Memorandum

TO: Honorable Judge Sandra Ellis
Justice of the Peace, Precinct 3, Place 2

FROM: Virginia A. Porter
County Auditor

SUBJECT: Review Performed on Justice of the Peace, Precinct 3, Place 2 for FY 2009

DATE: Issued: October 28, 2010
Released: December 15, 2010

Scope

A review was performed in accordance with statutory guidelines on the records and reports of Justice of the Peace, Precinct 3, Place 2 for fiscal year 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.
- Reviewed credit card activity for accurate and timely posting to the JPAS

Statistical

During fiscal year 2009, the justice court processed:
- 18,931 computer receipts totaling $2,719,929 (includes $656,264 in fines and $507,663 in justice fees)
- 16,473 class C misdemeanor cases including IBC, traffic, FTA, truancy, etc.
- 1,413 civil/small claim cases
- 3,690 eviction cases

FINDINGS

Cash Management
Receipts- Computer/Manual – A review of 18,931 computer receipts including 91 voided computer receipts and 1,938 manual receipts revealed: seven computer receipts were deleted / voided by court staff without documenting the reason or retaining the receipts and over twelve manual receipt books (1,938 manual receipts) were used during the fiscal year with most issued after 3:30 PM each business day during the computer receipt balancing process. **Response:** Court procedure provides that clerks in-training write manual receipts in order to avoid JPAS posting errors.

Assessments / Distribution - Review of 46 computer receipts (398 fee code entries) for compliance with statutorily required court costs, fees and fine revealed seven instances of collection, assessment, or posting errors.

Disbursement / Special Fund Reconciliation - Review of special fund activity revealed: two partially posted disbursements (**Status:** Corrected FY2010), instances of check number posting errors, old case balances have not been researched for disbursing to the applicable party and/or escheating to the County Treasurer or State Comptroller, and limited forfeiture of cash bonds when defendants fail to appear.

Processing/Reporting
Activity Report - Comparison of activity reports filed by the court with mainframe JPAS case records revealed: new cases filed per the JPAS substantially agree to the OCA report.

Civil Fee Dockets – Limited review of civil, small claims and eviction cases on the justice fee exception report revealed: four cases with *Affidavits of Inability to Pay* and two cases transferred from other Dallas County justice courts were not documented on the JPAS and one case number inadvertently assigned out of sequence. (**Status:** Case data was deleted from the JPAS and reassigned under the next case number in sequence.)

Criminal Fee Dockets – Review of time payment plans, active warrants, warrants on disposed cases for the appropriateness of warrant status, and corresponding Docket screens revealed: 135 active warrants (or less than 1%) on the Constable or Sheriff warrant system for cases without calculated balances due and/or on cases marked disposed on the JPAS Docket screen; all court clerks are authorized to recall warrants and OCA requirements under SB 1863 related to time payment plans were implemented by the justice court.

Credit Card Process – Review of credit card transactions on a test basis revealed instances of automated overnight batch receipt distribution errors due to limited court costs schedules. (**Status**: Expanded/updated costs tables provided to IT Services in FY2010 for inclusion in programming automated process.)

Other/Miscellaneous

Time and Attendance – Review of employee time and attendance records on a test basis revealed limited instances of bi-weekly pay period 'approval' of time worked reflected on the Kronos time cards.

RECOMMENDATIONS

Cash Management

Receipts – Receipts should be verified for accuracy of amount before issuing to customers. All monies received should be promptly receipted and deposited consistent with state law, V.T.C.A., L.C.G. § 113.022 and Vernon's Ann. C.C.P. §103.004. Receipts should never be altered, but rather properly voided. All copies of void receipts should be retained, clearly marked "void", and affixed with a reason for the void. The supervisor should periodically scan exception reports, transaction logs, manual receipts books and computer receipts issued for proper usage. Staff should be properly trained to limit reliance on the issuance of manual receipts during and after the balancing process.

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 or Commissioners Court orders and applicable fee schedules based on the offense date.

