



## DALLAS COUNTY COUNTY AUDITOR

### Memorandum

To: Honorable Judge Steven Seider  
Justice of Peace, Precinct 3, Place 3

From: Virginia A. Porter *Virginia Porter*  
County Auditor

Subject: Review Performed for Fiscal Years 2003 through partial 2009 (12/31/08)

Date: Issued March 5, 2010  
Released March 8, 2011

### **Scope**

A review was performed in accordance with statutory guidelines on the records and reports of Justice of the Peace, Precinct 3, Place 3 for fiscal years 2003 thru partial 2009.

### **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
- 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
- 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

## **Partial Statistical Listing**

During fiscal year 2003, the justice court processed:

- 11,433 computer receipts totaling \$1,021,068
- 17,457 class C misdemeanors (includes 8,423 traffic filings)
- 1,421 civil/small claims
- 741 eviction cases

During fiscal year 2004, the justice court processed:

- 15,591 computer receipts totaling \$1,615,675
- 18,267 class C misdemeanors (includes 13,997 traffic filings)
- 1,569 civil/small claims
- 952 eviction cases

During fiscal year 2005, the justice court processed:

- 20,819 computer receipts totaling \$2,297,855
- 21,522 class C misdemeanors (includes 15,753 traffic filings)
- 1,928 civil/small claims
- 1,181 eviction cases

During fiscal year 2006, the justice court processed:

- 22,370 computer receipts totaling \$2,524,103
- 17,780 class C misdemeanors (includes 14,404 traffic filings)
- 2,420 civil/small claims
- 1,267 eviction cases

During fiscal year 2007, the justice court processed:

- 19,911 computer receipts totaling \$2,063,801
- 17,886 class C misdemeanors (includes 12,364 traffic filings)
- 2,230 civil/small claims
- 1,278 eviction cases

During fiscal year 2008, the justice court processed:

- 19,056 computer receipts totaling \$2,116,545
- 15,938 class C misdemeanors (includes 12,702 traffic filings)
- 3,329 civil/small claims
- 1,283 eviction cases

During partial fiscal year 2009 thru December 31, 2008, the justice court processed:

- 5,536 computer receipts totaling \$745,374
- 5,458 class C misdemeanors (includes 5,458 traffic filings)
- 547 civil/small claims
- 369 eviction cases

## **Findings/Observations**

### **Cash Management**

Receipts- Computer/Manual – A sample review of 114,716 computer receipts and 735 manual receipts including 572 (less than ½ percent of population) voided computer receipts and 13 voided manual receipts revealed minor discrepancies. **Response:** Based on the computer records made at the time of transaction, all voided transactions have been properly accounted for and recorded.

Disbursement/Special Fund Reconciliation – A sample review of 589 special fund checks and special fund activity revealed: nineteen cancellations or stale dated checks were not posted, twelve (2% of population) disbursements were not posted, and old case balances have not been researched for disbursing to the applicable party and/or escheating to the County Treasurer or State Comptroller. **Status:** Seventeen of the nineteen cancellations and all twelve disbursements are now posted to the JPAS. **Response:** The current case management system (CMS) does not generate a list of checks to be cancelled, stale dated and/or escheated to the County Treasurer or State Comptroller.

Assessment/Distribution - Review of 240 cases (approximately 1,467 fee code entries) for compliance with statutorily required court costs and fine revealed material compliance.

### **Processing/Reporting**

Activity Report - Comparison of activity reports filed by the court with mainframe JPAS case records revealed material compliance.

Birth Certificates – Review of birth certificate procedures revealed: multiple clerks issuing certificates under the same log-in ID. **Response:** For efficiency, security, and in order to address problems with the system's robustness, a single computer is logged in once a day.

Credit Card Process – Review of credit card procedures and transactions revealed the court redacts the credit card number from mail-in payment documentation and files in the case jacket. **Status:** Resolved. Original credit card information received is retained under lock and key

Criminal Fee Dockets – Review of time payment plans, active warrants and warrants on disposed cases for the appropriateness of warrant status revealed: an active warrant remained on an appealed case 22 months from the date of appeal and two court employees are authorized to issue warrants under the Judge's authority and supervision. All employees are authorized to recall warrants. OCA requirements under SB 1863 related to time payment plans were implemented by the justice court. **Status:** As of December 29, 2010, program changes enabled the JP courts to generate JP Warrant Error Report.

Automated Traffic Citation Management System - Automated traffic citations were reviewed on a test basis. Delays in law enforcement agencies downloading/uploading data from hand-held units were noted. Court staff does not accept funds from defendants desiring to pay for citations until cases are uploaded to the system preventing the processing of duplicate cases.

### **Contractual**

Driver's License (DL) Renewal Block – Review of 50 cases referred to DPS through OmniBase for DL renewal block revealed eight cases where the \$30 FTA fee was not collected and the DL renewal block was released when defendants requested a trial. **Status:** Seven of eight defendants found guilty at trial subsequently paid the \$30 FTA fee. **Response:** Texas Transportation Codes,

Sections, 706.005 and 706.006 appear to contradict one another. The court has resolved the issue by collecting the \$30 FTA fee upon a Not Guilty Plea being entered and removing the Omni hold in accordance with Commissioners Court Order No. 2003-2085, Dallas County Auditor Recommended Interim Policies for General Policy for Failure to Appear Program.

### **Other/Miscellaneous**

Judicial and Court Staff Training – The Judge and chief clerk established and published policies and procedures to standardize case flow among the JP courts of Dallas County.

Judicial and Court Staff Education – The Judge and chief clerk provided information and education on legislative changes as well as higher court opinions among the JP courts of Dallas County.

Partial listing of additional proficiencies and initiatives established by the court include:

- Deferred disposition offered any time or before the Pre-Trial Hearing. When all conditions are met, the case is dismissed at that time
- Setting cases for Pre-Trial Hearings or on the Plea Docket in order to maximize full payment of fines and court costs at the time of plea
- Filing the complete court file with the County Criminal Court of Appeals No. 1 saving the cost of making copies of the entire file
- Implementing the “Green Envelopes” with the specific court’s address given to traffic violators with their citation, as well as payment options
- Pre-Warrant Cards implementation
- Assisting with the implementation of “Dallas County Wanted” website
- Harnessing technology to improve the efficiencies of the local judiciary and county government
- Hosting training sessions in conjunction with fellow judges as well as vetting potential software and hardware applications for the Justice Courts

## **RECOMMENDATIONS**

### **Cash Management**

Receipting/Depositing – Continue current processing procedures emphasizing accuracy and review. Additionally, receipts should never be altered, but properly voided. All copies of a void receipt should be retained clearly marked “void” and affixed with a reason for the void.

