



AUDIT REPORT

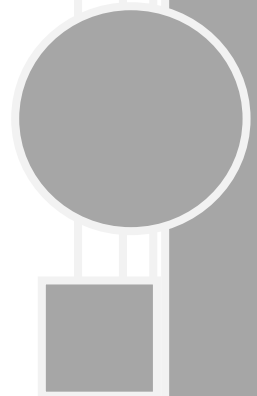
DALLAS COUNTY

FY2021 & FY2020 Justice of the Peace Precinct 1, Place 2 Audit

Darryl D. Thomas
Dallas County Auditor

ISSUED: 6/29/2022

RELEASED: AUGUST 24, 2022



FY2021 & FY2020 Justice of the Peace Precinct 1, Place 2 Audit

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This report is intended for the information and use of the agency/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



DALLAS COUNTY
COUNTY AUDITOR

MANAGEMENT LETTER

Honorable Judge Valencia Nash
Justice of Peace Precinct 1, Place 2
Dallas, Texas

Attached is the County Auditor's final report entitled "FY2021 & FY2020 Justice of the Peace Precinct 1, Place 2 Audit" Report. In order to reduce paper usage, a hard copy will not be sent through in house mail except to the auditee.

In you prefer that released reports be emailed to a different (or additional) recipient, please inform me of the name and the change will be made.

Respectfully,

Darryl D. Thomas

Darryl D. Thomas
County Auditor

EXECUTIVE SUMMARY

A review was performed in accordance with statutory guidelines on the records and reports of Justice of the Peace, Precinct 1, Place 2 for fiscal year 2020 and fiscal year 2021. We have identified processes with differing risk factors for consideration by management.

Summary of Significant Observations

1. **Computer Receipts:** 46 out of 75 (61.3%) void computer receipts were voided without following the court's receipting and voiding procedures. In addition, two cases were deleted and the case numbers re-used, and one voided computer receipts appears missing.
2. **Fee and Fine Assessment and Collection:** 25 of 30 (83%) cases were court costs, fines and fees not appropriately assessed and collected of court costs, fines, and fees and accurately postings to the Justice of the Peace Accounting System (JPAS)
3. **Special Fund Reconciliation:** Special Fund checks and cancelations were not posted to JPAS and timely reconciled to the general ledger. As a result, the difference between the general ledger and the balance per JPAS is \$36,881.07. The Special Fund balance per JPAS is \$76,383.72, of which \$58,800.29 is for cases older than three years that were not escheated to the appropriate parties. A total of 157 disbursement or cancelled checks were not posted to JPAS or were posted incorrectly.
4. **Disposed Cases:** 18 of 30 (60%) cases sampled in which court staff from disposed of cases, including DA (prosecution) motions for dismissal without judicial approval; Supporting documentation was not reviewed for completeness and included in the case files.
5. **Mass Dismissal:** 136,439 cases dismissed "for lack of evidence and in the interest of justice" during fiscal year 2020 were reviewed and it was identified that 9,048 cases were not docketed with a dismissal date in JPAS after the DA's motion and the Judge's order to dismiss were signed.

Repeat observations from Previous Audits:

1. **Special Fund Activities:** Failure to timely update the JPAS docket screen resulted Special Fund balance variance between JPAS record and Bank balance
2. **Fee and Fine Assessment and Collection:** Inconsistency assessing, collecting, applying and posting proper court costs, fees and fines.
3. **Dismissed/disposed Cases:** Lack of management oversight over dismissing, disposing and updating the misdemeanor docket screen to accurately reflect action imposed by the court including the court costs and fine amount due on any given case.
4. **Credit Cards:** Online credit card payment delayed several days posting to JPAS.
5. **Case Jacket:** Case files could not be located in the court or in the county archives.
6. **Case Deletions:** Cases were deleted without supervisory review. There were no means to determine if financial activity was recorded to the deleted cases.

Only those weaknesses which have come to our attention as a result of the audit have been reported. It is the responsibility of the department management to establish and maintain effective internal control over compliance with the requirement of laws, regulations, and contracts applicable to the department.

INTRODUCTION

Dallas County Auditor's Office mission is to provide responsible, progressive leadership by accomplishing the following:

- Comply with applicable laws and regulations
- Safeguard and monitor the assets of the County utilizing sound fiscal policies
- Assess risk and establish and administer adequate internal controls
- Accurately record and report financial transactions of the County
- Ensure accurate and timely processing of amounts due to County employees and vendors
- Set an example of honesty, fairness and professionalism for Dallas County government
- Provide services with integrity
- Work in partnership with all departments to resolve all issues of the County
- Strive to utilize the latest efficient and effective technology in the performance of tasks
- Provide technical support and training in the development, implementation, and maintenance of information systems
- Hold ourselves accountable to the citizens of the County at all times
- Be responsive to the elected officials and department heads of Dallas County

The objectives of this audit are to: 1. Ensure compliance with statutory requirements 2. Evaluate internal controls 3. Verification of accuracy and completeness of reporting 4. Review controls over safeguarding of assets

This audit covered the period of October 1, 2019 through September 30, 2021.

The audit procedures will include interviews with key process owners, observation of transactions processing, data analysis and sample testing of transactions. The main system used will also be reviewed and incorporated as part of the testing of transactions.



DETAILS

No Judgment/Plea Cases

Seven disposed cases without a judgment date or plea during the audit period were reviewed and the following was identified:

- One case was disposed without collecting the \$184 owed and without entering a plea. The case was not dismissed in JPAS (JR1900031K), but a judgment date was posted.
- Six cases in which the court accepted the compliance dismissal fee of \$22 or granted dismissal, but did not post the dismissal date in JPAS (JT2040206K, JT2041210K, JT2140687K, JT2140734K, JT2141029K, JT2141059K).

