



COMMISSIONERS COURT  
COMMUNICATION

REFERENCE NUMBER CO#136792

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DATE: 11/09/2021

SUBJECT: **RECEIVE AND FILE THE AUDITOR'S REPORT OF THE REVIEW OF FINANCIAL AND SYSTEM CONTROLS, JUSTICE OF THE PEACE, PRECINCT 1**

**COMMISSIONERS COURT ACTION REQUESTED:**

It is requested that the Commissioners Court receive and file the Auditor's Report of the Review of Financial and System Controls, Justice of the Peace, Precinct 1.

**BACKGROUND:**

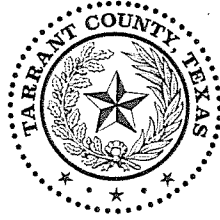
In accordance with Local Government Code, we reviewed financial and system controls in place for the ten (10) months ending July 31, 2021.

**FISCAL IMPACT:**

There is no direct fiscal impact associated with this item.

SUBMITTED BY: Auditor

PREPARED BY: S. Renee Tidwell  
APPROVED BY:



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October 22, 2021

The Honorable Ralph Swearingen, Jr., Justice of the Peace, Precinct 1  
The Honorable District Judges  
The Honorable Commissioners Court  
Tarrant County, Texas

Re: Auditor's Report – Review of Financial and System Controls, Justice of the Peace, Precinct 1

In accordance with the Local Government Code, we reviewed financial and system controls in place for the ten months ending July 31, 2021. The Justice Courts use Odyssey Case Management software to record case events and financial transactions. Because of system limitations certain transaction types require manual entry increasing the risk of errors or irregularities. During our review, we observed that procedures used to void payments or apply Credit for Time Served (*CTS*) require management's attention.

1. We reviewed 100 adjustments and observed 5 transactions were manually adjusted using the "adjustment" function. The clerks should use the "void" functionality in Odyssey and reverse the charge on the same day. The re-applied payments do not have corresponding receipt numbers or a cross-reference to previously recorded payment information. System generated receipts are a key control in detecting theft and fraud

Recommendation. We recommend that staff discontinue the use of the "adjustment" function when the receipt can be reissued on the same day.

2. The Code of Criminal Procedure (CCP) allows courts to assess a fee when a case is referred to a collection vendor. Odyssey is configured to automatically assess the fee on the entire balance due after the 60th day. We observed three cases where the defendant satisfied the case balance with *CTS*. Staff attempted to process the *CTS* by manually adjusting pre-populated fees without reversing the collection fee. As a result, the defendants were incorrectly billed for an outstanding balance although the judgment was satisfied.

Recommendations: When a defendant has satisfied the case balance with *CTS*, we recommend staff reverse the collection fee before attempting to adjust pre-populated fields.

Furthermore, we observed procedures used to issue warrants were inconsistent during the review period. The Criminal District Attorney's Office was consulted and will communicate findings and resolution to JP1. We also discussed less significant matters with staff during our review.

**CLOSING REMARKS**

Attached is management's written response to this report. We appreciate the cooperation of the JP1 staff during our review. Please call me if you have any questions regarding the contents of this report.

Sincerely,



S. Renee Tidwell, CPA  
County Auditor

*Attachment*

Management's response

*Audit Team*

Matthew Jones, Audit Manager  
Maki Brown, Senior Internal Auditor  
Kara Hoekstra, Senior Internal Auditor



**TARRANT COUNTY**  
**FORT WORTH, TEXAS 76196-0242**

**RALPH SWEARINGIN JR.**  
**JUSTICE OF THE PEACE**  
**PRECINCT 1**  
**COUNTY COURTHOUSE**

October 28, 2021

Re: Response to Auditor's Report- Review of Financials and System Controls, Justice of the Peace, Precinct 1

**Response to Finding #1**

Justice Court, Precinct 1 has communicated and will continue to communicate all financial adjustments to the Auditor's office as they occur. Any adjustments made are excessively documented and include a thorough explanation of why the adjustment had to be performed. Additionally, all adjustments are verified by management and one or more clerks. A copy of adjustments and written explanation for each is e-mailed to our appointed Auditor weekly as a part of our daily financials. Our adjustment process has been in place for more than 3 years. During this period of time, we never received any communication from the Auditor's Office informing us that the processes we use to document or conduct adjustments were unacceptable. During the audit we were informed that there was a preferred method for making these adjustments. Prior to that our assigned Auditor never brought to our attention that there was a preferred method for making and documenting adjustments. Following the Auditor's requirements, our process for documenting adjustments has been updated to ensure compliance to their preferred method. If a need for an adjustment is discovered on the same day as the date of the transaction the payment will be voided and reposted. The Court Manager will ensure that the original E-File receipt number and the Odyssey receipt number generated are properly notated when reposting the payment in Odyssey.

**Response to Finding #2**

There are times when manual adjustments must be performed to ensuring that credits/payments are posted accurately into a case. Justice Courts have no control over the financial configurations of the Odyssey case management system, which does not allow compliance with the statutes. In the 3 cases mentioned by the Auditor's office, a notice of collection fees due letter was sent to the defendants; however, no monies were collected by the Court. Additionally, for these cases the Court issued a judicial waiver of all outstanding collection fees. Since the audit, we have been diligently working on our processes and procedures to ensure compliance with the statutes and the Auditor's recommendations. These processes and procedures cannot be completed until the Court, the Auditor's Office, and IT work together to resolve these issues that affect all eight Justice Courts.




**TARRANT COUNTY**  
**FORT WORTH, TEXAS 76196-0242**

**RALPH SWEARINGIN JR.**  
**JUSTICE OF THE PEACE**  
**PRECINCT 1**  
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**Conclusion**

Justice Court, Precinct 1 welcomes any feedback and suggestions on improving our current financial process. The Court will continue to communicate any financial modifications to the Auditor's office weekly and include detailed explanation as to why any modifications were needed. Manually adjusting pre-populated fields appear to contradict the very thing that the Auditor's office wants Courts to avoid, that being manual entries made by the Courts, which can lead to increased risk of errors or irregularities. However, we remain open to any improved or preferred method of processing financial adjustments. Perhaps, system irregularities may be eliminated by the Auditor's office taking sole responsibility for processing all financial adjustments for all eight Justice Courts. Our Court is willing to work alongside the Auditor's office to develop financial processes, procedures, and a training model. This model may then be used as a template by all eight Justice Courts, to thereby eliminate or significantly reduce the financial concerns raised during audits of the Justice Courts.

Respectfully,



Ralph Swearingin Jr.