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JUSTICE COURT ONE
COLLIN COUNTY, TEXAS

BY _____ CLERK



Audit Report
JUSTICE OF THE PEACE - PRECINCT 1
JULY 1, 2015 – SEPTEMBER 30, 2015
Status: Final

For action:

Judge Paul Raleeh

Justice of the Peace Precinct 1

For information:

Jeff May

Linda Riggs

County Auditor

First Assistant Auditor

**Audit Report
JUSTICE OF THE PEACE - PRECINCT 1
JULY 1, 2015 – SEPTEMBER 30, 2015**

Report Summary

As part of the 2015 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 July 1, 2015 through September 30, 2015.

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 Friday, November 4, 2016 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
FINDING NUMBER: 155		
<u>Condition:</u> During the audit period JP-1 did not charge \$0.10 for the Statewide Repository Fee on 28 Driving while License Invalid and Expired Driver's License cases, when the fee should have been assessed. <u>Effect:</u> Collin County has not collected money they should have collected for fees. Therefore, the state did not receive monies that they should have received for the Statewide Repository Fee. <u>Cause:</u> The Statewide Repository Fee was not included on the Odyssey fee tables for the following types of cases: Driving while License Invalid and Expired Driver's License. <u>Criteria:</u> 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(8) of the Texas Government Code and payable upon conviction of a moving violation. 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.	<u>A. Transaction Required:</u> The Statewide Repository Fee of \$0.10 should be assessed and disbursed on Driving while License Invalid and Expired Driver's License cases. <u>B. Internal Control Change:</u> 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.	<u>A. Response:</u> There was confusion when the 10 cent fee when into effect & how it related to "Expired License" violations. Once the question was answered by the Justice Court Training Center, the correction was made. <u>B. Response:</u> There are controls in place to implement new fees for all Collin County Justice Courts. Any idea to the contrary are false. The "Fee List" is checked and verified every year and is available to the public for inspection at any time. The confusion came when Officers were writing citations for Expired Driver's License. There is no statute in the Transportation Code Titled, "Expired License". That was the confusion on the 10 cent fee. We asked the Justice Court Training Center about the issue. Based on their response and communication with the Auditor's Office, a procedure change was made and all issues were resolved.

Driving while License Invalid and Expired Driver's License are considered moving violations offenses. Accordingly, the \$0.10 Statewide Repository Fee should have been properly assessed and disbursed for Driving while License Invalid and Expired Driver's License.			
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Date: February 7, 2017
To: Judge Paul Raleeh
From: Jeff May, County Auditor
Subject: Fourth Quarter FY15 Audit

A final audit report showing instances of non-compliance with County policies or state statutes will be submitted to Commissioners Court for the Justice of the Peace 1 Fourth Quarter of FY2015 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.

Bank Reconciliation

Audit Procedure:

- Confirm all adjustments made by the bank are correctly recorded.

Finding:

- Case 01-EV-15-00592 was disposed with a financial balance of \$191.00.

Recommended Action:

- Cases with financial balances should not be disposed.

Cash Receipts

Audit Procedures:

- Verify the correct fees are assessed.
- Verify the correct fees are assessed and collected based upon the type of offense or service.

Findings:

- The judgment paid on case 01-SC-11-00033 was overpaid by \$79.60, due to an error in calculating interest.
- The Statewide Repository fee of \$0.10 was charged and collected on case 01-TR-10-06310 (No Valid Inspection Certificate) and 01-TR-14-02224 (Expired Inspection-Trailer) which are not classified as moving violations and should not be assessed this fee.

Recommended Actions:

- The court should ensure judgment payments are correct according to the terms of the signed judgment.
- The office should take corrective action not to assess the Statewide Repository fee of \$0.10 on "No Valid Inspection Certificate" and "Expired Inspection-Trailer" cases.

The issues noted above did not warrant including the finding in the audit report; nevertheless, the Justice of the Peace 1 should take the corrective action noted to strengthen the internal controls over bank reconciliations and cash receipts.

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