The JPAS docket screen should be updated with a plea of nolo contendere (when the defendant has not entered a prior plea) and judgment when web or mail payments are accepted by the court as full payment in accordance with CCP Article 27.14(c). Per CCP Article 45.017 (a) the judge of each court shall keep a docket containing the judgment and sentence of the court, and the date each was given. This occurred because JPAS date fields, case records, and system reports were not reviewed for accuracy and completeness before disposing cases. As a result, the court's docket records may be incomplete and inaccurate.

Recommendation

No Judgment/Plea Cases

Management should take the following corrective actions:

- Collect the \$184 owed on one case and appropriately update JPAS.
- Correct the six dismissal date omissions in JPAS.
- Docket cases as events occur, such as pleas offered by defendants, judgment and sentence of the court, dismissals and appeals, and the date each was taken.
- Review case records and dockets for accuracy and completeness before disposing cases.
- Review Document Direct Reports to detect errors and omissions on disposed cases in JPAS.

Management Action Plan

Moving forward, we have updated our written policy at JP 1-2 to include the following:

- The **Bookkeeper** will act as the final verification that cases have been properly docketed as events occur, such as pleas offered by defendants, judgment and sentence of the court, dismissals and appeals, and the dates each was taken.
- The **Bookkeeper** will review case records and dockets for accuracy and completeness before disposing cases.



- The **Chief Clerk** will review Document Direct Reports to detect errors and omissions on disposed cases in JPAS on the 1st no later than the 5th day of every month with signed verification denoting the same.

Additionally, our forthcoming case management system (Odyssey) will help to improve our systems and reduce the quantity of errors and omissions.

Auditors Response

- None

Case Deletions

Defendant/Plaintiff (D/P) Log Reports were reviewed during the audit period; it was identified that one case was deleted without supervisory review. There were no means to determine if financial activity was recorded to the deleted case. As a best practice, management should not permit the deletion of cases and periodically review the D/P Log Reports to ensure that case deletions do not occur. There is limited system functionality for assigning security roles and rights in JPAS, which allows court staff to delete cases. Deleting cases in JPAS increases the risk that assets may be misappropriated and not detected by management. Deleting cases can result in the loss of receipt records, case notes, docketing information, and other actions posted by the court without an audit trail.

Recommendation

Case Deletions

Management should take the following corrective actions:

- Not permit staff to delete cases.
- Routinely monitor Defendant/Plaintiff Log Reports for case deletions and communicate with staff when they occur.
- Review circumstances surrounding each case deletion to understand the effect and impact.
- Work with Dallas County IT to limit system rights and roles based on the user's core job duties.

Management Action Plan

JP 1-2 has updated its following written policy to avoid and resolve this issue:

- **Staff** is prohibited from deleting cases. At this time, any accidental addition to the FORVUS system has to be reported to the Chief Clerk and the Chief Clerk will take appropriate action to correct the issue and document the same for Judge's approval.
- The **Chief Clerk** will routinely monitor Defendant/Plaintiff Log Reports for case deletions and take disciplinary action with staff when they occur.
- The **Chief Clerk** will review circumstances surrounding each case deletion to understand the effect and impact especially as it pertains to budget and Office of Court Administration.



- **Dallas County IT** is set to update and upgrade our case management system in October of 2022, which will impose limitations on abilities. The system as it is currently, does not have that capability.

Auditors Response

- None

Computer Receipts

All deposits made by the court during the audit period and 75 voided computer receipts were reviewed. The following was identified:

- The County Auditor's Office was not notified within 24 hours after a check deposit shortage totaling \$66 from 01/27/2021 was detected.
- 39 voided computer receipts either were not marked void, did not contain an explanation for voiding, the court did not retain both receipt copies, and the voids were not reviewed by the supervisor.
- Seven computer receipts were improperly voided for a portion of the original amount posted, rather than voiding the receipt in full.
- Two cases were inappropriately deleted, and the case number was re-used for a different plaintiff & defendant, after the original plaintiff's payment was voided.
- One voided computer receipt was missing; therefore, we could not verify if it was properly voided.

The court's voiding procedure is to mark receipts "Void", document a reason for voiding, ensure all receipt copies are retained by the court, and obtain management's signed approval on all voided receipts. Computer receipts should be voided for the complete original amount of the transaction. Receipts should be posted to JPAS with the same date the transaction was made. As a best practice management should not permit the deletion of cases with voided or posted transactions. Consistent with Dallas County Policy 74-692, the County Auditor's Office will be notified immediately (within one day) of any out of balance conditions for purposes of identifying and substantiating any shortages which may subsequently require indemnification. JPAS reporting through Document Direct provides management with the capability to review exception reports, voided transactions and transaction logs (especially with respect to receipt deletions, lowered amounts, payment type changes, and agreeing the daily closeout), and to ensure that errors and omissions are detected. Per Local Government Code (LGC) Section 115.001, the county auditor shall have continual access to and shall examine and investigate the correctness of: the books, accounts, reports, vouchers, and other records of any officer. These instances occurred because the court's receipting and voiding procedures, Dallas County Policy 74-692, and LGC 115 were not followed. Management did not prevent and detect voiding for partial amounts and deletions and relies on staff to self-report voids. A lack of management oversight and a lack of segregation of duties may result in inaccuracies, an incomplete audit trail, and



present opportunities for misappropriation. Errors and omissions not detected by management may result in deposit delays and losses.