Disbursement/Reconciliation - All checks issued, canceled, and/or stale dated should be posted accurately and timely to the JPAS. A management plan should be developed and implemented to periodically review the detailed special fund report in order to clear old items on disposed cases.

Assessment/Distribution – Continue monitoring 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.

### **Processing/Reporting**

Activity Report – Research options to automate monthly activity reports in an accurate and timely manner with copies provided to OCA, OBE, and the County Auditor. **Response:** Upgraded CMS will negate self-reporting.

**Birth Certificates** – A procedure should be developed and implemented to periodically review the security implication for issuing and voiding certificates. Each authorized employee should be assigned a separate user id and password. **Status and Response:** Process has been implemented whereby each clerk has now been assigned their own user id and password from the *Texas Department of Health* and, as a security enhancement, the system automatically logs the user off after being dormant for a certain amount of time.

**Credit Card Process** – Continue current processing and emphasis on security of credit card data. Original credit card data should be securely and separately retained under lock and key for two years after payment has been processed in accordance with the bank contract. A separate redacted copy may be retained in the case jacket.

**Criminal Fee Dockets** – Monitor recall processes for outstanding warrants or capiases as 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. Continue established payment plan procedures and monitor in accordance with Code of Criminal Procedure, Art. 103.0033. **Response:** Cross-training among clerks due to staffing cuts allows any clerk handling a case with a warrant to recall that warrant *immediately*, thereby minimizing the risk of the warrant not being recalled by a single individual at a later time-- in the event of illness, vacation or a bottle-neck in volume.

### **Contractual**

**Driver's License Renewal Block** – Monitor compliance with \$30 failure to appear fee in accordance with Commissioners Court Order No. 2003-2085, Dallas County Auditor Recommended Interim Policies for General Policy for Failure to Appear Program, and Transportation Code § 706.006 unless the person is acquitted of the charges for which the person failed to appear or the case was referred in error.

### **CURRENT FINDINGS/OBSERVATION AND RECOMMENDATIONS**

For additional information, refer to templates 09-JP3.3-01-03 thru 07, and 09 thru 11.

### **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.

Low financial risk due to management oversight and implementation of compensating controls for a weak system provided by Dallas County. Processing errors are minimal considering volume and labor intensive recording processes.

Emphasis on outlined procedures should provide for improved departmental processes. 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.

Jun 2-3-2011



**Finding Number:** 09-JP3.3-01-03 Computer Receipts  
**Date:** June 5, 2009  
**Audit:** Justice of the Peace 3-3 Audit FY 03-FY 09 (thru 12/08)  
**Auditor(s) Assigned:** VO

<b>Finding:</b>	<p>Review of 114,716 computer-generated receipts including 572 (less than ½ percent of total population) voided computer receipts, receipt continuity, voiding procedures and Daily Receipts Log revealed:</p> <ul style="list-style-type: none"> <li>• Eighteen voided receipts were not marked 'void'. (Thirteen of the eighteen were missing either the original or second receipt copy.)</li> <li>• Five additional voided receipts were missing either the original or second receipt copy. (One receipt for \$285 cash was voided and re-issued for \$95 on another case. Confirmation was sent to the defendant, but returned undeliverable by the U.S. Postal Service.)</li> </ul>
<b>Workpaper Reference:</b> (or other method by which finding was identified)	Workpaper 5B and 5B.1
<b>Condition:</b> (Describe the current condition)	<p>Cash payments received by the counter clerks are counted in the presence of the payer. Payments made over the counter and supporting documentation is provided to the bookkeeper or back-up bookkeeper for receipting. Cash and checks/moneys order payments are consistently reviewed for correctness 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 for accuracy prior to submitting to the customer. Computer receipts and any change from cash payments are provided to the customers. In event of identified error, the computer receipt is voided in the JPAS and marked void, however, an explanation for the void is not consistently noted. In some instances, the customer leaves with the original receipt before errors are identified.</p>
<b>Criteria:</b> (Describe the optimal condition)	<p>Best practices regarding receipt control procedures require that:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• Receipts should not be altered, but properly voided and affixed with a reason for the void with retention of all voided copies.</li> <li>• 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 insure that the explanation for the deletions is documented and reasonable.</li> <li>• Assigned duties for cash controls are adequately separated.</li> <li>• Corrections are reviewed and approved by the chief clerk.</li> </ul>
<b>Cause:</b> (Describe the cause of the condition if possible)	Limited instances of recommended accounting procedures for receipt voiding not followed.
<b>Effect:</b> (Describe or quantify any adverse effects)	Prevents potential assertion that monies were paid and refund due.
<b>Recommendation:</b> (Describe corrective action)	<p>Receipt procedures should include:</p> <ul style="list-style-type: none"> <li>• All copies of a voided receipt retained, clearly marked "void" and affixed with a reason for void.</li> <li>• The supervisor should periodically scan exception reports, transaction logs, and receipts issued for proper usage including proper handling of voided receipts.</li> <li>• All monies received should be promptly receipted and deposited consistent with state law,</li> </ul>



	V.T.C.A., L.G.C. § 113.022 and Vernon's Ann., C.C.P., § 103.004 and procedures recommended by the County Auditor. • Receipts should be verified for accuracy of amount, payment type, case number, and payer before issuing to a customer				
<b>Responsible Department or Organization:</b>	Justice of the Peace 3-3				
<b>Management's Response:</b>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<b>Respondent:</b>	Honorable Judge Steven Seider and Chief Clerk Robyn Klein	<b>Date:</b> 1/14/2011
<b>Comments:</b>	Based on the computer records made at the time of transaction, all voided transactions have been properly accounted for and recorded.				
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration		

