AUDIT REPORT

DALLAS COUNTY

FY2023 JUSTICE OF THE PEACE PRECINCT 2, PLACE 1 AUDIT

Timothy J. Hicks, CPA
County Auditor

ISSUED: 9/25/2024
RELEASED: OCTOBER 10, 2024

FY2023 Justice of the Peace Precinct 2, Place 1 Audit

TABLE OF CONTENTS

FY2023 Justice of the Peace Precinct 2, Place 1 Audit 2

MANAGEMENT LETTER 3

EXECUTIVE SUMMARY 4

INTRODUCTION 5

DETAILS 6

- Reversals and Adjustments 6
- Dismissed Cases 7
- Disposed Cases 9
- Case Deletions 11
- Computer Receipt Adjustments 12
- Deposits 14
- Financial Set-Up 15
- Manual Receipts 16
- Cash Count 18
- Special Fund Reconciliation 19

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 Margaret O'Brien
Justice of Peace, Precinct 2, Place 1
Dallas, Texas

Attached is the County Auditor's final report entitled "**FY2023 Justice of the Peace Precinct 2, Place 1 Audit**" Report. In order to reduce paper usage, a hard copy will not be sent through in-house mail.

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

Respectfully,

Timothy J. Hicks

Timothy J. Hicks, CPA
County Auditor

500 Elm Street, Suite 4200 Dallas, Texas 75202 TEL: 214-653-6472
FAX: 214-653-6440

EXECUTIVE SUMMARY

A review was performed in accordance with statutory guidelines on the records and reports of Justice of the Peace, Precinct 2, Place 1, for the fiscal year ending September 30, 2023. The court began using the Odyssey case management system, which was implemented on October 31, 2022.

Summary of Significant Observations:

- **Special Fund Reconciliation**: The special fund balance for the fiscal year 2023 was not reconciled.
  - The court could not obtain a report identifying the special fund detail at the beginning of fiscal year 2023. The mainframe document direct report was eliminated after the Odyssey implementation, and no new Odyssey report was created to replace the mainframe report.
  - Audit is unable to verify the status of the special fund balance of $374,892, of which $368,938 is for case balances eligible for escheatment (older than three years as of the 3/1/2022 reporting date). These amounts were identified during the fiscal year 2022 audit.
- **Manual Receipts:** A $305 cash payment originally recorded on a manual receipt was not posted in Odyssey. However, the case was disposed of in Odyssey. In addition, the case jacket was not available for review by the audit staff.
- **Disposed cases:** Four case files that were requested were not provided for audit review.

Repeat observations from Previous Audits:

- **Special Fund Reconciliation:** The prior year's special fund balance over three years old remains outstanding, and bank variances continue to occur due to incomplete records.

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, 2022, through September 30, 2023.

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

Reversals and Adjustments

Criteria

Per the Texas Justice Court Training Center "Fines, Fees and Costs Deskbook" section B. Court Costs in Criminal Cases, "Court costs are not part of the punishment for a criminal offense. Instead, the aim is to have users of the criminal justice system pay the costs of maintaining and operating that system. The Legislature intends court costs as a non-punitive recovery of judicial resources. Weir v. State. Judges have discretion in determining fine amounts but not court costs. The amount of court costs assessed is set by statute."

Per the Odyssey Quick Reference Guide: Add a Financial Reduction after Ordered by the Judge, "this is the process for making financial reduction after the Judge's order to reduce a financial charge."

Review

A sample of 10 reverse charges, 10 charge reductions, and one reverse charge reduction (a total of 21 out of 206) for fiscal year 2023 were reviewed. The following was identified:

- 11 out of 21 (52%) cases were processed with the following issues:
  - Seven reductions (including two reversals) totaling $1,400 did not have a comment in Odyssey.
  - Four charge reductions totaling $800 were performed incorrectly, resulting in court costs being reduced instead of fines.
- Supporting documentation for seven charge reductions totaling $1,320 could not be located in Odyssey or the case jacket, such as agreements signed by the judge approving the reduction receipts and two receipts or proof of restitution from the defendant.
- One charge reversal was not performed by a supervisor.
- Three cases were disposed without a plea or judgment date docketed in Odyssey.