Disbursement / Special Fund Reconciliation - All checks issued, canceled, and/or stale dated should be posted accurately and timely to the JPAS. A management plan (including reconciling General Ledger 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 in accordance with unclaimed property statutes, V.T.C.A., Property Code, § 72 and 76.

Processing/Reporting

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. Reason for not collecting filing or service fees should be documented on the JPAS and case jacket.

Criminal Fee Docket – JPAS Docket screens should be updated as warrants or capiases are issued, recalled, and/or returned. 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. Continue established payment plan procedures and monitor in accordance with Code of Criminal Procedure, Art. 103.0033. Docket screens should be completed/updated in compliance with Vernon's Ann., CCrP, § 45.017 and § 45.041.

Other/Miscellaneous
Time and Attendance – Emphasize supervisory review of time and attendance and Kronos postings with Kronos time cards updated to reflect 'approval' by chief clerk or designated supervisor.

CURRENT FINDINGS/OBSERVATION AND RECOMMENDATIONS
Findings template numbered 09-JP3.2-01.01 through 07 are attached.

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.

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.

cc: Commissioners Court
    Ryan Brown, OBE
    Honorable Judge Robert Burns, LADJ

Finding Number: 09-JP3-2-01-01
Date: 11/23/2009
Audit: Justice of the Peace 3-2 Review FY09
Auditor(s) Assigned: YA

Finding:	Review of 18,931 computer including 91 voided receipts, receipt continuity, and voiding procedures for FY09 revealed: • Seven computer receipts (7.7%) were deleted / voided by court staff without documenting the reason or retaining the receipts. (receipted amount increased for all) • Four computer receipts for Internet collections were skipped in the overnight batch processing.
Workpaper Reference: (or other method by which finding was identified)	Workpaper No. 5A &5B, review of computer and manual receipts
Condition: (Describe the current condition)	Cash payments received by the counter clerks are counted in the presence of the payer. Payments made over the counter and supporting documentation are provided by the counter clerks 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 consistently 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 inconsistently noted. Limited instances of voided receipt copies not retained occur. Computer receipts and any change due from cash payments are provided to the customers by the counter clerks. Around 3:30 PM each business day prior to closeout, the computer receipts are totaled and compared to the funds on hand and system control totals by the bookkeeper. Corrections are made when the payment type is incorrectly recorded, the check amount is not correctly receipted, or other errors are identified. The balanced funds are secured in the safe until the next morning. The back-up bookkeeper issues manual receipts until the bookkeeper has completed the afternoon balancing process. Manual receipts issued after the 3:30 PM cut-off are receipted to the computer the next business day. 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 event of identified 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 information and generate a new computer receipt.
Criteria: (Describe the optimal condition)	Best practices regarding receipt control procedures require that: • 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. • 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 insure that the explanation for the deletions is documented and reasonable. • Corrections are reviewed and approved by the chief clerk. • Accounting and system control procedures require daily reconciliation and balancing of collected funds to support documents and separation of duties to affix responsibility for processing. Separate cash drawers should be maintained by all clerks receipting payments and funds should be balanced prior to combining with other receipted funds.
Cause: (Describe the cause of the condition if possible)	Occasional procedural exception. System errors or court costs tables not correctly matching required receipt distribution on automated postings.
Effect: (Describe or quantify any adverse effects)	Prevents potential assertion that monies were paid and refunds due.
Recommendation: (Describe corrective action)	Receipt procedures should include: • All copies of a voided receipt should be retained, clearly marked "void" and affixed with reason for void. • Receipts should be verified for accuracy of amount, payment type, case number, and payer before issuing to a customer. • 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.

