



**Office of Court Administration**

**Collection Improvement Program**

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

**Bell County**

**July 1, 2013**

# 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 Bell 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 program for the County is 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.

Bell 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 *Government Auditing Standards* issued by the Comptroller General of the United States and 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 July 1, 2012 through August 31, 2012, 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.*

Bell County's audit department provided a list of cases that applied for and accepted a payment plan for their court costs, fees, and fines during the audit period of July 1, 2012 through August 31, 2012. After the auditor reviewed the cases and removed all ineligible cases from the population, there were 794 cases remaining.

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

The County's cases were divided into three categories: no missed payments or *capias pro fines* issued, missed payments, and *capias pro fine* warrants issued. A randomly-generated, statistically-valid sample was selected from each of the three categories for District Court, County Court, and each Justice Court. The number of samples tested for each category is listed below:

- Cases with no missed payments or *capias pro fines* issued – 17 cases were identified for District Court, 250 cases were identified for County Court, and 165 cases were identified for Justice Courts for Procedures 8 - 11 listed below.
- Cases with missed payments – 19 cases were identified for District Court, 78 cases were identified for County Court, and 164 cases were identified for Justice Courts for Procedures 12-13 listed below.
- Cases where a *capias pro fine* was issued – 101 cases were identified for County Court. No cases were identified for District Court or Justice Courts due to no *capias pro fines* issued by these courts for Procedure 14 listed below.

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

A completed survey was obtained from the County's audit department, and reviewed for information that was relevant to the audit engagement. The survey responses were used to answer the Procedures 4-6 listed below.

4. *Evaluate the survey to determine if the 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.*

Each court or jurisdiction within the County has at least one person dedicated to collection activities. The County has also developed a case management system that is utilized by all courts to track payment plans, make automated phone calls for late payments, and generate missed payment letters.

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.*

The County has developed a case management system that is utilized by all courts to automatically track payment plans. The system flags accounts that are delinquent, schedules them for phone calls, makes the phone calls, and generates a mailing list and letters for delinquent accounts.

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

Per the survey, all courts utilize phone calls and mailings to try to collect on accounts with balances more than 60 days past due. The County Court-at-Law will also issue a *capias* pro fine. Delinquent cases are also referred to a third-party for collection, and the defendant is reported to OmniBase<sup>1</sup>.

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 OCA Financial Analyst, Bell County is compliant with reporting requirements.

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

Of the 53 cases tested, two errors were detected. Taking into consideration the inherent sampling error, we are 90% confident that the error rate would not be greater than 6.99% if all of the cases were tested.

***Management Response: Management is confident that applications are obtained within one month of assessment date and contain required contact and ability to pay information. However, additional training will be conducted to ensure that the collection of this information is documented by staff.***

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<sup>1</sup> OmniBase Services of Texas maintains and administers the central database for the cities and counties contracted to use the Department of Public Safety's Failure to Appear (FTA) Program. The FTA program provides an effective collection and enforcement tool by restricting the violator's ability to renew their driver's license for outstanding violations.

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 53 cases tested, four errors were detected. Taking into consideration the inherent sampling error, we are 90% confident that the error rate would be between 2.03% and 13.33% if all of the cases were tested.

***Management Response: Management is confident that contact information obtained within the application is verified within the specified timeframe. However, additional training will be conducted to ensure that this information is documented by staff.***

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 53 cases tested, three errors were detected. Taking into consideration the inherent sampling error, we are 90% confident that the error rate would not be greater than 10.32% if all of the cases were tested.

***Management Response: Management is confident that interviews are being conducted in a timely manner. However, additional training will be provided to ensure that all interviews are documented as having met specified timelines.***

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 53 cases tested, no errors were detected. Taking into consideration the inherent sampling error, we are 90% confident that the error rate would not be greater than 2.43% if all of the cases were tested.

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 52 cases tested, no errors were detected. Taking into consideration the inherent sampling error, we are 90% confident that the error rate would not be greater than 6.59% if all of the cases were tested.

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 39 cases tested, no errors were detected. Taking into consideration the inherent sampling error, we are 90% confident that the error rate would not be greater than 8.24% if all of the cases were tested.

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 30 cases tested for the County Court, no errors were detected. No other courts issue capias pro fines. Taking into consideration the inherent sampling error, we are 90% confident that the error rate would not be greater than 7.97% if all of the cases were tested.

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).*

Bell County is compliant with Article 103.0033 of the Code of Criminal Procedure and 1 TAC §175.3. The County was compliant with all four (4) of the Operational Components, and maintained a compliance rate greater than 80% for each of 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 Bell 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 July 1, 2012 through August 31, 2012, 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

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