Recommendation

Computer Receipts

Management should take the following corrective actions:

- Provide the missing voided computer receipt for examination by the County Auditor, per LGC 115.
- Comply with Dallas County Code 74-692 by reporting deposit issues to the County Auditor.
- Train staff to follow the court's receipting procedures for voiding transactions.
- Document the review of void transactions by management in writing and ensure void duties are appropriately segregated.
- Maintain complete financial records in JPAS by not deleting cases after voiding transactions.
- Ensure receipts are completely voided for the entire amount, rather than voiding for partial amounts of the original.
- Retain all voided receipt copies at the court.
- Mark computer receipts "Void" with a written explanation when receipts are voided at the court.
- Periodically review Exception Reports from JPAS to monitor voided computer receipts and ensure the timely detection of errors and omissions

Management Action Plan

JP 1-2 has updated its policy to incorporate the recommendations made by the auditor's office, however, more than 20 of the receipts do comply and were voided in accordance with our procedure of having two signatures and we are requesting those be removed from the audit. On request of the auditor, this office delivers all documents, files and receipts requested by the auditors in its possession. If there are missing voided computer receipts, JP 1-2 has implemented a new policy to address deficiencies and suspicious activity with the checks and balances that will be conducted monthly by the chief clerk with an additional protection now required to certify that voided receipts have been reviewed and submitted to Judge. Additionally, we have the following policy in place at JP 1-2 with:

JP 1-2 has updated its policy to incorporate the recommendations made by the auditor's office, however, more than 20 of the receipts do comply and were voided in accordance with our procedure of having two signatures and we are requesting those be removed from the audit. On request of the auditor, this office delivers all documents, files and receipts requested by the auditors in its possession. If there are missing voided computer receipts, JP 1-2 has implemented a new policy to address deficiencies and suspicious activity with the checks and balances that will be conducted monthly by the chief clerk with an additional protection now required to certify that



voided receipts have been reviewed and submitted to Judge. Additionally, we have the following policy in place at JP 1-2 with:

- Complying with Dallas County Code 74-692 by reporting deposit issues to the County Auditor through email and retaining a copy in a file indicating the same.
- Training staff to follow the court's receipting procedures for voiding transactions that we review quarterly with the **Chief Clerk**, **Bookkeeper** and back-up bookkeeper.
- Documenting the review of void transactions by management in writing and ensuring void duties are separated and go through 3 processes with bookkeeper, **Chief Clerk** and then **Judge** reviews.
- Maintaining complete financial records in JPAS by not deleting cases after voiding transactions, but adding any changes in the notes to ensure clarity of the process undertaken by the bookkeeper.
- Ensuring that receipts are completely voided for the entire amount, rather than voiding for partial amounts and retaining voided receipts. Any receipts missing may be due to personnel issues, however, we have swiftly made personnel changes as necessary to protect the integrity of the court and its processes. We will continue to review and modify our procedures. The new case management system will improve our operations.

Auditors Response

- The receipts did have dual signatures and a reason, but they were noted as findings because the court did not retain both computer receipt copies.

Warrants

The JP Warrant Error Report, dated 01/06/2022, was reviewed; it was identified that nine cases without a balance due or marked inactive (disposed) have an active warrant. Per the Code of Criminal Procedure (CCP) Article 45, "A justice or judge shall recall an arrest warrant for the defendant's failure to appear if the defendant voluntarily appears to resolve the amount owed and the amount owed is resolved." The court shall recall a capias pro fine under the same conditions. This occurred because the court did not adhere to CCP Article 45 by recalling warrants on disposed cases. As a result, this poses a potential liability to the County for persons arrested in error.

Recommendation

Warrants

Management should take the following corrective actions:

- Recall warrants and capias on disposed cases consistent with CCP Article 45.
- Consistently review the Warrant Error Report to recall active warrants on disposed cases and those paid in full.
- Communicate active warrant discrepancies with the Constable's office.

Management Action Plan

We have made significant improvements in our Office in regards to warrants. We have



reduced the recall of warrants to a supervisor level only meaning only the **Chief Clerk** and the Clerk III's have authorization to recall warrants. **After reviewing the nine cases from the warrant error report, the court found that three of the cases did not have an active warrant and the warrants were recalled in 2021.**

The warrant error report is reviewed each and every Monday and completed the same day. Additionally, we have the following processes in place:

- The JP1-2 policy requires staff to inform the bookkeeper, or chief clerk of the warrant for recall of any warrants at the time the defendant pays the case in full or makes an arrangement with the court.
- A logbook for all recalled warrants is kept in the bookkeeper's office that is reviewed every Monday by the **Chief Clerk** or bookkeeper.
- Recalling warrants and capias on disposed cases consistent with CCP Article 45
- Consistently reviewing the Warrant Error Report to recall active warrants on disposed cases and those paid in full.
- Communicating active warrant discrepancies with the **Constable's office** to ensure recalls are completed with local and regional agencies.

Auditors Response

- None

Fee and Fine Assessment and Collection

30 cases were reviewed for the assessment and collection of court costs, fines, and fees and accuracy of postings to the Justice of the Peace Accounting System (JPAS) and the following identified:

- 15 cases in which the correct agency (Sheriff, Constable, Dart, etc.) did not receive credit for the citation.
- Six disposed cases in which the return date field for an issued warrant/capias was not entered on the JPAS docket screen. Issued warrants should have both an issue and return date posted.
- Five cases in which partial payments were not allocated among all applicable court costs.
- Four cases in which the fees and fines were not posted according to the fee schedule.
- One case in which 85% of the fine for a parks and wildlife offense was not sent to the Texas Parks and Wildlife.