Responsible Department or Organization:	Justice of the Peace 3-2					
Management's Response:	☐ Agree	☐ Disagree	Respondent:		Date:	
Comments:						
Disposition:	☑ Audit Report		☐ Oral Comment		☐ Deleted From Consideration	

County Auditor

Dallas County, Texas

Finding Number:	09-JP3.2-01-02
Date:	11/23/2009
Audit:	Justice of the Peace 3-2 Review FY09
Auditor(s) Assigned:	YA

Finding:	Review of 1,938 manual receipts (including two voided receipts) and the manual receipt procedures revealed material compliance with proper receipting procedures except: • Twelve manual receipt books used during the fiscal year with most issued after 3:30 PM each business day during the computer receipt balancing process. • Two manual receipts posted to the JPAS the second business day.
Workpaper Reference: (or other method by which finding was identified)	Workpaper No. 5A &5B, review of computer and manual receipts
Condition: (Describe the current condition)	Each business day around 3:30 PM, the back-up bookkeeper issues manual receipts until the bookkeeper has completed the afternoon computer receipt balancing process. After balancing, the bookkeeper will issue manual receipt the rest of the business day. Manual receipts issued after the 3:30 PM cut-off are consistently receipted to the computer the next business day. When the Justice of Peace Accounting System (JPAS) is not operational, manual receipts (three part form) are issued by the bookkeeper and/or back-up bookkeeper. The original manual receipt is issued to the customer. Manual receipts are set aside pending system availability. Once the JPAS is active or automated traffic ticket uploads create new cases on the JPAS, corresponding computer receipts are issued. The original computer receipt is set aside for attachment to the corresponding triplicate manual receipt copy retained in numerical order. The duplicate manual receipt copy is attached to the duplicate computer receipt copy retained separately in numerical order.
Criteria: (Describe the optimal condition)	Best practices regarding receipt control procedures require that: • Funds received by the court should be receipted with a computer generated receipt unless the JPAS is "down" • All receipts are accounted for and properly used, kept in numerical order, have the corresponding computer receipt attached, and are posted and deposited properly, and timely in accordance with V.T.C.A., L.G.C., § 113.022 and Vernon's Ann., C.C.P., § 103.004.
Cause: (Describe the cause of the condition if possible)	Relying on manual receipts to avoid system errors while training clerk.
Effect: (Describe or quantify any adverse effects)	Time consuming (additional staff time) and non- efficient procedures by duplicating the receipts process.
Recommendation: (Describe corrective action)	Staff should be properly trained to limit reliance on issuance of manual receipts during the balancing process.
Responsible Department or Organization:	Justice of the Peace 3-2

Management's Response:	☐ Agree	☐ Disagree	Respondent:		Date:	

Comments:	
Disposition:	☑ Audit Report ☐ Oral Comment ☐ Deleted From Consideration

County Auditor
Texas

Dallas County,

Finding:	Reconciliation and review of special • Four case numbers were not accurately recorded to the Samba drive file. **Status**: JPAS postings were correct. • Instances of check number posting errors to the JPAS. **Status Prior Year Findings:** • Texas Parks & Wildlife fines remain in the special fund. • Thirty fines assessed on failure to attend school violations were incorrectly split between the county and the associated school district with $1,675 remaining in the special fund. • Court costs and fines collected on two failure to attend school violations (totaling $460) were incorrectly posted in full to the special fund. • Marriage license fees (for six licenses, totaling $ 203) remain in the special fund. • Overpayments of $10 or less, receipt code errors, stale dated checks more than three years old, $5 ticket issuance fees (due to DART, DPS, TABC, TP&W, etc) remain in the special fund.
Workpaper Reference: **(or other method by which finding was identified)**	Workpaper No. 6E review of special fund activity
Condition: **(Describe the current condition)**	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. 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. 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. The JP office relies on the County Treasurer for bank reconciliations. Bookkeeper is making a concerted effort to research old case balances in the special fund.
Criteria: **(Describe the optimal condition)**	Best practices regarding cash control require that: • 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). Assigned cash handling duties are separated. • Special fund reports should be reviewed on a periodic basis and disbursements should be made to the appropriate parties in a timely manner. • Inactive case balances should be reviewed in accordance with unclaimed property statutes, V.T.C.A., Property Code, § 72 and § 76. • 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. • Failure to attend school fines should be retained in full by the county in accordance with Education Code Sec. 25.094.
Cause: **(Describe the cause of the**	Clerical error Limited staff time to research old items.

