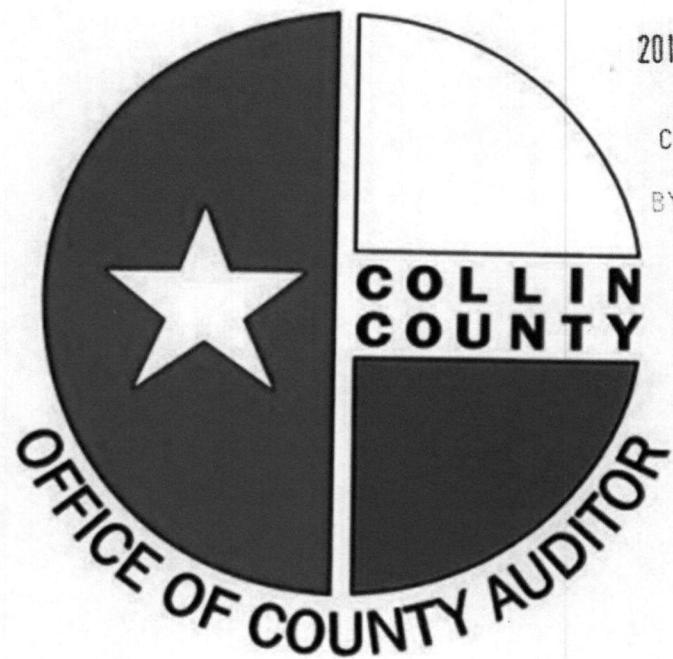


FILED

2016 MAY 18 AM 10:57

JUSTICE COURT ONE
COLLIN COUNTY, TEXAS

BY _____ CLERK



Audit Report
JUSTICE OF THE PEACE - PRECINCT 1
OCTOBER 1, 2013 – JUNE 30, 2014
Status: Final

For action:

Judge Paul Raleeh Justice of the Peace Precinct 1

For information:

Jeff May County Auditor
Linda Riggs First Assistant Auditor



Date: May 12, 2016

To: Judge Paul Raleeh, Precinct 1

From: Jeff May, County Auditor

Subject: First -Third Quarters FY14 Audit

A final audit report showing no instances of non-compliance with County policies or state statutes will be submitted to Commissioners Court for the Justice of the Peace Precinct 1 First-Third Quarters FY2014 audit.

The purpose of this letter is to communicate issues of concern identified during the audit period. This letter will not be submitted as part of the audit report; it will remain confidential and part of the audit work papers.

Fee Verification:

Audit Procedure(s):

- Verify the charges on each receipt reflect the office fee schedule, the Collin County Fee Schedule and state statutes.
- Verify the correct fees are assessed and collected based upon the type of offense or service.

Finding(s):

- 10 hot check cases brought over during the conversion to Odyssey, received in January 2014, that included \$5 arrest fees that should not have been charged since no citation was issued by a peace officer.

- 6 Traffic cases where the arrest fee was incorrectly applied:
 - Two Cases that should have reflected an Arrest fee but did not because under "Charges/Case Filing", there was no jurisdiction entered.
 - One case that should have reflected an Arrest fee going to the Sheriff Office, but the fee went to another authority.
 - 3 Cases that should have reflected the Arrest fee going to the State, but the fee went to another authority.

Recommended Action(s):

- The Hot Check overpayments should be refunded to the customers.
- Fee schedule should also be reviewed and updated to include all approved fees and that all fees included are supported by approved fee schedule and statute.
- Clerks should be trained on which fees apply to certain offenses and they should ensure the correct jurisdictions are reflected on each case.

Disbursements:

Audit Procedure:

- Verified that disbursement checks were signed with appropriate signatures.

Finding:

- There was one check (#4243) from the general account was found during the verification that was signed by the Court Administrator. Odyssey did not have any notes under check #4243 as to why the Court Administrator signed the issued check.

Recommended Action:

- All checks issued should be signed by the Judge. According to Collin County Internal Control Policy, Court Order No. 2003-728-09-23, "No one employee is functionally responsible for a financial or other business transaction from start to finish."

The issues noted above did not warrant including the finding in the audit report; nevertheless, the Justice of the Peace Precinct 1 should take the corrective action noted to strengthen the internal controls over the accuracy of fees and disbursements.

The assistance provided by the Justice of the Peace Precinct 1 in completing this audit is greatly appreciated. Please feel free to contact the Office of County Auditor with any questions.

Audit Report
JUSTICE OF THE PEACE - PRECINCT 1
OCTOBER 1, 2013 – JUNE 30, 2014

Report Summary

As part of the 2014 Compliance Audit Plan, an audit of the Justice of the Peace - Precinct 1 was conducted in accordance with Texas Local Government Code §115.002.

The overall objective of the audit was to provide assurance that internal controls are in place to ensure:

- The officer has collected all the money they are obligated to collect
- The money collected was properly remitted to the appropriate party
- All funds are properly managed
- All money is properly accounted for, accurately reported, and adequately safeguarded
- The operations of the office conform to prescribed procedures
- Exposure to potential risk is minimized

The audit scope included an audit of banking, cash receipts and internal controls. The time period audited was October 1, 2013 through June 30, 2014.

Refer to the Observations and Recommendations section, as well as the Appendix for the results of the audit.

This review was not intended to provide absolute assurance on all procedures, activities, or controls. We will continue to examine aspects of the office in compliance with statutes and to provide reasonable assurance that County assets are safeguarded and appropriately managed.

An exit conference with the Justice of the Peace Precinct 1 was held on Wednesday, March 04, 2015 to discuss this report.

The time and assistance provided by the Justice of the Peace Precinct 1 and the staff during this engagement is greatly appreciated.

Observations and Recommendations

Observation	Recommendation	Management Response
<p>Condition: During the audit period JP-1 incorrectly charged \$0.10 for the Statewide Repository Fee in (21) cases when the fee should not have been assessed. This fee should only be assessed upon conviction of a moving violation.</p> <p>Effect: The State has received more money than they should have received in payment for the Statewide Repository Fee. Collin County has collected less money than should have collected for fines.</p> <p>Cause: The Statewide Repository Fee is included on the Odyssey fee tables for the following types of cases: No Valid Inspection Certificate, Expired Inspection Certificate, and Expired Inspection-Trailer. This fee should not be included for these types of cases.</p> <p>Criteria: The Statewide Repository Fee is only to be assessed on offenses found in Section 102.022(b) of the Texas Code of Criminal Procedure and Section 102.101(9) of the Texas Government Code and payable upon conviction of a moving violation.</p>	<p>A. Transaction Required: The Statewide Repository Fee should be removed from the cases that have been charged the fee and instead should be included as a county fine.</p> <p>B. Internal Control Change: Internal controls should be implemented to ensure the fees charged and collected from the public are in line with the approved fee schedule and statutes.</p>	<p>A. Response: The ten cent fee mentioned in the report affected all 5 Justice Courts during this same time period.</p> <p>B. Response: A fix was made and all financials were adjusted so neither the County nor the State suffered a financial loss</p> <p>Status of Recommendation: Fixed</p>

The list of moving violations can be found in Title 37, Part 1, Chapter 15, Subchapter D Rule §15.89 of the Texas Administrative Code. Moving violations are defined as an act committed in connection with the operation of a motor vehicle on a public street or highway, which constitutes a hazard to traffic and is prohibited by state law or city ordinance. Inspection offenses are not on the list of traffic offenses that constitute a moving violation. Thereby, an inspection offense is not a moving violation offense. Accordingly, the \$.10 statewide repository fee should not be assessed.