Cause/Effect

These issues were due to inconsistencies in following procedures and reviewing physical and electronic case files.

This may lead to the inadequate collection of court costs and fines and an incorrect distribution and disbursement of funds contractually or statutorily owed to other parties. Incomplete documentation weakens internal controls and could increase the potential of inaccurate financial records and loss of Dallas County funds.

Recommendation
Reversals and Adjustments

Management should:

- Review case records, fee, and assessment entries for accuracy and completeness before payment and disposition of the case.
- Ensure signed dismissal orders and motions are present in the case file, that the terms of orders are completed prior to case disposition, and that case records are reviewed for accuracy and completeness before disposing the case.
- Require that judicial decisions, including DA (prosecution) motions for dismissal, are authorized by the judge with the judge's signature.
- Ensure management reviews case records, dockets, and payments for accuracy and completeness before disposing the case.

Management Action Plan

- The implementation of Odyssey went live on 10/31/2022 to which JP2-1 was not provided at least a year and half to fully familiarize and navigate the many functions of the new system. The staff was only allotted a week of training, and the court was making attempts to adjust to the backlog of cases and requests when this audit was conducted.
- Before and during the audit, the court experienced a staff shortage which affected deposits, transactions, and the processing of documents. In past audits with the previous audit team, there was continuous dialogue and discussions regarding any exceptions found and documented involving the processes to which I was confident in the audit performed.
- JP2-1 in Garland strives to be in compliance with the laws and regulations which have been established and will continue to perform in the best interest of Dallas County.

Auditor's Response

- None

Dismissed Cases

Criteria
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.

Per CCP Article 45.051 (c), "on determining that the defendant has complied with the requirements imposed by the judge under this article, the judge shall dismiss the complaint,

and it shall be clearly noted in the docket that the complaint is dismissed and that there is not a final conviction."

Per the Odyssey Quick Reference Guide, "Driving Safety Motorcycle Safety Course Completed", once a defendant brings proof of completion and compliance related driving/motorcycle safety requirements, the event that must be created is the Dismissal After Driving Safety Course event. This event will generate the Final Judgment Form, stop the aging clock, change the status to dismissed, and update the statistical closure which triggers OCA reporting.

Per the Odyssey Quick Reference Guide, "Record a Plea and Request for Deferred Disposition", once the interim judgment is granted by the Judge, the event that must be created is the Deferred Disposition Granted Interim Judgment event. The court must specify the amount of the deferred disposition fine as set by the Judge to adjust the case balance in the financial section of Odyssey.

Review

Reviewed all 11 dismissed cases for the fiscal year ending September 30. 2023. The following was identified:

- For all 11 cases, the court did not add the proper event to the case.
  - Three cases in which the court used the incorrect dismissal event in Odyssey.
  - Three cases in which the court did not create the Deferred Disposition Granted Interim Judgment event in Odyssey to properly adjust the case.
  - Five cases in which the court did not properly create the Deferred Disposition Granted Interim Judgment event in Odyssey.

Cause/Effect

The department does not consistently follow procedures. This has caused Odyssey to reflect incorrect financial balances. In addition, cases are being dismissed for the incorrect reasons, which affects OCA reporting.

Recommendation

Dismissed Cases

Management should:

- Ensure case records are accurate and reflect a complete account of case activities.

- Ensure proper documentation and compliance with dismissals and deferred disposition orders, and that appropriate fees are assessed and collected on the case.
- Adhere to the Odyssey procedures.

Management Action Plan

- The implementation of Odyssey went live on 10/31/2022 to which JP2-1 was not provided at least a year and half to fully familiarize and navigate the many functions of the new system. The staff was only allotted a week of training, and the court was making attempts to adjust to the backlog of cases and requests when this audit was conducted.
- Before and during the audit, the court experienced a staff shortage which affected deposits, transactions, and the processing of documents. In past audits with the previous audit team, there was continuous dialogue and discussions regarding any exceptions found and documented involving the processes to which I was confident in the audit performed.
- JP2-1 in Garland strives to be in compliance with the laws and regulations which have been established and will continue to perform in the best interest of Dallas County.