30 Collection Fee Removals processed during the audit period were reviewed and the following identified:



- Eight cases in which the court removed collection fees totaling \$475.56 which is inconsistent with the County's contract.
- Three cases in which the Appeal bond or deferred disposition date was not posted on the JPAS docket screen.
- Two disposed cases in which the issue or return date field for an issued warrant or capias was not entered on the JPAS docket screen. Issued warrants should have both an issue and return date posted.
- One case in which collection fees were removed because the court did not update the docketing date in JPAS, but the cases were subsequently paid in full by the defendant.

Court costs, fines, and fees should be assessed, collected, and prorated in compliance with applicable state laws including Code of Criminal Procedure (CCP) Chapters 45 and 102, Local Government Code Chapters 133 and 134, Transportation Code 542 and 706, Commissioners Court orders, and Attorney General Opinion GA-0147. Court costs should be assessed based on offense date and offense type. Consistent with CCP Chapter 45.017 the JPAS Docket screens should be updated as cases are filed, additional court costs are added, the date judgment is rendered, the date warrants are returned, and as changes in fines or amounts are ordered by the Judge. Per Dallas County Commissioners Court Order 2004-1147, the remaining balance will not be waived in any way but continue to be outstanding until the collection amount is paid in full; except for a case dismissed by a court, any amount satisfied through time-served or community service, or if the court has determined that a defendant is indigent. Consistent with Parks and Wildlife Code Chapter 12.107, a justice of the peace shall send 85% of the fine to the department within 10 days after the date of collection. These instances occurred due to non-compliance with state statutes, clerical errors and omissions from manual case entries, and inadequate JPAS system functionality that requires the manual entry of assessments and payments. Collection fees were removed by court staff without management review or a reason supported by Commissioner's Court Order 2004-1147. These errors and omissions may result in the inadequate collection of court costs and fine amounts and an incorrect distribution and disbursement of funds contractually and statutorily owed to other parties.

Recommendation

Fee and Fine Assessment and Collection

Management should take the following corrective actions:

- Make corrections for the 17 cases in which the agency did not get credit for the citation, post the return date for the six issued warrants in JPAS, and post the appeal bond or deferred disposition date for the three cases.
- Remit 85% of the fine to the Parks and Wildlife for qualifying cases per Parks and Wildlife Code Chapter 12.107.



- Docket the assessment of additional court costs (including administrative fees, time payment fees, warrant or capias fees, etc.), fine amounts reduced by the Judge, collection fees owed, and judgments rendered by the court.
- Review case records, dockets, and payments for accuracy and completeness before disposing the case.
- Ensure all court personnel consistently follow court guidelines and Texas Statutes (CCP Ch.45, 102, 103, and LGC Ch.133).
- Remove collection fees only for cases dismissed by the court, amounts satisfied through time-served or community service, perfected appeals, or if the court has determined that a Defendant is indigent per Dallas County Commissioners Court Order 2004-1147.
- Review JPAS collection and docketing reports in order to detect errors and omissions.

Management Action Plan

An **updated case management system** for the Justice Courts would resolve many issues with fees and fines. A clerk's responsibility to manually calculate fees and fines from year to year can be both convoluted and complex. To resolve the issues identified, JP1-2 has taken the following actions:

- Corrections for the 17 cases were made to the appropriate agency and updated in JPAS.
- **Bookkeeper** has reviewed and understands that 85% of the fines are to be remitted to the Parks and Wildlife for qualifying cases per Parks and Wildlife Code Chapter 12.107. **The case involving the Texas Parks and Wildlife identified by the Auditor is not a case in the JP1-2 court records and should be removed from the Audit.**

Clerks have been trained to calculate the assessment of additional court costs (including administrative fees, time payment fees, warrant or capias fees, etc.), fine amounts reduced by the Judge, collection fees owed, and judgments rendered by the court.

- Reviewed case records, dockets, and payments for accuracy and completeness before disposing the case.
- Ensured all court personnel consistently follow court guidelines and Texas Statutes (CCP Ch.45, 102, 103, and LGC Ch.133).
- Removed collection fees only for cases dismissed by the court, amounts satisfied through time- served or community service, perfected appeals, or if the court has determined that a Defendant is indigent per Dallas County Commissioners Court Order 2004-1147.
- Reviewed JPAS collection and docketing reports in order to detect errors and omissions.

Auditors Response

- The finding should remain on audit report. Not sure when the court letter changed from F to K, but the finding noted for the TPWL case does belong to JP1-2



Manual Receipts

All 27 manual receipts issued during the audit period were reviewed and the following were identified:

- 14 manual receipts in which the computer receipt was not attached.
- Five manual receipts did not reference a tender type.
- One manual receipt for \$777.20 references only one of the defendant's cases, but the amount was posted to two of the defendant's cases in JPAS.
- One manual receipt was issued out of sequence.
- One manual receipt was skipped in sequence rather than issued or voided.

When manual receipts are issued to customers, the white receipt copy should be given to the customer, the pink copy should be attached to the court's computer receipt after payment is receipted in JPAS, and the yellow copy should remain within the manual receipt book attached to the second computer receipt. Manual receipts should be issued in sequential order with the correct case number(s) referenced, payment amount, tender type, payee name, payment date, and receiver's name. Receipts skipped in sequence should be marked "Void" with an explanation written on the receipt and management's written approval. Manual receipts should be reviewed by court management for accuracy and completeness and to ensure receipts are timely posted to the correct cases. These errors were made during the receipting process, but were not reviewed and detected by management. Manual receipt errors increase the risk that payments may not be receipted to the appropriate case, which may result in additional fees and other consequences to parties in a case. A lack of oversight and management review may result in potential revenue losses, misappropriation of assets, and risk of a delay in the detection of errors to manual receipts.

Recommendation

Manual Receipts

Management should take the following corrective actions:

- Attach the computer receipt to the triplicate (yellow) manual receipt copy retained in the manual receipt book.
- Review manual receipts to ensure the total amount, payment type, case number(s), transaction date, and payer name fields are accurate and complete. Compare the details written on manual receipts to computer receipts stapled to the manual receipt book.
- Issue manual receipts in sequential order.
- Write "Void" on manual receipts that are skipped in sequence along with an explanation and management's approval written on the receipt.

Management Action Plan

There are only specific instances when JP 1-2 will issue manual receipts to customers in lieu of



a computerized receipts. Manual receipts are only issued when in emergency and necessary situations when there is no option for computerized receipts. The case management system used in **Justice Courts** will be updated in October and many issues with manual receipts will be resolved. Our written policy currently in place include the recommendations of the Auditor's Office. We will continue the process of

- Attaching the computer receipt to the triplicate (yellow) manual receipt copy retained in the manual receipt book.
- **Bookkeeper** must issue computerized receipt as soon as possible and ensure that the total amount, payment type, case number(s), transaction date and payer name fields are accurate and complete and compare the details written on manual receipts to computer receipts stapled to the manual receipt book.
- Issuing manual receipts in sequential order using the last receipt as a guide and have secondary review from **Chief Clerk** and Writing "Void" on manual receipts that are skipped in sequence along with an explanation and management's approval written on the receipt.

Auditors Response

- None

Civil Fees

30 civil cases brought by a non-government entity during the audit period were reviewed and the following identified:

1. 15 cases in which the court did not document an explanation for not collecting filing fees in JPAS.
 - Nine of these cases did not have a Pauper's Affidavit filed date posted in JPAS.
 - One of these cases did not have documentation in the case jacket for not collecting filing fees.
 - One case file requested for audit review was not provided.
 - One case in which the Pauper's Affidavit form received was not file stamped or signed by the plaintiff.
 - One case in which the Judge "Approved the Pauper's Affidavit" (written on the case file), but the Pauper's Affidavit form was not filed with the court.
2. Five cases were initially set up in JPAS with an incorrect case number/type, but a reason was not provided in JPAS comments to reference the correct case.
3. One case in which the court posted the filing fees to the wrong case in JPAS.

Each clerk shall keep a file docket which shall show in convenient form the number of the suit, the names of the attorneys, the names of the parties to the suit, and the nature thereof, and, in brief form, the officer's return on the process, and all subsequent proceedings had in the case with the dates thereof, consistent with Rule 25 of the Texas Rules of Civil Procedure. Per Rule 145, a Statement of Inability to Afford Payment should be docketed to the case. Filing fees should be collected and applied



to the initiating party's case in compliance with Local Government Code (LGC) 118.121, 118.122, 118.123 and 118.131. Local Government Code (LGC) 115.901 states the county auditor shall examine the accounts, dockets, and records of each justice of the peace to determine if any money belonging to the county and in the possession of the officer has not been accounted for and paid over according to law. This occurred due to clerical errors made in the manual process of setting up new civil cases and updating JPAS. Management did not adhere to LGC 115.901, 118.121, 118.122, 118.123, 118.131 and did not review cases to ensure all supporting documentation was included in the case files. As a result, JPAS docketing errors may occur or filing fees may not be collected when civil case filings are not reviewed by the court for completeness and accuracy. Missing case files increase the risk that assets may be misappropriated and not detected through the loss of official court records.

Recommendation

Civil Fees

Management should take the following correct actions:

Update JPAS comments with an explanation for not collecting filing fees for the 15 cases.

- Update the Pauper's Affidavit date in JPAS for the nine cases.
- Add comments to the five cases indicating the case was set up in error and reference the correct case number/type.
- Locate missing case file for examination by the County Auditor per LGC 115.
- Post the filing fees for one case to the correct case number in JPAS.
- Collect the appropriate filing fees on civil cases per (LGC) 118.121, 118.122, 118.123 and 118.131.
- Review the Justice Fee Exception List from Document Direct for civil cases filed without a payment and for posting errors.
- Ensure case records are accurate and reflect a complete account of case activities.

Management Action Plan

We have reviewed the recommendations made by the Auditor's Office and taken the following actions:

- Updated the JPAS with comments and explanations.
- Updated the Pauper's Affidavit dates in JPAS for the nine cases that were identified.
- Reviewed the **Justice Fee Exception List** from Document Direct for civil cases filed without apayment and for posting errors.
- Trained civil clerks in the expectations and necessity of the accuracy of case records.

Auditors Response

- None



Credit Cards

The court's online credit card transactions and postings to JPAS during the audit period were reviewed and the following were identified:

- 36 online credit card transactions were receipted between 6 and 39 business days, but not within the five business days requirement.
- 27 credit card transactions were backdated one to two days for a portion of the original amount, rather than posting the entire amount in full.
- Two credit card transactions totaling \$240.30 were not posted to JPAS.

The entire amount of each online credit card payment should be receipted to the defendant's case in JPAS by the following business day, but no later than the fifth day after the day money was received per Local Government Code (LGC) 113.022. Payments should not be backdated in JPAS, but show the same date the clerk posted the payment. These instances occurred because the court did not ensure the online credit card transactions were timely posted to JPAS and for the correct dates; and did not comply with LGC 113.022. As a result, payment errors may not be detected, two defendants did not receive credit for payments made to their cases, and backdating affects the accuracy and reporting of the financial records.