Jan 2-3-2011

# County Auditor



# Dallas County, Texas

**Finding Number:** 09-JP3.3-01-04 Assessments  
**Date:** April 6, 2009  
**Audit:** Justice of the Peace 3-3 Audit FY03 - FY09 (thru 12/08)  
**Auditor(s) Assigned:** VO

<b>Finding:</b>	<p>Review of 90 (567 fee code transactions) computer receipts and 150 (approximately 900 fee code transactions) credit card payments for appropriate collection of fines /fees and accurate posting to the Justice of the Peace Accounting System revealed:</p> <ul style="list-style-type: none"> <li>• Six (includes 4 credit card payments receipted by court staff) receipts posted using the wrong fee schedule.</li> <li>• Two assessments based on file date of the FTA case rather than the offense date.</li> <li>• Eight (all 8 were credit card payments receipted by court staff) cases without assessment of the \$4 technology fee including two without assessment of the \$4 state juror fee and \$4 judicial support fee</li> <li>• Three instances of the \$4 technology fee, \$4 state juror fee, and \$4 judicial support fee not assessed on failure to pay toll violations. (The court's assessment grid was incomplete)</li> <li>• One adult seatbelt violation fine receipted to fee type '23'.</li> <li>• One child safety seat violation fine receipted to fee type '03'.</li> <li>• One 30% delinquent collection fee not collected.</li> <li>• Two partial payments not completely prorated to court costs, first, before allocation to fine.</li> <li>• One case without recovery of postage expense on service by certified mail.</li> </ul>
<b>Workpaper Reference: (or other method by which finding was identified)</b>	Workpaper 5E review of fees assessed and receipted JP Court Assessment Grid
<b>Condition: (Describe the current condition)</b>	<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.</p> <p>Additional court costs may be manually assessed with the JPAS Court Costs field on the Docket screen updated by the court clerks and the bookkeeper for time payment fees when payment plans are established, transaction fees when payments are presented, and warrants and/or capiases as each paper is issued. Other manual adjustments are processed by the court clerks or the bookkeeper to the JPAS Court Costs field on the Docket screen when defendants present proof of registration, inspection, or a valid driver's license in conjunction with payment of an administrative fee and dismissal of the case.</p> <p>Proof of insurance will result in dismissal of 'no insurance' cases without payment of an administrative fee and the JPAS Court Costs field on the Docket screen should be updated to reflect no fee due. 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. The court clerks or bookkeeper should update the JPAS Fine field on the Docket screen. Other defendants may request and be approved for a driving safety course (defensive driving). The court clerks or the bookkeeper should update the JPAS Court Costs field on the Docket screen by adding an additional \$10 administrative fee to the standard moving violation court costs amount (updating the Docket screen to reflect DSC for reporting to Austin does not occur until proof of course completion is presented to the court along with a copy of insurance and an official driving record from DPS) and requiring payment at the time of request. Other defendants may request and receive deferred adjudication 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</p>





	<p>offense and adjustments are required to the JPAS Docket screen fields by court clerks or the bookkeeper to reflect deferred adjudication including noting a date in the Deferred Adjudication judgment date field. The bookkeeper or back-up review 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 resulting in assessment/collection errors. Due to system limitations during the receipting process, the bookkeeper or back-up bookkeeper must perform a modified manual cost allocation process to record payments to each fee type. 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. The failure to pay toll grid was not inclusive of all applicable court costs.</p>				
<b>Criteria:</b> (Describe the optimal condition)	<p>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 Nos. GA-0147 and DM-250. Court costs should be assessed based on offense date and offense type.</p> <p>Once collected, each fee should be posted to the proper JPAS fee type and paper type. Paper types for designated traffic programs should be used when recording payments on traffic cases.</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 Vernon's Ann., CCrP., § 45.017</p>				
<b>Cause:</b> (Describe the cause of the condition if possible)	<p>Clerical error.</p> <p>Instances of incomplete court costs guidance and training on application of partial payments.</p> <p>Lack of system functionality.</p>				
<b>Effect:</b> (Describe or quantify any adverse effects)	<p>Incorrect distribution/disbursement of funds to the State of Texas and/or Dallas County requiring additional time to correct posting.</p>				
<b>Recommendation:</b> (Describe corrective action)	<p>Payment posting procedures should include:</p> <ul style="list-style-type: none"> <li>• Court costs, fees, and fines properly assessed/collected and timely deposited on all cases based on state laws, Commissioner Court orders, etc. including collection of postage expense when the court is requested to serve process by certified mail.</li> <li>• Care should be taken in recording all elements of the receipt correctly to the JPAS.</li> <li>• 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.</li> </ul> <p>JPAS Docket screen posting procedures should include:</p> <ul style="list-style-type: none"> <li>• Updating Docket screens as: cases are filed; warrants or capiases are issued; pleas are entered; court dates are set; cases are dismissed, judgments or deferred adjudications are ordered; defensive driving is authorized; time payment plans are authorized; cases are disposed; etc.</li> <li>• Completing electronic Dockets in compliance with Vernon's Ann., CCrP, § 45.017.</li> </ul>				
<b>Responsible Department or Organization:</b>	Justice of the Peace 3-3				
<b>Management's Response:</b>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<b>Respondent:</b>	Honorable Steven Seider and Robyn Klein	<b>Date:</b> 5/12/2010 & 1/14/11



<b>Comments:</b>	<p>The court is researching new systems with functionality that supports automation of receipt postings.</p> <p>There are approximately 45 different breakdowns of court costs depending on the date of the offense and legislative changes over time. There are up to 11 separate fee codes to be inserted in each transaction. The current JPAS system has posting errors including use of wrong court costs and partial payment prorating errors when automatically posting the credit card online payments.</p>		
<b>Disposition:</b>	<input checked="checked" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration

## County Auditor



## Dallas County, Texas

**Finding Number:** 09-JP3.3-01-05 Special Funds  
**Date:** 04/06/09  
**Audit:** Justice of the Peace 3-3 Audit FY 03-FY 09(thru 12/08)  
**Auditor(s) Assigned:** VO

