progress in clearing old items from the Special Fund. Old case balances (approximately \$13,411 of \$22,623 balance as of 10/11/2014 over three years old) in the Special Fund with limited researched for disbursing to the applicable party and/or escheating to the County Treasurer or State Comptroller.</p> <p>Forfeiture proceedings were not initiated against defendants to forfeit cash bonds when defendants failed to appear (approximately \$4,700 in cash bonds are over four years old).</p>
<p>Work paper Reference: (or other method by which finding was identified)</p>	<p>Work paper No. 12A & 12C and Special Fund Reconciliation FY2012- FY2013 – FY2014 JPAS Commissioner Court orders for stale dated checks</p>
<p>Condition: (Describe the current condition)</p>	<p>Data source for disbursement activity is request forms, daily special fund deposit reports, and JPAS (when date cards are updated by bookkeeper) detailed monthly special fund balance reports. Balances available to disburse consist of case overpayments, judgments paid into the registry of the court, cash bonds, and service fees for law enforcement agencies without designated fee codes for automated disbursements. Current special fund activity on the JPAS reports is reviewed by the bookkeeper for identification of eligible disbursements. Case jackets are pulled and postings</p>



	<p>to the JPAS are reviewed to determine the proper payee and amount. To generate disbursements, the bookkeeper prepares and saves a special fund disbursement file to a designated computer drive on an ongoing basis, based on a review of new daily special fund activity by case/receipt. The electronic file is submitted to the County Auditor/County Treasurer for processing, check printing, and mailing. The electronic file reflects details of disbursement. Subsequently, the bookkeeper updates the disbursement information to the JPAS, posting the check number, check amount, and date, but does not reconcile to the general ledger or to the bank. The JP office relies on the County Auditor for reconciliation to the general ledger and on the County Treasurer for bank reconciliations.</p> <p>The bookkeeper posts cancellations and stale dated checks to the JPAS based on notices received from the County Treasurer.</p> <p>Ongoing research of old case balances has substantially reduced the court's special fund balance.</p>
<p>Criteria: (Describe the optimal condition)</p>	<p>Management judgment in designing, implementing and conducting internal control, and in assessing its effectiveness is emphasized in the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework. Internal control requires that five core components be present: Control Environment; Risk Assessment; Control Activities, Information and Communication; and Monitoring Activities. Specific controls related to disbursement procedures require that:</p> <ul style="list-style-type: none"> • All special fund disbursements and cancellations should be timely and accurately posted to the JPAS. Fund balances must be reconciled against control records (GL and bank statement). • Special fund reports should be reviewed on a periodic basis and disbursements should be made to the appropriate parties and entities in a timely manner. <p>Inactive case balances should be reviewed in accordance with unclaimed property statutes, Property Code, § 72 and § 76, and escheated either to the County Treasurer (if \$100 or under) or the State of Texas (if over \$100).</p> <p>Bond forfeiture proceedings should be initiated in accordance with Code of Criminal Procedure Chapter 22 when defendants, who post a cash bond, fail to comply with promise to appear before the court. An action by the state to forfeit a bail bond under Code of Criminal Procedure, § 22.18 must be brought not later than the fourth anniversary of the date the principal fails to appear in court.</p>
<p>Cause: (Describe the cause of the condition if possible)</p>	<p>Limited staff time to research old items and weak system functionality.</p>
<p>Effect: (Describe or quantify any adverse effects)</p>	<p>Deferred research:</p> <ul style="list-style-type: none"> • Delayed disbursements to entities/individuals entitled to funds. • Penalties from the State for not following escheat statutes may be assessed if not corrected. <p>Limited reconciliation:</p> <ul style="list-style-type: none"> • Undetected posting errors resulting in potential for overpayment and unrecoverable losses. • Additional staff time to research and correct posting errors. <p>An action by the state to forfeit a bail bond under Code of Criminal Procedure, § 22.18 must be brought not later than the fourth anniversary of the date the principal fails to appear in court.</p>
<p>Recommendation: (Describe corrective action)</p>	<p>Continue to post all checks issued, canceled, or stale dated accurately and timely to the JPAS with verification/review by the chief clerk.</p> <p>Refund of credit payments should be refunded back to the customer's credit card account in accordance with merchant agreements.</p>



	<p>A management plan including reconciling GL and bank account should be developed and implemented to periodically review the detailed special fund report in order to clear old items on disposed cases.</p> <p>Escheat analysis and stale dating should be managed in accordance with unclaimed property statutes, Property Code, § 72 and § 76. (see website: http://www.window.state.tx.us/up/forms.html)</p> <p>Cash bonds should be forfeited in accordance with Code of Criminal Procedure, § 22.</p>		
Responsible Department or Organization:	Justice of the Peace 5-1		
Management's Response:	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	Respondent: _____ Date: _____
Comments:			
Disposition:	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration