



**Office of Court Administration**

**Collection Improvement Program**

**Independent Auditor's Report  
on Court Collections**

**Dallas County**

**February 23, 2016**

# CONTENTS

Transmittal Letter

Executive Summary .....	1
Detailed Procedures and Findings .....	2
Appendix A – Objective, Scope, and Methodology .....	7
Appendix B – Report Distribution.....	8

# EXECUTIVE SUMMARY

## Audit Results

The Collection Improvement Program (CIP) Audit Department of the Office of Court Administration (OCA) has performed the procedures enumerated below, which were agreed to by the CIP Technical Support Department of the OCA and Dallas County (County). The procedures were performed to assist you in evaluating whether the collection program of the County has complied with Article 103.0033 of the Code of Criminal Procedure and Title 1, §175.3 of the Texas Administrative Code (TAC).

Our testing indicates the collection programs for the County are compliant with the requirements of Article 103.0033 of the Code of Criminal Procedure and 1 TAC §175.3. In testing the required components, no findings were noted.

We were not engaged to, and did not, conduct an examination of the County, the objective of which would be the expression of an opinion on the County's financial records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters may have come to our attention that would have been reported to you.

Dallas County's management is responsible for operating the collection program in compliance with the requirements of Article 103.0033 of the Code of Criminal Procedure and 1 TAC §175.3.

The sufficiency of these procedures is solely the responsibility of the CIP Technical Support Department of the OCA, and we make no representation regarding the sufficiency of the procedures for the purpose for which this report has been requested or for any other purpose.

The compliance engagement was conducted in accordance with standards for an agreed-upon procedures attestation engagement as defined in the attestation standards established by the American Institute of Certified Public Accountants.

## Objective

The objective of the engagement was to determine if the County complied with Article 103.0033 of the Code of Criminal Procedure and 1 TAC §175.3.

## Summary of Scope and Methodology

This compliance engagement covers cases for which court costs, fees, and fines were assessed during the period of November 1, 2014 through December 31, 2014, but were not paid at the time of assessment. Cases were tested beyond the audit period to determine compliance with all components of the collection program. The procedures performed are enumerated in the Detailed Procedures and Findings section of this report.

## Reporting of Sampling Risk

In performing the procedures, the auditor did not include a detailed inspection of every transaction. A random sample of cases was tested as required by 1 TAC §175.5(b). In consideration of the sampling error inherent in testing a sample of a population, a specific error rate cannot be reported; however, we can report the range within which we have calculated the error rate to fall.

## DETAILED PROCEDURES AND FINDINGS

1. *Obtain a population of all adjudicated cases in which the defendant does not pay in full within one (1) month of the date court costs, fees, and fines are assessed.*

Dallas County provided a list of defendants who accepted a payment plan for the court costs, fees, and fines during the period of November 1, 2014 through December 31, 2014.

2. *Select a randomly-generated, statistically-valid sample of cases to be tested.*

After obtaining a population of all adjudicated cases from each jurisdiction, a randomly-generated, statistically-valid sample was selected from the population of cases provided by each program, and tested to determine the cases that were issued a payment plan. The cases that were issued payment plans were tested to determine if any payments were missed or if a *capias pro fine* was issued.

The number of samples tested for each population are listed below:

- Payment Plans - 44 cases were tested for procedures 8 - 11 listed below.
- Payment Plans with missed payments - 43 cases were tested for procedures 12 - 13 listed below.
- Payment Plans where a *capias pro fine* was issued – 42 cases were tested for procedure 14 listed below.

3. *Obtain a completed survey, in a form prescribed by CIP Audit, from the jurisdiction.*

A completed survey was obtained and reviewed from each jurisdiction for pertinent information to the engagement. The responses were used to determine compliance with procedures 4 - 6 below.

4. *Evaluate the survey to determine if each local collection program has designated at least one (1) employee whose job description contains an essential job function of collection activities. Answers received will be verified during field work.*

Dallas County has three (3) types of courts: County Courts-at-Law, District Courts, and ten (10) Justice Courts. There is a centralized collections program for the County Courts-at-Law, as well as a centralized collections program for all District Courts. Each Justice Court maintains its own collection program. Each program has staff dedicated to the collection program who works to establish and monitor payment plans.

5. *Evaluate the survey to determine if program staff members are monitoring defendants' compliance with the terms of their payment plans or extensions. Answers will be verified through testing of Defendant Communication components.*

Per the surveys, the County and District Clerks monitor payment plans using an electronic collection software. The software monitors cases for missed payments, schedules delinquent cases for a phone call, and generates a list of delinquent cases needing letters mailed. The Justice Courts each use a manual system specific to their court to monitor payment agreements (i.e. manual tickler files, MS Outlook, or spreadsheets).