<b>Finding:</b>	<p>Reconciliation and review of special fund activity including 589 special fund checks, postings to the JPAS, general ledger and internal control procedures for separation of duties, authorization, funds available for disbursement and proper payees for fiscal years 2003-2009 revealed:</p> <ul style="list-style-type: none"> <li>• Nineteen cancellations totaling \$2,181.50 were not posted on the JPAS</li> </ul> <p><b>Response:</b> Seventeen of the nineteen cancellations were subsequently posted by court staff with available tissue copies. Two cancellations totaling \$52 remain unposted.</p> <ul style="list-style-type: none"> <li>• Twelve checks totaling \$3,513.89 have not been posted to the JPAS</li> </ul> <p><b>Response:</b> The twelve checks were subsequently posted by court staff using the original check dates.</p> <ul style="list-style-type: none"> <li>• Instances of fees for copies and overpayments of \$10 or less receipted to Fee Type '07'</li> <li>• Old case balances in the special fund have not been researched for disbursing to the applicable party and/or escheating to the County Treasurer or State Comptroller including: overpayments of \$10 or less, stale dated checks more than three years old and \$5 ticket issuance fees (due to DART, DPS and Sheriff's office)</li> </ul>
<b>Workpaper Reference: (or other method by which finding was identified)</b>	Workpapers 6A-6F
<b>Condition: (Describe the current condition)</b>	<p>Data source for disbursement activity is manual logs/request forms versus JPAS generated exception logs. To generate disbursements, 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 County Auditor/County Treasurer for processing, check printing, and mailing. 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. The JP office relies on the County Treasurer for bank reconciliations.</p> <p>Bookkeeper posts cancellations and stale dated checks to the JPAS based on notices received from County Treasurer.</p> <p>Old case balances remain in the special fund account without research for disbursement or escheatment.</p>
<b>Criteria: (Describe the optimal condition)</b>	<p>Best practices regarding cash control require that:</p> <ul style="list-style-type: none"> <li>• 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).</li> <li>• Special fund reports should be reviewed on a periodic basis and disbursements should be made to the appropriate parties in a timely manner.</li> <li>• Inactive case balances should be reviewed in accordance with unclaimed property statutes, V.T.C.A., Property Code, § 72 and § 76.</li> <li>• 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.</li> </ul>
<b>Cause: (Describe the cause of the condition if possible)</b>	<p>Clerical error</p> <p>Lack of escheat procedures and reporting instructions.</p>
<b>Effect: (Describe or quantify any adverse effects)</b>	<p>Deferred research:</p> <ul style="list-style-type: none"> <li>• Delayed disbursements to entities/individuals entitled to funds.</li> <li>• Penalties from the State for not following escheat statutes may be assessed if not corrected.</li> </ul> <p>Limited reconciliation:</p> <ul style="list-style-type: none"> <li>• Undetected posting errors resulting in potential for overpayment and unrecoverable losses.</li> </ul> <p>Additional staff time to research and correct posting errors.</p>



<b>Recommendation:</b> (Describe corrective action)	Special fund procedures should include: <ul style="list-style-type: none"> <li>• All checks issued or canceled posted accurately and timely to the JPAS (reconciliation of JPAS to GL).</li> <li>• Any correcting disbursements posted with the current date in order to ensure subsequent reports reflect the corrections.</li> <li>• 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.</li> <li>• Escheat analysis and stale dating should be managed in accordance with unclaimed property statutes, V.T.C.A., Property Code, § 72 and § 76. ( see website: <a href="http://www.window.state.tx.us/up/forms.html">http://www.window.state.tx.us/up/forms.html</a> )</li> <li>• Chief clerk should verify disbursements and cancellations have been properly posted to the JPAS.</li> <li>• Cash bonds should be forfeited in accordance with Code of Criminal Procedure § 22.</li> <li>• Ticket issuance fees due to DART, DPS and Sheriff's office should be dragged and transferred to appropriate JPAS codes (fee type '29', '04' and '01' accordingly)</li> <li>• Copies fees and overpayments of \$10 or less should be dragged and transferred to fee type '00', justice fees.</li> </ul>					
<b>Responsible Department or Organization:</b>	Justice of the Peace 3-3					
<b>Management's Response:</b>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<b>Respondent:</b>	Honorable Steven Seider and Robyn Klein	<b>Date:</b>	1/14/2011
<b>Comments:</b>	The current case management system (CMS) does not generate a list of checks to be cancelled, stale dated and/or escheated to the County Treasurer or State Comptroller.					
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report		<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration		

## County Auditor



## Dallas County, Texas

**Finding Number:** 09-JP3.3-01-06 Warrants, Capias, and Capias Pro Fine  
**Date:** May 14, 2009  
**Audit:** Justice of the Peace 3-3 Audit FY03 – FY09 (thru 12/08)  
**Auditor(s) Assigned:** VO

<b>Finding:</b>	<p>Review of cases with delinquent time payment plans, final judgments and final dispositions, collection procedures, and the associated warrant issuances/recalls/status (including: 20 cases from the JP 3-3 Collection Referral Report; 30 cases on time-payment plans and 40 cases on the active warrant report) revealed:</p> <ul style="list-style-type: none"> <li>• One case did not show evidence of delinquency calls.</li> <li>• Five cases with delinquent time payment plans did not show evidence that a notice of show cause was sent before the case was referred for outside collection services (automated system referral on 61<sup>st</sup> date after delinquency).</li> <li>• One warrant remained outstanding 22 months after the case was appealed.</li> <li>• Two court employees are authorized to issue warrants under Judge's authority and all court employees can recall warrants.</li> <li>• 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.</li> </ul>
<b>Workpaper Reference: (or other method by which finding was identified)</b>	<p>Workpapers 7A, 7A.1, 7B, 7C, 7D and 7E</p>
<b>Condition: (Describe the current condition)</b>	<p>In response to the OCA and Senate Bill 1863, the court established procedures for defendants requesting time payment plans. These procedures include but are not limited to: defendant completing a personal data form when requesting time to pay, interview of defendant by the court collection clerk, defendant signing a payment agreement, defendant's phone numbers and references verified by court collection clerk, phone calls and delinquent collection letters sent by court collection clerk within 10 to 14 days of a missed payment, and a notice of show cause hearing sent by court collection clerk when a defendant defaults on a payment plan.</p> <p>Warrants including alias warrants are issued by court staff 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. Returned/recalled dates are recorded to the JPAS as warrants and/or capias are returned from law enforcement agencies. When payments are made in full, defendants appear, defendants comply with orders of the court, etc., the court's staff will transmit recall notices to the appropriate law enforcement agency. Return/recall dates are timely posted to the JPAS.</p>
<b>Criteria: (Describe the optimal condition)</b>	<p>At the 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 &amp; 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</p>