condition if possible)	
Effect: **(Describe or quantify any adverse effects)**	Deferred research: • Delayed disbursements to entities/individuals entitled to funds. • Penalties from the State for not following escheat statutes may be assessed if not corrected. Limited reconciliation: • Undetected posting errors resulting in potential for overpayment and unrecoverable losses. • Additional staff time to research and correct posting errors.
Recommendation: **(Describe corrective action)**	Special fund procedures should include: • All checks issued or canceled posted accurately and timely to the JPAS (reconciliation of JPAS to GL) and verified/reviewed by the chief clerk. • Any correcting disbursements posted with the current date in order to ensure subsequent reports reflect the corrections. • Cash bonds should be forfeited in accordance with Code of Criminal Procedure § 22. • Ticket issuance fees for state agencies (DPS, TABC) and DART should be dragged and transferred to appropriate JPAS codes (fee type "04" and "29" accordingly). • Posting errors should be identified and corrected by dragging and transferring to the appropriate JPAS codes. • Marriage license fee posting errors may need to be corrected by check disbursement as the JPAS allocates the current marriage license fee amount. 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. 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: http://www.window.state.tx.us/up/forms.html).
Responsible Department or Organization:	Justice of the Peace 3-2

Management's Response:	☐ Agree	☐ Disagree	Respondent:		Date:	
Comments:						
Disposition:	☑Audit Report		☐ Oral Comment		☐ Deleted From Consideration	

County Auditor

Dallas County, Texas

Finding:	A review of 20 cases (civil, small claims and eviction cases) on the of the Justice Fee Exception list for uncollected filing fees revealed: • Two of three case transfers from other Dallas County precincts were not notated on the Docket screen. • One case number was erroneously assigned out of sequence for a small claims case type. **Status:** Payment (for same case style) was posted to the JPAS under a corrected case number (on the same day). The incorrect case was deleted from the JPAS. • Four of five case files with pauper's affidavits of inability to pay were not documented on the JPAS. • One case transferred from another county without collection of filing fees. **Status:** Court notified plaintiff case was dismissed due to non-payment of filing fees.
Workpaper Reference: (or other method by which finding was identified)	Work paper No. 9B Justice Fee Exception List review
Condition: (Describe the current condition)	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 systemically recorded for pauper's affidavits. Paper service is stamped with "pauper oath filed" in accordance with Rule of Civil Procedure 126 and 145.
Criteria: (Describe the optimal condition)	In accordance with statutes (Local Government Code (LGC) § 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. **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 indigency 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. Services rendered after judgment, including issuance of writs, should include fees assessed at the time the order is placed, in accordance with LGC 118.121(2). The $5 writ issuance fee is assessed per page. Filing fees should be collected on cases transferred from courts outside of Dallas county under Rule of Civil Procedure, No. 89. <http://www.supreme.courts.state.tx.us/rules/trcphome.asp >.
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.

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: • 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. Corrections should be noted on the Docket screen rather than deleting all records for a case once assigned.
Responsible Department or Organization:	Justice of the Peace 3-2
Management's Response:	☐ Agree ☐ Disagree Respondent: Date:
Comments:	
Disposition:	☑ Audit Report ☐ Oral Comment ☐ Deleted From Consideration

Finding Number: 09-JP3-2-01-05
Date: 03/18/2010
Audit: Justice of the Peace Review FY09
Auditor(s) Assigned: YA