Auditor's Response

- None

Disposed Cases

Criteria

Per Code of Criminal Procedure (CCP) Article 45.051, "on a plea of guilty or nolo contendere by a defendant or on a finding of guilt in a misdemeanor case punishable by fine only and payment of all court costs, the judge may defer further proceedings without entering an adjudication of guilt and place the defendant on probation."

Per CCP Chapter 45.017,"Odyssey is to be updated with the verdict, the date the judgment is rendered, the date warrants are issued and returned, and orders entered by the judge."

Per Texas AG Opinion H-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 Local Government Code 115.901, "the county auditor shall examine the accounts, dockets, and records of each justice of the peace."

Review

A sample of 20 disposed cases were reviewed for fiscal year 2023. The following was identified:

- One case did not have proof of a driver's license as stipulated in the deferred disposition agreement.
- Four case files that were requested were not provided for review.

Cause/Effect

The court did not review to ensure each case was properly docketed and did not ensure all requested documentation was received, included in the file, and uploaded to Odyssey prior to case disposition.

As a result, the case management system may not reflect case information accurately and completely. This could lead to loss of funds if costs, fines, and fees are erroneously reduced without judicial approval.

Recommendation

Disposed Cases

Management should:

- Locate the four requested case files.
- Retain court files and records for the five-year minimum required retention period for criminal cases per Local Schedule LC of the Texas State Library and Archives Commission.

Management Action Plan

- The implementation of Odyssey went live on 10/31/2022 to which JP2-1 was not provided at least a year and half to fully familiarize and navigate the many functions of the new system. The staff was only allotted a week of training, and the court was making attempts to adjust to the backlog of cases and requests when this audit was conducted.
- Before and during the audit, the court experienced a staff shortage which affected deposits, transactions, and the processing of documents. In past audits with the previous audit team, there was continuous dialogue and discussions regarding any exceptions found and documented involving the processes to which I was confident in the audit performed.

- JP2-1 in Garland strives to be in compliance with the laws and regulations which have been established and will continue to perform in the best interest of Dallas County.

Auditor's Response

- None

Case Deletions

Criteria

As a standard internal control procedure, management is not to permit the deletion of cases and are to periodically review deletion reports to ensure that case deletions do not occur.

Per Odyssey QRG, Delete Case or Restore Deleted Cases, "cases should only be considered for deletion if case entry accorded within 24 hours by error and no subsequent action has been performed."

Review

A review of all 57 cases deleted in the Odyssey case management system for the fiscal year ending September 30, 2023, revealed:

- There was no means to determine if financial activity was recorded to the deleted cases.
- Two cases were deleted after business hours.

Cause/Effect

This was due to a lack of management oversight over restricting case deletions. Deleting cases can result in the loss of financial records, case notes, docketing information, and other actions posted by the court without an audit trail.

Recommendation

Case Deletions

Management should:

- Adhere to the Odyssey quick reference guide for case deletions: "Cases should only be considered for deletion if case entry occurred within 24 hours by error and no subsequent action has been performed."
- Write a comment in the case management system explaining errors that occur to keep a complete audit trail rather than deleting cases.
- Review circumstances surrounding each case deletion to understand the effect and impact and reduce the likelihood of reoccurrence.

- Ensure cases with financial entries are not deleted.

Management Action Plan

- The implementation of Odyssey went live on 10/31/2022 to which JP2-1 was not provided at least a year and half to fully familiarize and navigate the many functions of the new system. The staff was only allotted a week of training, and the court was making attempts to adjust to the backlog of cases and requests when this audit was conducted.
- Before and during the audit, the court experienced a staff shortage which affected deposits, transactions, and the processing of documents. In past audits with the previous audit team, there was continuous dialogue and discussions regarding any exceptions found and documented involving the processes to which I was confident in the audit performed.
- JP2-1 in Garland strives to be in compliance with the laws and regulations which have been established and will continue to perform in the best interest of Dallas County.

Auditor's Response

- None

Computer Receipt Adjustments

Criteria

Per Odyssey Quick Reference Guide: Add a Financial Reduction after Ordered by the Judge, "This is the process for making financial reduction after the Judge's order to reduce a financial charge."