	<p>case activity occurs including but not limited to warrant/capias issuance/recall/return, jail time served, dismissed dates, deferred adjudication dates, judgment dates, assessment of additional court costs and/or changes in fine/special expense amounts as ordered by the judge.</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"> <li>(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</li> <li>(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.</li> </ol> <p>(e) Not later than June 1 of each year, the office shall identify those counties and municipalities that:</p> <ol style="list-style-type: none"> <li>(1) have not implemented a program; and</li> <li>(2) are able to implement a program before April 1 of the following year.</li> </ol> <p>(f) The comptroller, in cooperation with the office, shall develop a methodology for determining the collection rate of counties and municipalities described by Subsection (e) before implementation of a program. The comptroller shall determine the rate for each county and municipality not later than the first anniversary of the county's or municipality's adoption of a program.</p> <p>(g) The office shall:</p> <ol style="list-style-type: none"> <li>(1) make available on the office's Internet website requirements for a program; and</li> <li>(2) assist counties and municipalities in implementing a program by providing training and consultation, except that the office may not provide employees for implementation of a program.</li> </ol> <p>(h) The office, in consultation with the comptroller, may:</p> <ol style="list-style-type: none"> <li>(1) use case dispositions, population, revenue data, or other appropriate measures to develop a prioritized implementation schedule for programs; and</li> <li>(2) determine whether it is not cost-effective to implement a program in a county or municipality and grant a waiver to the county or municipality.</li> </ol> <p>(i) Each county and municipality shall at least annually submit to the office and the comptroller a written report that includes updated information regarding the program, as determined by the office in cooperation with the comptroller. The report must be in a form approved by the office in cooperation with the comptroller.</p> <p>(j) The comptroller shall periodically audit counties and municipalities to verify information reported under Subsection (i) and confirm that the county or municipality is conforming with requirements relating to the program. The comptroller shall consult with the office in determining how frequently to conduct audits under this section.</p>
<b>Cause:</b> (Describe the cause of the condition if possible)	<p>Inadequate system exception reporting.</p> <p>Clerical error.</p>
<b>Effect:</b> (Describe or quantify any adverse effects)	<p>Liability to County for persons arrested in error.</p> <p>Delayed or loss of revenue for Dallas County and the State of Texas.</p>
<b>Recommendation:</b> (Describe corrective action)	<p>Warrant and capias procedures should include:</p> <ul style="list-style-type: none"> <li>• At judge's discretion, warrants or capiases issued timely when defendants do not appear, do not comply with conditions of release, or default on payment terms. Show cause hearings set when defendants default on payment plans.</li> <li>• Separation of duties limiting (through system security access) staff assigned to recall warrants.</li> <li>• Outstanding warrants or capias recalled timely when cases are dismissed or otherwise</li> </ul>



	<p>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.</p> <ul style="list-style-type: none"> <li>• Outstanding warrant reports periodically reviewed for accuracy.</li> </ul> <p>Continue established payment plan procedures and monitor in accordance with Code of Criminal Procedure, Art. 103.0033.</p> <p>JPAS Docket screen posting procedures should include:</p> <ul style="list-style-type: none"> <li>• Updating Docket screens as warrants or capiases are issued/recalled/returned.</li> <li>• Completion of electronic dockets in compliance with Vernon's Ann., CCrP, § 45.017.</li> </ul> <p>Pursue new system with improved features.</p>				
<b>Responsible Department or Organization:</b>	Justice of the Peace 3-3				
<b>Management's Response:</b>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<b>Respondent:</b>	Honorable Judge Steven Seider and Chief Clerk Robyn Klein	<b>Date:</b> 5/12/2010 & 1/14/2011
<b>Comments:</b>	<p>The court sets a plea docket 30 days out. The court has a process in place to track time payment plans on an Excel spreadsheet. The court developed a collections form that takes from 15-20 minutes to complete with assistance received from the bailiff. The court sends postcards for reminder notices to save on postage. Feedback was provided to OCA on the collections improvement program. The program is process based rather than results based.</p> <p>Requirements for a new JP system should include capability to affix electronic signatures.</p> <p>No standard report of outstanding warrants is provided to the court for use. First ad hoc report received by the court was in July 2009. <b>Status:</b> As of December 29, 2010, the JP courts can now generate JP Warrant Error Report – this was not possible previously.</p>				
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report		<input type="checkbox"/> Oral Comment		<input type="checkbox"/> Deleted From Consideration

County Auditor



Dallas County, Texas

**Finding Number:** 09-JP3.3-01-07 Driver's License Renewal Block (FTA Fee)  
**Date:** May 7, 2009  
**Audit:** Justice of the Peace 3-3 Audit FY03 - FY09 (thru 12/08)  
**Auditor(s) Assigned:** VO

