



Office of Court Administration

Collection Improvement Program

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

Collin County

December 16, 2014

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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 Collin 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 issues 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.

Collin 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 February 1, 2014 and March 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.*

Collin County provided seven (7) populations of cases, totaling 2,122 cases, with pleas from February 1, 2014 through March 31, 2014.

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

In order to determine how many of the 2,122 cases involved payment plans, we used the Collin County Case Records Search page to compare the plea dates and case dispositions. All cases where the plea date was outside the scope, the case was dismissed, the case ended in an acquittal, the case was deferred, the defendant is incarcerated by the Texas Department of Criminal Justice, and duplicate cases were removed from the population. After removing all of these cases we were left with a population of 1,132 cases for testing. Cases with no missed payments, cases with missed payments, and cases that went to warrant were identified and the population was sorted. The first set of cases was used to determine if defendant contact information was properly obtained and verified, the second was used to test delinquency phone calls and letters, and the last set was used to test for notices prior to Capias warrants being issued.

For Procedures 8 through 11 below, we tested a total of 69 cases. For Procedures 12 and 13 below, we tested a total of 91 cases. For Procedure 14 below, we tested a total of 54 cases.

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

Completed surveys were obtained and reviewed for information pertinent to the engagement. Survey responses and on-site discussions and observations were used to determine compliance in Procedures 4 through 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.*

The County has seven (7) collection programs, and each program has staff members dedicated to the collection activities. This was confirmed while on-site during the engagement.

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 uses both manual and electronic systems for the monitoring of payment plan compliance. The processes was confirmed while on-site during the engagement.

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.*

The County continues to make phone calls and issue delinquency notices for cases that are seriously delinquent. After multiple missed payments, the County issues Capias Pro Fine warrants and sends cases to OmniBase¹. This was confirmed to be the process while on-site during the engagement.

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 Regional Collection Specialist, Collin County is compliant with the program's 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 69 cases tested, 11 errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is between 12.66% and 19.87%.

The County is in compliance with this 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 69 cases that were tested, three (3) errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is no higher than 9.61%.

The County is in compliance with this component.

¹ 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.

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 69 cases that were tested, one (1) error was noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is no higher than 6.10%.

The County is in compliance with this 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 69 cases that were tested, no errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is no higher than 4.34%.

The County is in compliance with this 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 91 cases tested, 20 errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is between 14.81% and 27.66%.

The County is in compliance with this 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 91 cases tested, 13 errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is between 7.27% and 15.66%.

The County is in compliance with this 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 54 cases tested, nine (9) errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is between 11.86% and 19.73%.

The County is in compliance with this 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).*

Collin County is compliant with Article 103.0033 of the Code of Criminal Procedure and 1 TAC §175.3. The County is compliant with all four (4) of the Operational Components, and maintained a compliance rate greater than 80% for all 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 Collin 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 February 1, 2014 through March 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
Amanda Price, CFE; Auditor

REPORT DISTRIBUTION

Andrea S. Thompson
District Clerk
Collin County
2100 Bloomdale Rd.
McKinney, Texas 75071

The Honorable Paul Raleeh
Justice of the Peace, Precinct 1
Collin County
2300 Bloomdale Rd. Ste. 1164
McKinney, Texas 75071

The Honorable Chuck Ruckel
Justice of the Peace, Precinct 3-1
Collin County
920 E. Park Blvd. Ste. 220
Plano, Texas 75074

The Honorable Mike Yarbrough
Justice of the Peace, Precinct 4
Collin County
8585 John Wesley Dr. Ste. 130
Frisco, Texas 75034

Amber Kincheloe
Program Coordinator, District Clerk
Collin County
2100 Bloomdale Rd, Suite 12132
McKinney, Texas 75071

Ms. Shannon Williams
Court Administrator, JP 1
Collin County
2300 Bloomdale Rd. Ste. 1164
McKinney, TX 75071

Ms. Misty Beaty
Court Administrator, JP 3-1
Collin County
920 E. Park Blvd. Ste. 220
Plano, Texas 75074

Stacey Kemp
County Clerk
Collin County
2300 Bloomdale Rd., Ste. 2106
McKinney, Texas 75071

The Honorable Terry Douglas
Justice of the Peace, Precinct 2
Collin County
406 A Raymond St.
Farmersville, Texas 75442

The Honorable John Payton
Justice of the Peace, Precinct 3-2
Collin County
920 E. Park Blvd. Ste. 210
Plano, Texas 75074

Mr. Jeff May
County Auditor
Collin County
2300 Bloomdale Rd., Ste. 3100
McKinney, Texas 75071

Julie Gonzales
Collections Program Coordinator, County Clerk
Collin County
2100 Bloomdale Rd. Ste. 12165
McKinney, Texas 75071

Ms. Darla Boone
Court Administrator, JP 2
Collin County
406 A Raymond St.
Farmersville, Texas 75442

Ms. Brenda Terrell
Court Administrator, JP 3-2
Collin County
920 E. Park Blvd. Ste. 210
Plano, Texas 75074

Ms. Betty Wolff
Court Administrator, JP 4
Collin County
8585 John Wesley Dr. Ste. 130
Frisco, Texas 75034

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

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

Ms. Cynthia Montes
Regional Collection Specialist
Office of Court Administration
110 W. Hickory St., Ste. 226
Denton, Texas 76201

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

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