Per Odyssey Quick Reference Guide: "Dismissal - State's Motion to Dismiss Granted, saving the Dismissed by Prosecution Prior to Court Appearance, will add the case status of 'Dismissed,' add a judgment of 'Dismissed by Prosecution,' will clear out all fees on the case that are outstanding, and will report to the OCA report the manner of dismissed by the prosecution prior to a court appearance."

Per Odyssey Quick Reference Guide: Delete Case or Restore Deleted Case, "cases should only be considered for deletion if case entry accorded within 24 hours by error and no subsequent action has been performed."

Review

A sample review of 18 computer receipt adjustments out of a total population of 635 for fiscal year 2023 was performed. The following was identified:

- Five adjustments did not have a comment in Odyssey.
- Two adjustments totaling $349 were performed incorrectly.
- One case with financial activity was deleted.
- Three adjustments totaling $(525) include amounts charged to the account after case was dismissed.
- One case in which the court failed to timely create a dismissal event required for the case, causing the defendant to be charged collection fees.

Cause/Effect

This occurred due to the department not following Odyssey procedures consistently. This can increase the risk of incomplete or inaccurate financial records, delayed revenue recognition, and potential misappropriation of funds.

Recommendation

Computer Receipt Adjustments

Management should:

- Adhere to Odyssey Quick Reference Guides to ensure department is in compliance when performing adjustments.

Management Action Plan

- The implementation of Odyssey went live on 10/31/2022 to which JP2-1 was not provided at least a year and half to fully familiarize and navigate the many functions of the new system. The staff was only allotted a week of training, and the court was making attempts to adjust to the backlog of cases and requests when this audit was conducted.
- Before and during the audit, the court experienced a staff shortage which affected deposits, transactions, and the processing of documents. In past audits with the previous audit team, there was continuous dialogue and discussions regarding any exceptions found and documented involving the processes to which I was confident in the audit performed.
- JP2-1 in Garland strives to be in compliance with the laws and regulations which have been established and will continue to perform in the best interest of Dallas County.

Auditor's Response

- None

Deposits

Criteria

Per Local Government Code (LGC) § 113.022, "A county officer or other person who receives money shall deposit the money with the county treasurer on or before the next regular business day after the date on which the money is received. If this deadline cannot be met, the officer must deposit the money, without exception, on or before the fifth business day after the day on which the money is received."

Standard internal control procedure requires one person to open all the mail, record the check information received, and to restrictively endorse the checks, while another person posts, voids or adjusts the payment.

Review

A review of tills, closeouts, and deposits processed the fiscal year ending September 30, 2023, revealed:

- One till totaling $131 was deposited in Odyssey 45 days after it was closed in Odyssey.
- 22 resets totaling $87,512 were delayed for six or more business days from the computer receipt date to the deposit date.

Cause/Effect

Per the court, this occurred due to the department not being able to obtain access to reports upon staff departure and staff shortage.

This has resulted in delayed revenue recognition.

Recommendation

Deposits

Management should:

- Ensure all tills are closed and deposited daily.
- Periodically review system reports to identify any delays and take corrective action when necessary.

Management Action Plan

- The implementation of Odyssey went live on 10/31/2022 to which JP2-1 was not provided at least a year and half to fully familiarize and navigate the many

functions of the new system. The Staff was only allotted a week of training, and the court was making attempts to adjust to the backlog of cases and requests when this audit was conducted.

- Before and during the audit, the Court experienced a staff shortage which affected deposits, transactions, and the processing of documents. In past audits with the previous audit team, there was continuous dialogue and discussions regarding any exceptions found and documented involving the processes to which I was confident in the audit performed.
- JP2-1 in Garland strives to be in compliance with the laws and regulations which have been established and will continue to perform in the best interest of Dallas County.

Auditor's Response

- None

Financial Set-Up

Criteria

Standard internal control procedures require all set-up related to financial systems be end-dated or disabled once codes are no longer used to limit potential posting errors.

Review

A limited review of the Odyssey system financial setup and active tills during fiscal year 2023 revealed:

- Three former employees still had active tills in the Odyssey case management system as of 08/28/2024.
  - Two employees have transferred to another County department.
  - One employee is no longer employed with Dallas County.

Cause/Effect

This was due to inconsistent management review of user access.

This may increase the risk that funds may be misappropriated.