<b>Finding:</b>	<p>Review of 50 cases referred to DPS through OmniBase for driver's license renewal block from the FTA Payment History Reports and JPAS receipt and Docket screen postings revealed:</p> <ul style="list-style-type: none"> <li>Four cases with the \$30 FTA fee waived by the court.  <b>Status:</b> Court staff reduced posted fines or fees through the drag process and transferred \$30 to the FTA fee on the four cases.</li> <li>Eight defendants requesting trials did not pay the \$30 FTA fee and the DL renewal hold was released by court staff.  <b>Status:</b> Seven of the eight defendants subsequently paid. Court staff reduced the receipted deferred adjudication special fee on one case through the drag process and transferred \$30 to the FTA fee.</li> </ul>
<b>Workpaper Reference: (or other method by which finding was identified)</b>	<p>Desk review, observation and discussions with the Chief Clerk  Workpaper 7A.2</p>
<b>Condition: (Describe the current condition)</b>	<p>Court staff "waived Omni fee pending trial" in some cases. Waiver allowed defendants to renew license without having paid the \$30 FTA administrative fee. In the majority of cases, the court collected the fee after a finding of guilt; however, in some cases the court did not collect the fee after a finding of guilt, resulting in a subsequent drag/transfer from fines to cover the cost of the \$30 FTA fee.  Court updated procedures to collect \$30 FTA DL renewal hold fee on cases with trials pending prior to releasing DL renewal block.</p>
<b>Criteria: (Describe the optimal condition)</b>	<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"> <li>(1) the perfection of an appeal of the case for which the warrant of arrest was issued or judgment arose;</li> <li>(2) the dismissal of the charge for which the warrant of arrest was issued or judgment arose;</li> <li>(3) the posting of bond or the giving of other security to reinstate the charge for which the warrant was issued;</li> <li>(4) the payment or discharge of the fine and cost owed on an outstanding judgment of the court; or</li> <li>(5) other suitable arrangement to pay the fine and cost within the court's discretion.</li> </ol> <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"> <li>(1) under Subsection (a);</li> <li>(2) that the person was acquitted of the charge on which the person failed to appear; or</li> <li>(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"> <li>(A) was sent to the department in error; or</li> <li>(B) has been destroyed in accordance with the political subdivision's records retention policy.</li> </ol> </li> </ol>





	<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, <b>unless the person is acquitted</b> of the charges for which the person failed to appear. The person shall pay the fee when:</p> <p>(1) the court enters judgment on the underlying offense reported to the department;</p> <p>(2) <b>the underlying offense is dismissed</b>; or</p> <p>(3) bond or other security is posted to reinstate the charge for which the warrant was issued.</p> <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>				
<b>Cause:</b> (Describe the cause of the condition if possible)	Incomplete application of Transportation Code § 706.005 and § 706.006 and Dallas County recommended procedures regarding the clearance of DL renewal holds.				
<b>Effect:</b> (Describe or quantify any adverse effects)	Loss of revenue for Dallas County, the State of Texas and OmniBase.				
<b>Recommendation:</b> (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.				
<b>Responsible Department or Organization:</b>	Justice of the Peace 3-3				
<b>Management's Response:</b>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<b>Respondent:</b>	Honorable Judge Steven Seider and Chief Clerk Robyn Klein	<b>Date:</b> 5/12/2010 & 1/14/2011
<b>Comments:</b>	<p>The defendant is not required to pay the \$30 FTA fee under the presumption of innocence until judgment.</p> <p>Texas Transportation Codes, Sections, 706.005 and 706.006 appear to contradict one another. The court has resolved the issue by collecting the \$30 FTA fee upon a Not Guilty Plea being entered and removing the Omni hold in accordance with Commissioners Court Order No. 2003-2085, Dallas County Auditor Recommended Interim Policies for General Policy for Failure to Appear Program.</p>				
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration		

County Auditor



Dallas County, Texas

**Finding Number:** 09-JP 3.3-01-09 Birth Certificates  
**Date:** May 20, 2009  
**Audit:** Justice of the Peace 3-3 Audit FY 03-FY 09(thru 12/08)  
**Auditor(s) Assigned:** VO

<b>Finding:</b>	<p>Comparison of birth certificates issued per the JP 3-3 Birth Certificate Log and certificates issued per the Texas Department of State Health Remote Certificate Monthly Transaction Report to the JPAS receipts revealed:</p> <ul style="list-style-type: none"><li>• <b>FY2004 – FY2006</b> - 332 of 10,965 certificates issued were not listed on the birth certificate log including one consecutive series of 100 certificate numbers.</li><li>• <b>FY2007– partial FY2009 (4/09)</b> - 34 of 10,985 certificates issued were not indicated on the birth certificate log.</li></ul> <p><b>Response:</b> Boxes on occasion contain gaps in certificate numbers received.</p> <p><b>Other:</b></p> <ul style="list-style-type: none"><li>• Multiple users are accessing the state Bureau of Vital Statistics (BVS) computer system using one log-in ID and password. <b>Response:</b> One log-in is used due to the frequency of the BVS computer system disconnecting the user logged in. A more efficient system is needed.</li><li>• Monthly transaction reports indicate one of 343 certificates issued in March, 2008 did not have a corresponding JPAS receipt and cannot be accounted for as a void</li><li>• Unapproved applications are kept in an unlocked drawer. <b>Response:</b> Limited locking storage space is available. A secure lock was added to the drawer.</li></ul>
<b>Workpaper Reference: (or other method by which finding was identified)</b>	Workpapers 9E.A, 9E.B, 9E.C, and 9E.C1 Justice of the Peace Birth Certificate Logs Texas Department of Health Remote Certificate Monthly Transaction Report
<b>Condition: (Describe the current condition)</b>	<p>Requestor completes an application with applicable information, provides proof of identity and relationship to party for which the certificate pertains, and pays the required fee. JP clerk counts the fee paid, reviews the application, verifies eligibility of requestor, and accesses (multiple clerks utilize a single id for accessing State data) the Bureau of Vital Statistics system. The birth certificate information is printed using security paper through a designated printer and embossed with the County seal. The certificate and required fee are taken to the bookkeeper for receipting. The bookkeeper verifies the fee corresponds to the number of certificates requested. The JPAS is accessed by the bookkeeper and the payment for the certificate(s) is receipted. The original receipt, any change due, and certificates are provided to the requestor. An issuance log is maintained by the court and updated by the issuing clerk with the certificate number(s) being used and initials of clerk issuing certificate. Any voids are marked void on certificate and issuance log by the issuing clerk. Voided certificates are submitted to the Texas Department of Health Vital Statistics on a monthly basis with a request to remove for the lifetime count. However, there is no complete record accounting for the certificates submitted. State Bureau of Vital Statistics submits one monthly bill to the County Clerk for all Dallas County locations. Billing reflects activity by user id and location. All searches to the state system reflect as a charge on the monthly billing.</p>
<b>Criteria: (Describe the optimal condition)</b>	<p>According to V.T.C.A., Health and Safety Code § 191.0045, "..... (d) A local registrar or county clerk who issues a certified copy of a birth or death certificate shall charge the same fees as charged by the bureau of vital statistics....."</p> <p>"(h) ..... A fee under this section shall be collected by the registrar or county clerk on the issuance of a vital statistics record, including a record issued through a Remote Birth Access site."</p> <p>According to Texas Administrative Code, <b>RULE §181.24</b>, (a) Abused birth record.</p> <p>(1) Any birth record that has had 10 certifications issued since the original date of filing shall be</p>