Recommendation

Credit Cards

Management should take the following corrective actions:

- Post the two online credit card transactions totaling \$240.30 to JPAS.
- Receipt all credit card transactions to JPAS the following business day per LGC 113.
- Provide oversight by reviewing JP Credit Card and Settlement Reports against payments posted to JPAS to ensure all payments are accurately and completely posted.
- Ensure receipts are not backdated in JPAS, but show the same date the clerk posted the payment.

Management Action Plan

The Auditor should remove the recommendation of backdating from the Audit since there is no other option. The Forvus system does not allow the same fee type on a case to be used more than once in the same day which has been discussed with the Auditor's Office. Therefore, the dates must be backdated in order to process two forms of payment for the same fee type. It has been our policy not to refuse payments and to allow customers to dispose of their matters on one visit to the court if they choose to do so. **Backdating** also occurs when a person makes two payments on the same case in the same day. This is unavoidable and has been



common practice for decades. This should not be attributable to JP 1-2 since the case management system is outdated and does not support your request.

Auditors Response

- The finding and recommendation should remain on report. Since these were online transactions (only one payment was received); therefore, the entire amount should have been posted to JPAS in full instead of backdating a portion of the amount.

Special Fund

Special Fund check disbursements, reconciliations, and postings to JPAS were reviewed during the audit period (ending September 30, 2021) and the following was identified:

- The Special Fund balance per JPAS is \$76,383.72, of which \$58,800.29 is for cases older than three years.
- \$21,453.76 is made up of case balances under \$100 and can be escheated to the county.
- The \$76,383.72 balance per JPAS is \$36,881.07 less than the \$113,264.79 Oracle GL balance, due to incomplete JPAS records.
- The court did not complete the FY2021 Special Fund Reconciliation by the start of the audit (01/05/2022). **Status: The court completed FY21 Special Fund Reconciliation on 04/01/2022.**
- 83 checks totaling \$16,176.57 were disbursed, but not posted to JPAS.
- 59 cancelled checks totaling \$9,917.19 were not posted to JPAS.
- 15 Special Funds checks in which the court posted the wrong check number to JPAS.
- Three Special Fund checks totaling \$29.87 were posted to JPAS, but the case number was not listed on the Splash BI Check Register report.
- One case file requested for audit review was not provided; therefore, we could not verify if the defendant signed the Cash Bond (CB) Release form to pay the fine and court costs.

In accordance with Local Government Code Section 113.008 (f), an official with Special Funds shall reconcile all balances and transactions in the statement of activity against the balances of the official's records (JPAS, case jackets, and bank statement) each month ensure all financial adjustments resulting from the reconciliation are reported to the county auditor for entry in the general set of records and reflected in the case receipts and disbursement registers of the County Treasurer. Management should escheat funds per Property Code, § 72 and § 76 and cash bonds should be forfeited per Code



of Criminal Procedure § 22. Disbursement checks and cancellations should be completely and accurately posted to JPAS by the court once issued from Oracle. Local Government Code (LGC) 115.901 states the county auditor shall examine the accounts, dockets, and records of each justice of the peace to determine if any money belonging to the county and in the possession of the officer has not been accounted for and paid over according to law. Management did not comply with LGC 113 to ensure the Special Fund account was timely reconciled to detect check disbursements and cancellations errors and omissions. The Special Fund is intended to be a temporary escrow account, and the court has not escheated the \$58,800.29 balance which contains overpayments and cash bonds paid by parties. As a result, parties entitled to funds did not receive them and may not realize they are held in escrow by the court. Without effective review and oversight disbursement checks may be sent to the incorrect payee, financial records in JPAS may be incomplete or posted with errors. Additionally, missing case files increase the risk that assets may be misappropriated and not detected through the loss of official court records.

Recommendation

Special Fund

Management should take the following corrective actions:

- Contact parties to claim the \$58,800.29 in Special Funds held in escrow.
 - Escheat \$21,453.76 in cases balances under \$100 to the county.
- Post the 83 Special Fund checks totaling \$16,176.57 and 59 cancellations totaling \$9,917.19 to JPAS.
- Post the correct check number to the 15 cases in JPAS.
- Locate the missing case for examination by the County Auditor, per LGC 115.
- Reconcile Special Fund balances and transactions from the General Ledger against JPAS each month.
- Ensure Special Fund check disbursements and cancellations are accurately and completely posted to cases in JPAS after the completion of monthly reconciliations.
- Review Special Fund reports and routinely escheat Special Funds in accordance with unclaimed property statutes, Property Code, § 72 and § 76.
- Forfeit cash bonds in accordance with Code of Criminal Procedure § 22.

Management Action Plan

JP 1-2 will use the **Special Fund** report to contact individuals regarding amounts in escrow that they are due. We are using a revised written procedure to escheat unclaimed funds to the State and the County monthly that will be reviewed with the Bookkeeper. We are creating a special schedule to eliminate the special funds and post the special funds checks to JPAS. Monthly reconciliations should be completed by the bookkeeper each and every month and will be verified by the bookkeeper on the last Monday of the month.



Additionally, we will commence a consistent practice of reviewing Special Fund reports and routinely escheat Special Funds in accordance with unclaimed property statutes, Property Code, § 72 and § 76 and forfeit cash bonds in accordance with Code of Criminal Procedure § 22.