Recommendation

Financial Set-Up

Management should:

- End-date and check mark the inactivate box to terminate Odyssey user's accounts. All assigned cashier stations and tills should be de-activated when users are no longer employed at the court.
- Request user access for ex-employees or reassigned employees be disabled with follow-up occurring to ensure account was disabled.
- Periodically perform a review of accounts to confirm timely deactivation for separated or transferred employees.

Management Action Plan

- The implementation of Odyssey went live on 10/31/2022 to which JP2-1 was not provided at least a year and half to fully familiarize and navigate the many functions of the new system. The staff was only allotted a week of training, and the court was making attempts to adjust to the backlog of cases and requests when this audit was conducted.
- Before and during the audit, the court experienced a staff shortage which affected deposits, transactions, and the processing of documents. In past audits with the previous audit team, there was continuous dialogue and discussions regarding any exceptions found and documented involving the processes to which I was confident in the audit performed.
- JP2-1 in Garland strives to be in compliance with the laws and regulations which have been established and will continue to perform in the best interest of Dallas County.

Auditor's Response

- None

Manual Receipts

Criteria

Per the Texas Administrative Code 13 TAC §7.125(a)(1): "The retention period for deposit warrants, cash receipts, credit card receipts, receipt books, cash transfers, daily cash reports, cash drawer reconciliations, and similar records are to be kept for the fiscal year end date of the receipt plus three years."

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."

Review

A review of the only manual receipt issued during the fiscal year ending on September 30, 2023, revealed the following:

- A $305 cash payment originally recorded on a manual receipt was not posted in Odyssey.
- The case was disposed without the payment being applied in Odyssey.
- One case jacket was not available for review by the audit staff.

Cause/Effect

The department did not follow standard procedures for proper and timely posting of manual receipts, record retention or disposition of cases with outstanding balances.

Unposted payments and missing documentation can increase the potential for incomplete or inaccurate financial records, misappropriation or loss of Dallas County funds.

Recommendation

Manual Receipts

Management should:

- Issue manual receipts only when Odyssey is nonoperational.
- Establish procedures to review and ensure all manual receipts are posted to Odyssey.
- Adhere to the Texas Administrative Code 13 TAC §7.125(a)(1) to retain department financial and case records.
- Adhere to the Code of Criminal Procedures Ch.45 to ensure all fees and costs have been collected prior to disposing a case.

Management Action Plan

- The implementation of Odyssey went live on 10/31/2022 to which JP2-1 was not provided at least a year and half to fully familiarize and navigate the many functions of the new system. The staff was only allotted a week of training, and the court was making attempts to adjust to the backlog of cases and requests when this audit was conducted.
- Before and during the audit, the court experienced a staff shortage which affected deposits, transactions, and the processing of documents. In past audits with the previous audit team, there was continuous dialogue and discussions regarding any exceptions found and documented involving the processes to which I was confident in the audit performed.

- JP2-1 in Garland strives to be in compliance with the laws and regulations which have been established and will continue to perform in the best interest of Dallas County.

Auditor's Response

- None

Cash Count

Criteria

Per Local Government Code (LGC) § 113.022, "a county officer or other person who receives money shall deposit the money with the county treasurer on or before the next regular business day after the date on which the money is received. If this deadline cannot be met, the officer must deposit the money, without exception, on or before the fifth business day after the day on which the money is received."

Standard internal control procedures require one person should open all the mail, record the check information received, and restrictively endorse the checks, while another person posts the payment.

Review

A cash count was performed on March 7, 2024. The following was identified:

- The court did not keep a log of payments received by mail for fiscal year 2023.
- 23 checks totaling $1,242 were receipted in Odyssey more than five days after the court stamp-dated the payments.
- One check totaling $54 has not been receipted into Odyssey as of 8/1/2024.

Cause/Effect

This occurred because the court did not create and maintain a mail log to monitor payments received through the mail.

This may cause checks to be lost, misappropriated, and not timely posted to Odyssey which can delay revenue recognition.

Recommendation

Cash Count

Management should:

- Establish and maintain a mail log of checks received in the daily mail.
- Periodically compare payment details recorded on the mail log to receipting in Odyssey for accuracy, appropriateness, and timeliness. Ensure timely payment posting.
- Restrictively endorse all checks and money orders immediately.