***Management Response:*** *The first line should read, "Per surveys, the Count and District Clerks" instead of "...the County and District Courts."*

**Auditor's Note:** Correction made.

6. *Evaluate the survey to determine if the program has a component designed to improve collection of balances more than 60 days past due. Answers will be verified through testing of Defendant Communication components.*

Per the surveys, the method to improve the collection on seriously delinquent cases is dependent upon the court where the payment plan was established. District and County Courts can issue a motion to revoke probation if the defendant is on probation. They also continue to call the defendant every month, and send out notices until the end of the payment terms. The Justice Courts may issue a *capias pro fine* warrant; however, since the Sheriff will not serve the warrant, the Justice Courts continue to call the defendant, and mail delinquency notices, until the end of the payment terms.

7. *Verify with CIP Technical Support and/or CIP Audit Financial Analyst(s) that the program is compliant with reporting requirements described in 1 TAC §175.4.*

Per the online reporting system, Dallas County is current with the CIP reporting requirements.

8. *Test samples generated in Procedure 2 (above) to determine if an application or contact information was obtained within one (1) month of the assessment date, and contains both contact and ability-to-pay information for the defendant.*

Of the 44 cases tested, six (6) errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is between 5.15% and 22.99%.

The County is compliant with the component.

9. *Test samples generated in Procedure 2 (above) to determine if contact information obtained within the application was verified within five (5) days of obtaining the data.*

Of the 44 cases tested, two (2) errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is less than 13.94%.

The County is compliant with the component.

10. *Test samples generated in Procedure 2 (above) to determine if local program or court staff conducted an interview with the defendant within 14 days of receiving the application.*

Of the 44 cases tested, no errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is less than 6.84%.

The County is compliant with the component.

11. *Test samples generated in Procedure 2 (above) to determine if the payment plans meet the Documentation, Payment Guidelines, and Time Requirements standards defined in TAC §175.3(c)(4).*

Of the 44 cases tested, no errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is less than 6.84%.

The County is compliant with the component.

12. *Test samples generated in Procedure 2 (above) to determine if telephone contact with the defendant within one (1) month of a missed payment was documented.*

Of the 43 cases tested, three (3) errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is less than 13.22%.

The County is compliant with the component.

13. *Test samples generated in Procedure 2 (above) to determine if a written delinquency notice was sent to the defendant within one (1) month of a missed payment.*

Of the 43 cases tested, three (3) errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is less than 14.23%.

The County is compliant with the component.

14. *Test samples generated in Procedure 2 (above) to determine if another attempt of contact, either by phone or by mail, was made within one (1) month of the telephone contact or written delinquency notice, whichever is later, on any defendant in which a capias pro fine was sought.*

Of the 42 cases tested, no errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is less than 6.72%.

The County is compliant with the component.

15. *Make a determination, based on results of the testing in Procedures 5 – 14 (above), as to whether the jurisdiction is compliant with Article 103.0033 of the Code of Criminal Procedure and 1 TAC §175.3 based on the criteria defined in 1 TAC §175.5(c).*

Dallas County is compliant with Article 103.0033 of the Code of Criminal Procedure and 1 TAC §175.3 based on the criteria defined in 1 TAC §175.5(c). The County is compliant with the four (4) Operational Components, and maintained a compliance rate greater than 80% for the seven (7) Defendant Communication Components.

## **APPENDICES**



## OBJECTIVE, SCOPE, AND METHODOLOGY

### Objective

The CIP Audit Department of the Office of Court Administration applied procedures, which the CIP Technical Support Department (client) and Dallas County (responsible party) have agreed-upon, to determine if the County's collection program is compliant with Article 103.0033 of the Code of Criminal Procedure and 1 TAC §175.3.

### Scope

This compliance engagement covers cases for which court costs, fees, and fines were assessed during the period of November 1, 2014 through December 31, 2014, but were not paid at the time of assessment. Cases were tested beyond the audit period to determine compliance with all components of the collection program. All cases that included court costs, fees, and fines that totaled \$10.00 or less were removed from testing.

### Methodology

Performed the procedures outlined in the Detailed Procedures and Findings section of this report to test records to enable us to issue a report of findings as to whether the County has complied, in all material respects, with the compliance criteria described in Article 103.0033 of the Code of Criminal Procedure and 1 TAC §175.3.

In performing the procedures, the 'tests' the auditor performed included tracing source documentation provided by the County to ensure the collection process met the terms of the criteria listed. Source documents include, but are not limited to, court dockets, applications for a payment plan, communication records, capias pro fine records, and payment records.