Auditors Response

- None

Dismissed Cases

60 dismissed cases were reviewed during the audit period and the following were identified:

- Five cases were dismissed without the Judge's signature approving the dismissal.
- Three cases were dismissed, but the DA's Motion to Dismiss order was not in the case file.
- Three case files requested for audit review were not provided; therefore, we could not verify whether the dismissals were approved by the Judge.
- Three cases in which the DA dismissal date was not posted to JPAS.
- Two cases were dismissed after receiving the DA's motion (request), but the Assistant District Attorney or Judge did not sign the DA's motion.
- Two cases in which the community service credit was not posted to fees in JPAS as a "non-receipt" (NR) payment. This includes one case in which proof of completion was not in the case file.

Per CCP Article 32.02, no case shall be dismissed without the consent of the presiding judge. According to the Texas Court of Criminal Appeals, "A trial court has no "general authority" to dismiss a criminal case without the prosecution's consent except as provided by statute, common law, or constitutional provision (See State v. Johnson, 821 S.W.2d 609, 613; Tex.Crim.App.1991). Per Texas AG Opinion JH-386, "A justice of the peace may not delegate to any other person the exercise of judicial powers and duties devolved upon him by the Constitution or statutes of the state." Per CCP Article 45.017 (a) the judge of each court shall keep a docket containing the judgment and sentence of the court, and the date each was given. The court should docket credit for waivers, community service, time served, DA motions (requests) to dismiss, and dismissals with the authorized approver's signature and date, consistent with CCP Chapters 32 and 45. Local Government Code (LGC) 115.901 states the county auditor shall examine the accounts, dockets, and records of each justice of the peace to determine if any money belonging to the county and in the possession of the officer has not been accounted for and paid over according to law. These instances occurred because management did not adhere to CCP 32, CCP 45, and LGC 115.901. Management did not review cases to ensure all supporting documentation was included in the case files and that sufficient approval is documented for case dismissals. As a result, assets may be misappropriated when dismissals are granted without supporting authorization and when cases are not reviewed by the court for completeness of supporting



documentation. Missing case files increase the risk that assets may be misappropriated and not detected through the loss of official court records.

Recommendation

Dismissed Cases

Management should make the following corrective actions:

- Locate missing case files for examination by the County Auditor per LGC 115.
- Post the DA dismissal date to the three cases in JPAS.
- Post the Community Service credit to fees as a "non-receipt" (NR) payment for the two cases.
- Require that judicial decisions, including DA (prosecution) motions for dismissal, are authorized by the Judge with the DA's and Judge's signature in compliance with CCP Chapter 32 and Chapter 45, and AG Opinion JH-386.
- Docket cases as events occur, such as dismissal, DA motions for dismissal, appeal bond file dates, and judgments rendered by the court.
- Obtain proof of completion of community service.
- Review case files for the appropriate records supporting the court's judgment and dockets for accuracy and completeness before disposing the case.

Management Action Plan

JP 1-2 has made the necessary adjustments to cases as recommended by the Auditor's Office. We have included an error report to use in training for clerks to understand key information that is required on the docket screen and as an incentive to avoid omissions in important information. We are following our written procedure and made revisions and will continue to:

- Post the dismissal dates to cases in JPAS and retraining all clerks to do so.
- Post the Community Service credit to fees as a "non-receipt" (NR) payment for the two cases.
- Require that judicial decisions, including DA (prosecution) motions for dismissal, are authorized by the Judge with the DA's and Judge's signature in compliance with CCP Chapter 32 and Chapter 45, and AG Opinion JH-386.
- Docket cases as events occur, such as dismissal, DA motions for dismissal, appeal bond file dates, and judgments rendered by the court.
- Obtain proof of completion of community service which is in the written policy and how clerks are trained.
- **Bookkeeper** will review case files for the appropriate records supporting the court's judgments and ensure documentation is included prior to disposition.

Auditors Response

- None



Appealed Cases

67 appealed cases processed during audit period were reviewed and the following identified:

- Four cases were not forwarded to the County Court of Appeals.
- Four cases the Appeal Bond was not received, but an Appeal Bond date was posted in JPAS.
- Three cases in which the Judge did not sign the Appeal Bond.

The defendant shall pay any fine or costs assessed or give an appeal bond in the amount stated in the notice before the 31st day after receiving the notice, per Code of Criminal Procedure Article (CCP) 27.14. The misdemeanor docket screen should accurately reflect actions imposed by the court, including whether an appeal was taken and the date of that action, consistent with CCP 45.017. The date the appeal bond is received should be posted in the JPAS Appeal Bond field. Appeals from a justice court shall be heard by the county court in accordance with CCP Article 45.042(a). Consistent with CCP 45.0426(b), "If an appeal bond is not timely filed, the appellate court does not have jurisdiction over the case and shall remand the case to the justice court for execution of the sentence." This occurred because management did not comply with with CCP 27 and 45 and review cases to ensure documentation included authorized signatures. Additionally, court staff erroneously updated the Appeal Bond Date in JPAS. As a result, the court's docket records may be inaccurate or a defendant's appeal may not be heard at the County Court. Errors and omissions may not be detected when court records are updated without management review.

Recommendation

Appealed Cases

Management should take the following corrective actions:

- Correct the appeal date error for the four cases.
- Document and track transferred appealed cases to the County Court.
- Ensure appealed cases are received by the County Court.
- Review a report of cases with an Appeal bond to determine cases were not appealed in error.

Management Action Plan

JP 1-2 has a written procedure for cases on appeal. Those cases are tracked by a spreadsheet so that it is accessible to determine dates of appeal and when appeal was sent to appeals courts. The chief clerk is now required to review the appeals spreadsheet once a week to determine the number of appeals and to ensure that all were processed in accordance with Texas Statutes. The **Chief Clerk** also has a direct connection with the **Appeals Clerk** to ensure that JP 1-2 is notified of any issues that may arise and that appeals have been received. Clerks have been trained to make notations in JPAS.