	<p>considered as an abused record. Such a notation shall be made on the birth record.</p> <p>(2) Local registrars shall notify the Bureau of any abused record. Requests for additional certifications shall be made to the bureau.</p> <p>(3) When the state registrar receives a request for an abused birth record, he/she shall refuse to issue any additional certifications until the registrant, minor registrant's parent who is not excluded by law, or registrant's guardian has satisfactorily explained the reason for the additional request(s).</p> <p>All voided certificates should be accounted for and marked "void" in order to affix responsibility, enhance cash control and prevent potential assertion that monies were paid and refund due. Notification of voided certificates related to records accessed through Remote Birth Access site should be reported to BVS for proper credit to the customer's life time issuance count and adjustment to monthly billing statement.</p> <p>According to Texas Administrative Code, <b>RULE §181.28</b>, (e) Record retention. A record of the date issued, document number, name and address and form of identification to whom issued shall be made and maintained for a period of three years from the date issued. The application form, with the document number inserted, used to apply for a record will fulfill this requirement.</p> <p>Documents should be retained in a secure location.</p>				
<b>Cause:</b> (Describe the cause of the condition if possible)	Clerical error				
<b>Effect:</b> (Describe or quantify any adverse effects)	<p>Potential compromise of confidential information on applications</p> <p>Unable to establish clear lines of accountability when using one password.</p>				
<b>Recommendation:</b> (Describe corrective action)	<p>Birth certificate procedures should be updated to include:</p> <ul style="list-style-type: none"> <li>• Written procedures, periodic review by chief clerk for compliance, and staff training</li> <li>• Issuance logs updated with voided certificate data</li> <li>• Voided certificates clearly marked "void" and affixed with a reason for void</li> <li>• The comment screen in JPAS should document the file number of the certificate issued</li> <li>• Certificate paper sequence should be verified on receipt and retained in a secure location.</li> <li>• Documents retained in a secure location with restricted access</li> <li>• Employees accessing the State's Remote Birth Access site should use their assigned user id and password.</li> </ul>				
<b>Responsible Department or Organization:</b>	Justice of the Peace 3-3				
<b>Management's Response:</b>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<b>Respondent:</b>	Honorable Steven Seider and Chief Clerk Robyn Klein	<b>Date:</b> 1-14-2011
<b>Comments:</b>	For efficiency, security, and in order to address problems with the system's robustness, a single computer is logged in once a day.				
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report		<input type="checkbox"/> Oral Comment		<input type="checkbox"/> Deleted From Consideration



**Finding Number:** 09-JP 3.3-01-10 Credit Card Transactions  
**Date:** May 19, 2009  
**Audit:** Justice of the Peace 3-3 Audit FY 03-FY 09 (thru 12/08)  
**Auditor(s) Assigned:** VO

<b>Finding:</b>	<p>Review of credit card transactions and procedures revealed:</p> <ul style="list-style-type: none"> <li>• Court does not retain credit card information received by mail for two years (credit card number is redacted and document is placed in the case jacket).</li> </ul> <p><b>Status:</b> Resolved. Original credit card information received is retained under lock and key.</p> <ul style="list-style-type: none"> <li>• Two credit card web payment channels for paying by credit card.             <ul style="list-style-type: none"> <li>• One for automated traffic tickets only</li> <li>• One for all misdemeanor case types</li> </ul> </li> <li>• Limited integration of automated JPAS payment posting functionality requiring additional staff time to review, reconcile, and research/post exceptions.             <ul style="list-style-type: none"> <li>• Two daily settlement reports</li> <li>• One automated receipt posting report for payments submitted through the automated traffic ticket payment channel with activity limited to amounts that match predefined court costs tables. Instances of incorrect matches noted.</li> <li>• One automated payment rejection report for payment amounts not matching the predefined court costs tables</li> </ul> </li> </ul>
<b>Workpaper Reference:</b> <b>(or other method by which finding was identified)</b>	<p>Workpaper 10ABC and 10D          JPAS and Settlement reports          Observation and inquiry of court personnel</p>
<b>Condition:</b> <b>(Describe the current condition)</b>	<p>Credit card payments are submitted for processing either by defendant directly over the Internet or court clerks for mail in or over the counter transactions. With the discontinuation of Central Collections, there are now two web portals that can be used: an 'auto citation' payment channel and a 'JP Court' precinct payment channel.</p> <p>Defendants paying with a credit card in person are required to complete a Electronic Payment Consent form and provide a government issued photo ID. 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. A copy of the ID, completed slips, and credit/debit cards or 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. A copy of the confirmation will be provided to defendants paying in person. Credit card payments processed through the 'auto citation' payment channel by 10:59:59 PM are included in the next day business closeout.</p> <p>Each business morning, the chief clerk or bookkeeper will print the credit card transaction reports from both credit card payment channels and the mainframe automated posting/reject reports. Accepted transactions (completed prior to 11 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. The bookkeeper reviews the 'auto citation' payment channel accepted (titled Settlement Report) report and compares to the JPAS for accuracy in fee code distribution. There are limited tables available for the automated posting of credit 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 to the JPAS as payment type 'check' due to JPAS limitations. Daily balancing of receipt activity will include credit card payments that appear on the accepted/settlement (previous day's activity prior to 11 PM) reports generated by court staff from the County's Intranet site.</p> <p>Cash will be counted and balanced to JPAS control cash totals. Checks will be totaled and added together with both accepted/settlement report totals and balanced to JPAS control check totals. The ending receipt for the balanced funds will be input to the JPAS and will <u>not</u> include new computer receipt numbers that will be generated during the current day's overnight batch process for system generated computer receipts for credit card payments. Cash, checks, and other supporting</p>