Finding:	Review of 46 computer receipts (398 fee code entries) for appropriate collection of court costs, fines, and fees, and accurate posting to the Justice of the Peace Accounting System revealed materially accurate in assessment with minor code differences: • One $25 child safety fee code '15' not assessed • One $25 child safety fee code '15' receipted to time payment fee code '21' • One $25 time payment fee was assessed/collected before the 31st day after judgment • Two $5 constable ticket issuance fees credited to sheriff fee code '01' • One $5 DPS ticket issuance fee credited to sheriff fee code '01' • One judicial support and indigent defense fee codes assessed/collected based on collection date rather than the offense date
Workpaper Reference: (or other method by which finding was identified)	Work paper No. 5E
Condition: (Describe the current condition)	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 staff (or populated via automated traffic case filings) based on state statutes in effect at the time of the offense. If additional court costs are manually assessed, the JPAS Court Costs field on the Docket screen will be 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. 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 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.
Criteria: **(Describe the optimal condition)**	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. 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.
Cause: **(Describe the cause of the condition if possible)**	Lack of system functionality Clerical error
Effect: **(Describe or quantify any adverse effects)**	Potential revenue loss for Dallas County and the State of Texas. Incorrect distribution/disbursement of funds to the State of Texas and/or Dallas County requiring additional time to correct posting.
Recommendation: **(Describe corrective action)**	Payment posting procedures should include: • Court costs, fees, and fines properly assessed/collected and timely deposited on all cases based on state laws, Commissioner Court orders, offense dates, offense types, etc with complete and accurate updates of Docket screen Court Costs and Fine fields. • Care should be taken in recording all elements of the receipt correctly to the JPAS including paper type in order for accurate traffic program revenue reporting. • 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. Pursue new system with improved features.
Responsible Department or Organization:	Justice of the Peace 3-2

Management's Response:	☐ Agree	☐ Disagree	Respondent:		Date:	
Comments:						
Disposition:	☑Audit Report		☐ Oral Comment		☐ Deleted From Consideration	

County Auditor

Dallas County, Texas

Finding Number:	09-JP3.2-01-06
Date:	3/17/2010
Audit:	Justice of the Peace 3-2 Review FY09
Auditor(s) Assigned:	YA

Finding:	Review of 11 cases from the Collection Referral Report for adequate collection procedures on cases referred to delinquent collection law firm, review of IT Services Active Warrants on Disposed Cases Report, review of 11 cases on time payment plans, review of 12 cases with final judgment, review of 20 disposed cases for outstanding warrants, and review of 41cases from the active warrants list (R05870) for validity of warrant issuances, recalls, and served/returned/active/regional statuses revealed (sample sizes less than 1% of population): • One case with the capias not reflected as returned on the Docket screen for which the defendant paid in full. **Status**: Capias recalled May 2010. • Two returned warrants/capias without the return dates on JPAS Docket screen. Both cases had been paid in full and recalled per WX50. • 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. • All clerks are authorized to recall warrants. 135 active warrants (or less than 1% of total outstanding warrants) on WRW or WX50 for cases without balances due and/or disposed (as of 08/04/09) listed on an electronic report provided to the court by IT Services.
Workpaper Reference: (or other method by which finding was identified)	Workpapers 7A thru 7E, Collection Referral Report, R05870 Active Warrants Report, IT Services Active Cases on Disposed Cases Report, and responses to ICQ
Condition: (Describe the current condition)	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. 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 post cards sent by court collection clerk the next day after a missed payment, and a notice of show cause hearing sent by court collection clerk when a defendant defaults on a payment plan. Warrants including alias warrants are issued by 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. Returned/recalled dates are noted for recording to the JPAS as warrants and/or capias are returned from law enforcement agencies, but process verification is problematic. When payments are made in full, defendants appear, defendants comply with orders of the court, etc., the court's staff inconsistently transmits recall notices to the appropriate law enforcement agency. Exceptions occur due to incomplete clerical follow through and inadequate exception reporting.
Criteria: (Describe the optimal condition)	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. Best practices for internal control require separation of assigned duties for personnel authorized to issue and/or recall warrants. 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, 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. 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.

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.

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.

(d) The program must consist of:
(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.
(e) Not later than June 1 of each year, the office shall identify those counties and municipalities that:
(1) have not implemented a program; and
(2) are able to implement a program before April 1 of the following year.
(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.
(g) The office shall:
(1) make available on the office's Internet website requirements for a program; and
(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.
(h) The office, in consultation with the comptroller, may:
(1) use case dispositions, population, revenue data, or other appropriate measures to develop a prioritized implementation schedule for programs; and
(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.
(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.
(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.