### Criteria Used

Code of Criminal Procedure, Article 103.0033  
Texas Administrative Code, Title 1, §175.3

### Team Members

Greg Magness, CIA, CGAP; Audit Manager  
Edward Smith, CFE, Auditor  
David Cueva, CFE, Auditor

**REPORT DISTRIBUTION**

Ms. Felicia Pitre  
District Clerk, Dallas County  
The Frank Crowley Courts Building  
133 N. Riverfront Blvd., 2nd floor  
Dallas, Texas 75207-4300

The Honorable Thomas Jones  
Justice of the Peace, Precinct 1-1  
7201 S. Polk Street  
Dallas, TX 75146

The Honorable Gerry Cooper  
Justice of the Peace, Precinct 2-1  
140 N Garland Avenue  
Garland, TX 75040

The Honorable Al Cercone  
Justice of the Peace, Precinct 3-1  
10056 Marsh Lane  
Dallas, TX 75229

The Honorable Norris Rideaux  
Justice of the Peace, Precinct 4-1  
106 West Church Street, Suite 205  
Grand Prairie, TX 75050

The Honorable Sara Martinez  
Justice of the Peace, Precinct 5-1  
3443 St. Francis Avenue  
Dallas, TX 75228

Ms. Rhonda Pennington  
County Court Collections Manager  
The Frank Crowley Courts Building  
133 N. Riverfront Blvd., 2nd floor  
Dallas, Texas 75207-4300

Ms. Barbara Nicholas  
District Attorney's Office, Civil Division  
Administrative Building  
411 Elm Street, 5th Floor  
Dallas, TX 75202

Mr. John Warren  
County Clerk, Dallas County  
The Frank Crowley Courts Building  
133 N. Riverfront Blvd., 2nd floor Suite C2  
Dallas, Texas 75207-4300

The Honorable Valencia Nash  
Justice of the Peace, Precinct 1-2  
107 Texas Street  
Lancaster, TX 75146

The Honorable Bill Metzger  
Justice of the Peace, Precinct 2-2  
823 N. Galloway Avenue  
Mesquite, TX 75149

The Honorable Steve Seider  
Justice of the Peace, Precinct 3-2  
1411 W. Beltline Road  
Richardson, TX 75080

The Honorable Kathy Hubener  
Justice of the Peace, Precinct 4-2  
841 W. Irving Blvd.  
Irving, TX 75060

The Honorable Juan Jasso  
Justice of the Peace, Precinct 5-2  
410 S. Beckley Avenue  
Dallas, TX 75203

Ms. Tia Fenney-Davenport  
District Court Criminal Manager  
The Frank Crowley Courts Building  
133 N. Riverfront Blvd., 2nd floor Suite C2  
Dallas, Texas 75207-4300

Ms. Haydee Olivarez  
Chief Clerk, JP 1-1  
7201 S. Polk Street  
Dallas, TX 75146

Ms. Heather Villarreal  
Chief Clerk, JP 1-2  
107 Texas Street  
Lancaster, TX 75146

Mr. Dwayne Horner  
Chief Clerk, JP 2-2  
823 N. Galloway Avenue  
Mesquite, TX 75149

Ms. Nuria Ascon  
Chief Clerk, JP 3-2  
1411 W. Beltline Road  
Richardson, TX 75080

Ms. Michelle Sherman  
Chief Clerk, JP 4-2  
841 W. Irving Blvd.  
Irving, TX 75060

Ms. Clara Brown  
Chief Clerk for JP 5-2  
410 S. Beckley Avenue  
Dallas, TX 75203

Mr. David Slayton  
Administrative Director  
Office of Court Administration  
205 W. 14<sup>th</sup> Street, Suite 600  
Austin, Texas 78711-2066

Ms. Glenna Bowman  
Chief Financial Officer  
Office of Court Administration  
205 W. 14<sup>th</sup> Street, Suite 600  
Austin, Texas 78711-2066

Ms. Cynthia Montes  
Regional Collection Specialist  
Office of Court Administration  
110 W. Hickory Street  
Denton, TX 76201

Ms. Brenda Barron  
Chief Clerk, JP 2-1  
140 N Garland Avenue  
Garland, TX 75040

Ms. Zoe Harlan  
Chief Clerk, JP 3-1  
10056 Marsh Lane  
Dallas, TX 75229

Ms. Dora Angel  
Chief Clerk, JP 4-1  
106 West Church Street, Suite 205  
Grand Prairie, TX 75050

Ms. Lakeisha Lowe  
Chief Clerk, JP 5-1  
3443 St. Francis Avenue  
Dallas, TX 75228

Mr. Scott Griffith  
Research and Court Services Division  
Office of Court Administration  
205 W. 14<sup>th</sup> Street, Suite 600  
Austin, Texas 78711-2066

Mr. Jim Lehman  
CIP - Technical Support  
Office of Court Administration  
205 W. 14<sup>th</sup> Street, Suite 600  
Austin, Texas 78711-2066