	<p>documentation will be placed in the safe overnight. The following business day the safe is opened and the bookkeeper will confirm cash and checks (including computer receipts for credit card transactions) are still in balance with JPAS control totals. Cash, coin and check totals are 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. Closed-out receipting of credit card payments will be reflected on the check deposit with a manual notation on the deposit form 98 with the amount from the accepted/settlement reports as 'ACH'.</p> <p>A copy of the two accepted/settlement ('auto citation' and 'JP Court') reports will be sent to the County Treasurer with the check deposit. 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 deposits will be locked in the safe pending the arrival of the courier. The courier will sign for the deposits and deliver to the County Treasurer.</p>
<b>Criteria:</b> (Describe the optimal condition)	<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, all funds received properly secured, and deposited consistent with state law including V.T.C.A., L.G.C., § 113.022 and Vernon's Ann., C.C.P., § 103.004</p> <p>E-Commerce requires information processing controls to test that transactions completed through computerized applications are valid, properly authorized, and completely and accurately processed and reported.</p> <p>According to V.T.C.A., L.G.C., § 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>
<b>Cause:</b> (Describe the cause of the condition if possible)	<p>Non-integrated financial systems for e-commerce requiring manual intervention.</p> <p>Multiple credit card reports and payment channels.</p> <p>Incomplete adherence to guidelines of bank credit card agreement and to credit card procedures outlined in the <i>Dallas County General Policy for Use of Credit Card Transactions Policy</i></p>
<b>Effect:</b> (Describe or quantify any adverse effects)	<p>Incorrect distribution/disbursement of funds to the State of Texas and/or Dallas County requiring additional time to correct posting.</p>
<b>Recommendation:</b> (Describe corrective action)	<ul style="list-style-type: none"> <li>Continue review of reports for card acceptance posting &amp; rejection to properly &amp; timely account for payments</li> <li>Review of credit card activity by supervisory staff on a periodic basis.</li> <li>Document proposed modifications to the automated posting process and incorporate in <u>technology assessments</u>.</li> <li>Post fee type elements on receipts accurately and timely with assessments based on state laws, Commissioner Court orders, etc.</li> </ul> <p><i>Dallas County General Policy for Use of Credit Card Transactions</i> should be followed including but not limited to:</p> <ul style="list-style-type: none"> <li>Credit card information should not be placed in case jackets</li> <li>Credit card information received by mail should remain under lock and key for 2 years after payment has been processed in accordance with the bank contract</li> <li>Credit card information should be properly and securely shredded after 2 years</li> </ul>
<b>Responsible Department or Organization:</b>	Justice of the Peace 3-3
<b>Management's Response:</b>	<input type="checkbox"/> Agree <input type="checkbox"/> Disagree <b>Respondent:</b> Honorable Steven Seider & Robyn Klein <b>Date:</b> 1/14/2011
<b>Comments:</b>	The court is in compliance with all recommended procedures.
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report <input type="checkbox"/> Oral Comment <input type="checkbox"/> Deleted From Consideration

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# County Auditor



# Dallas County, Texas

**Finding Number:** 09-JP3.3-01-11 **Comparison of Activity Reports**  
**Date:** May 18, 2009  
**Audit:** Justice of the Peace 3-3 Audit FY03 - FY09 (thru 12/08)  
**Auditor(s) Assigned:** VO

<b>Finding:</b>	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: <b>JPAS to OCA</b> <ul style="list-style-type: none"> <li>Traffic and non-traffic misdemeanor case counts were <b>overstated</b> 5.81% (1,014 cases) in FY2003.</li> <li>Traffic and non-traffic misdemeanor case counts were <b>understated</b> 8.13% (444 cases) in FY2009 (thru December 2008).</li> <li>Eviction case counts were <b>overstated</b> 12.74% (47 cases) in FY2009 (thru December 2008).</li> </ul> <b>Response:</b> Typo error on eviction case counts.			
<b>Workpaper Reference:</b> (or other method by which finding was identified)	Workpaper No. 9C1 comparison of cases filed per JPAS and activity reported by the court			
<b>Condition:</b> (Describe the current condition)	Court clerks are assigned (partial listing of duties assigned) to process traffic, IBC, other class C misdemeanor, evictions, civil, or small claims cases. In addition, the court clerks and bookkeeper manually capture case activity, disposition and payment information on a daily basis. The monthly data is provided by the court clerks and bookkeeper to the chief clerk. The chief clerk compiles a monthly summary of case activity, disposition, and payment information based on data provided and submits to OCA, OBE, and Audit without complete cross reference to the JPAS or validation of totals.			
<b>Criteria:</b> (Describe the optimal condition)	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. 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. All case numbers are accounted for, issued consecutively by case type, and properly and timely indexed to the JPAS.			
<b>Cause:</b> (Describe the cause of the condition if possible)	Mathematical errors			
<b>Effect:</b> (Describe or quantify any adverse effects)	Minor variances to statewide court analysis by OCA.			
<b>Recommendation:</b> (Describe corrective action)	Monthly activity reports should be completed in an accurate and timely manner with copies provided to OCA, OBE, and the County Auditor. Activity reports should be corrected if errors are later identified as the accuracy of activity reports may affect staffing levels or statewide analysis.			
<b>Responsible Department or Organization:</b>	Justice of the Peace 3-3			
<b>Management's Response:</b>	<input type="checkbox"/> Agree	<input type="checkbox"/> Disagree	<b>Respondent:</b>	<b>Date:</b>
			Honorable Judge Steven Seider and Robyn Klein	5/12/2010 & 1/14/2011
<b>Comments:</b>	Chief clerk maintains a master list of all APS tickets. Uploads from APS to the JPAS on the mainframe have resulted in skipped case numbers and duplicate uploads. Three cases were uploaded twelve times. There are programming issues with the upload process (case creation on JPAS) and updates are not consistent. Upgraded case management system will negate self-reporting. Monthly activity reports are completed in an accurate and timely manner with copies provided to OCA, OBE, and the County Auditor as required by state and county guidelines.			
<b>Disposition:</b>	<input checked="" type="checkbox"/> Audit Report	<input type="checkbox"/> Oral Comment	<input type="checkbox"/> Deleted From Consideration	