Auditors Response

- None



Disposed Cases

30 disposed cases were reviewed and the following were identified:

- Seven cases in which the community service credit was not posted to fees in JPAS as a "non-receipt" (NR) payment. This includes one case in which the Judge did not sign the order granting Community Service. In one case the deferred disposition date was not posted in JPAS.
- Six cases in which the dismissed and/or DA dismissal date was not posted in JPAS. This includes three cases in which the Judge did not sign the State's Motion to Dismiss order. In one case the State's Motion to Dismiss order was not in the case file and one case was dismissed without the Judge's signature approving the dismissal.
- Two cases were dismissed with the judge's signature stamp; however, we could not verify who used the stamp because the clerk's initials were not documented.
- Two case files requested for audit review were not provided; therefore, we could not verify whether the dismissal was approved by the Judge.
- One case in which the insurance accepted as proof of offense compliance did not include the vehicle listed on the citation. Additionally, the case was disposed without the Judge's signature approving the Compliance dismissal.

Per Code of Criminal Procedure (CCP) Article 32.02, no case shall be dismissed without the consent of the presiding judge. According to the Texas Court of Criminal Appeals, "A trial court has no "general authority" to dismiss a criminal case without the prosecution's consent except as provided by statute, common law, or constitutional provision (See State v. Johnson, 821 S.W.2d 609, 613; Tex.Crim.App.1991)." The court should docket credit for waivers, community service, time served, DA motions (requests) to dismiss, deferrals, and dismissals with the authorized approver's signature and date, consistent with CCP Chapter 32 and 45. Per Texas AG Opinion JH-386, "A justice of the peace may not delegate to any other person the exercise of judicial powers and duties devolved upon him by the Constitution or statutes of the state." Transportation Code (TC) 601.053 and 601.193 states the operator of the vehicle charged shall provide a liability insurance policy covering the vehicle to the court that was valid at the time the offense is alleged to have occurred. Local Government Code (LGC) 115.901 states the county auditor shall examine the accounts, dockets, and records of each justice of the peace to determine if any money belonging to the county and in the possession of the officer has not been accounted for and paid over according to law. These instances occurred because management did not adhere to CCP Chapters 32 and 45, Transportation Code 601.053, LGC 115.901, and AG Opinion JH-386. Management did not review cases to ensure the documentation supporting the court's judgment was received and that sufficient approval was documented for case dismissals. As a result, assets may be misappropriated when dismissals are granted without supporting authorization



(signatures) and when cases are not reviewed by the court for completeness of supporting documentation.

Recommendation

Disposed Cases

Management should take the following corrective actions:

- Locate the two missing case files for examination by the County Auditor per LGC 115.
- Post the Community Service credit to fees as a "non-receipt" (NR) payment for the seven cases.
- Post the dismissed and DA dismissal dates to the six cases in JPAS.
- Require that judicial decisions are authorized by the Judge with the Judge's signature in compliance with CCP Chapters 32 and 45.
- Docket cases as events occur, such as dismissal, DA motions for dismissal, appeal bond file dates, deferrals, judgments rendered by the court, and warrants returned by the court.
- Obtain proof of insurance that consistent with TC 601.053 and 601.193 before issuing a compliance dismissal.
- Ensure the appropriate records supporting the court's judgment are in the case file and are reviewed for accuracy and completeness before disposing the case.

Management Action Plan

JP 1-2 has updated all cases in accordance with the recommendations made by the Auditor. Our process will now include:

- Post the **Community Service** credit to fees as a "non-receipt" (NR) payment.

We have continued our processes that we have in writing and are re-training staff on the following:

- Ensuring dismissal dates are posted the dismissed and DA dismissal dates to the cases in JPAS.
- Requiring that judicial decisions are authorized by the Judge with the Judge's signature in compliance with CCP Chapters 32 and 45.
- Docketing cases as events occur, such as dismissal, DA motions for dismissal, appeal bond filedates, deferrals, judgments rendered by the court, and warrants returned by the court.
- Obtaining proof of insurance that consistent with TC 601.053 and 601.193 before issuing a compliance dismissals.
- Ensuring the appropriate records supporting the court's judgment are in the case file and are reviewed for accuracy and completeness before disposing the case.
- The court has implemented an error report log that is submitted weekly to the **Chief Clerk**.



Auditors Response

- None

Mass Dismissal

136,439 cases dismissed "for lack of evidence and in the interest of justice" during fiscal year 2020 were reviewed and it was identified that 9,048 cases were not docketed with a dismissal date in JPAS after the DA's motion and the Judge's order to dismiss were signed.

Per Code of Criminal Procedures (CCP) Article 45.017(a) the judge of each court shall keep a docket containing the date the examination or trial was held, judgment and sentence of the court, and the date each was given. The court did not review JPAS case records to ensure cases were appropriately docketed with a dismissal date. As a result, the court's case management software JPAS may not reflect accurate and complete information if not appropriately updated.

Recommendation

Mass Dismissal

Management should take the following corrective actions:

- Add the dismissal dates to JPAS for the 9,048 cases.
- Review case records and dockets for accuracy and completeness before disposing cases.
- Run Document Direct Reports or request JPAS reports from IT to detect docketing discrepancies.

Management Action Plan

The Mass Dismissal project was completed by the Dallas County IT Department due to a mass purge of old cases. The cases were identified and processed through the system. Any omissions would not be attributable to JP 1-2. Our court can make a request to IT to add the date to the system, but the method used would have been the same used in all Justice Courts.

Auditors Response

- None

cc: Darryl Martin, Commissioners Court Administrator