Management Action Plan

- The implementation of Odyssey went live on 10/31/2022 to which JP2-1 was not provided at least a year and half to fully familiarize and navigate the many functions of the new system. The staff was only allotted a week of training, and the court was making attempts to adjust to the backlog of cases and requests when this audit was conducted.
- Before and during the audit, the court experienced a staff shortage which affected deposits, transactions, and the processing of documents. In past audits with the previous audit team, there was continuous dialogue and discussions regarding any exceptions found and documented involving the processes to which I was confident in the audit performed.
- JP2-1 in Garland strives to be in compliance with the laws and regulations which have been established and will continue to perform in the best interest of Dallas County.

Auditor's Response

- None

Special Fund Reconciliation

Criteria

Per Local Government Code Section 113.008(f), "it is mandatory for an official with special funds in the depository bank reconcile all balances and transactions in the statement of activity to the transactions and balances on the official's records and 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 cash receipts and disbursement registers of the county treasurer."

Per property Codes § 72 and § 76, "funds are to be escheated to the State and County."

Per the Code of Criminal Procedure § 22, "the court must follow certain procedures to forfeit cash bonds."

Standard internal control procedures related to cash require all special fund disbursements and cancellations to be timely and accurately posted to Odyssey. Fund balances must be reconciled against control records (GL and bank statement). Additionally, special fund reports are reviewed periodically, and disbursements made to the appropriate parties promptly.

Review

The department's fiscal year 2023 special fund reconciliation was requested for review. The following were identified:

- The special fund balance for fiscal year 2023 was not reconciled.
- Prior special fund reports were no longer available due to the implementation a new case management system in October 2023.
  - A comparable report was not available in the new case management system.
- The department's reconciliation of the special fund is pending until report becomes available and staff is trained on its usage.
  Status: We were unable to verify the status of the special fund balance of $374,892, of which $368,938 is for case balances eligible for escheatment (older than three years as of the 3/1/2022 reporting date). The amounts were identified during the fiscal year 2022 audit.

A review of all four special fund disbursements for fiscal year 2023 was performed. The following was identified:

- Two disbursements totaling $235 do not have a signed "Authorization for Check Disbursements" form uploaded in Odyssey or the department's case files. These disbursements were also posted to Odyssey more than five days after issuance.
- One disbursement check totaling $1,352 was not posted in Odyssey.

A limited review of cases with balances older than three years was performed. The following was identified:

- Seven special fund disbursements totaling $1,902 were older than three years (as of March 1, 2020) and have not been researched to applicable parties to escheated to the County Treasurer or State Comptroller.

Cause/Effect

These instances occurred due to non-compliance with Local Government Code § 113.008(f) and 117.121, and the lack of special fund reporting capabilities after the implementation of a new case management system.

This may result in disbursement checks being sent to the incorrect payee and financial records in Odyssey may be incomplete or posted with errors.

Recommendation

Special Fund Reconciliation

Management should:

- Work with the case management system vendor and other justices of the peace to identify a solution for special fund reporting.
- Escheat special funds in accordance with unclaimed property statutes, Property Code § 72 and § 76.
- Ensure the reconciliation balances to the general ledger per LGC 113.008(f).
- Ensure special fund check disbursements and cancellations are accurately, completely, and timely posted to cases after the completion of monthly reconciliations.
- Implement standard procedures to require a signed "Authorization for Check Disbursement" for all disbursements.
- Ensure timely posting of disbursements in Odyssey within five days of issuance.

Management Action Plan

- The implementation of Odyssey went live on 10/31/2022 to which JP2-1 was not provided at least a year and half to fully familiarize and navigate the many functions of the new system. The staff was only allotted a week of training, and the court was making attempts to adjust to the backlog of cases and requests when this audit was conducted.
- Before and during the audit, the court experienced a staff shortage which affected deposits, transactions, and the processing of documents. In past audits with the previous audit team, there was continuous dialogue and discussions regarding any exceptions found and documented involving the processes to which I was confident in the audit performed.
- JP2-1 in Garland strives to be in compliance with the laws and regulations which have been established and will continue to perform in the best interest of Dallas County.

Auditor's Response

- None

cc: Darryl Martin, Commissioners Court Administrator