Cause: (Describe the cause of the condition if possible)	Inadequate system exception reporting Clerical error
Effect: (Describe or quantify any adverse effects)	Liability to County for persons arrested in error.
Recommendation:	Warrant and capias procedures should include:

(Describe corrective action)	• 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. • Separation of duties limiting (through system security access) staff assigned to recall warrants. • Outstanding warrants or capias recalled timely 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/capias should be maintained with weekly follow-up communications to the constable or sheriff until returned. • Outstanding warrant reports periodically reviewed for accuracy. Continue established payment plan procedures and monitor in accordance with Code of Criminal Procedure, Art. 103.0033. JPAS Docket screen posting procedures should include: • Updating Docket screens as warrants or capiases are issued/recalled/returned. • Completion of electronic dockets in compliance with Vernon's Ann., CCrP, § 45.017 and § 45.041. • Periodic verification of workflow and entry accuracy. Pursue new system with improved features.
Responsible Department or Organization:	Justice of the Peace 3-2
Management's Response:	☐ Agree ☐ Disagree **Respondent:** **Date:**
Comments:	
Disposition:	☑ Audit Report ☐ Oral Comment ☐ Deleted From Consideration

County Auditor

Dallas County, Texas

Finding Number:	09-JP3.2-01-07
Date:	3/17/2010
Audit:	Justice of the Peace 3-2 Review FY09
Auditor(s) Assigned:	YA

Finding:	Observation of office schedules and review of manual attendance records and Kronos time and attendance system postings revealed: • Limited instances of bi-weekly pay period 'approval' of time worked reflected on the Kronos time cards. • Limited instances of system wide sign-off noted on the Kronos time cards.
Workpaper Reference: (or other method by which finding was identified)	Workpaper No. 11.1-11.6 - review of time and attendance
Condition: (Describe the current condition)	The clerks use web-time stamp functionality in Kronos to sign in and out. To request time off, clerks complete a request for leave form indicating the days requested. The chief clerk approves or disapproves the request. At the end of the pay period, the chief clerk enters the vacation, sick time, or personal holiday used in Kronos for the specified day. Kronos time cards are inconsistently marked with 'approval' and 'sign-off' by the chief clerk.
Criteria: (Describe the optimal condition)	According to Dallas County Code, Section 82-84, **Maintenance of time and attendance records,** "Each department shall keep a record of each employee's hours worked in a manner approved by the commissioner's court and administered by the county auditor's office." According to Dallas County Code Sec. 82-175, **Supervisory responsibilities:** (a) Supervisory responsibilities fall to the elected official, department head or their designee. (b) Supervisors shall educate their employees about how to use the time entry method they are assigned and about the time and attendance policies for their department. (c) Supervisors are responsible for ensuring employee time records are accurate and that no abuses occur. (d) Supervisors are responsible for recording employee vacation and sick time and for entering time for employees who are working outside their department work area. (e) Supervisors are responsible for checking daily start times, meal periods, end times, vacation time, sick time, compensatory time and overtime to ensure employees are in compliance with their shift work schedule and the county's overtime policies. Supervisors are responsible for promptly documenting actions warranting discipline and for promptly reporting possible fraud to the county auditor.
Cause: (Describe the cause of the condition if possible)	Unknown
Effect: (Describe or quantify any adverse effects)	Official time and attendance records do not reflect reviewed/approved by management.
Recommendation: (Describe corrective action)	Emphasize supervisory review of time and attendance and Kronos postings with Kronos time cards updated to reflect 'approval' by supervisor or management. Sign off Kronos time cards by department management at the end of each bi-weekly pay period.

Responsible Department or Organization:	Justice of the Peace 3-2
Management's Response:	☐ Agree ☐ Disagree **Respondent:** **Date:**
Comments:	
Disposition:	☒ Audit Report ☐ Oral Comment ☐ Deleted From Consideration