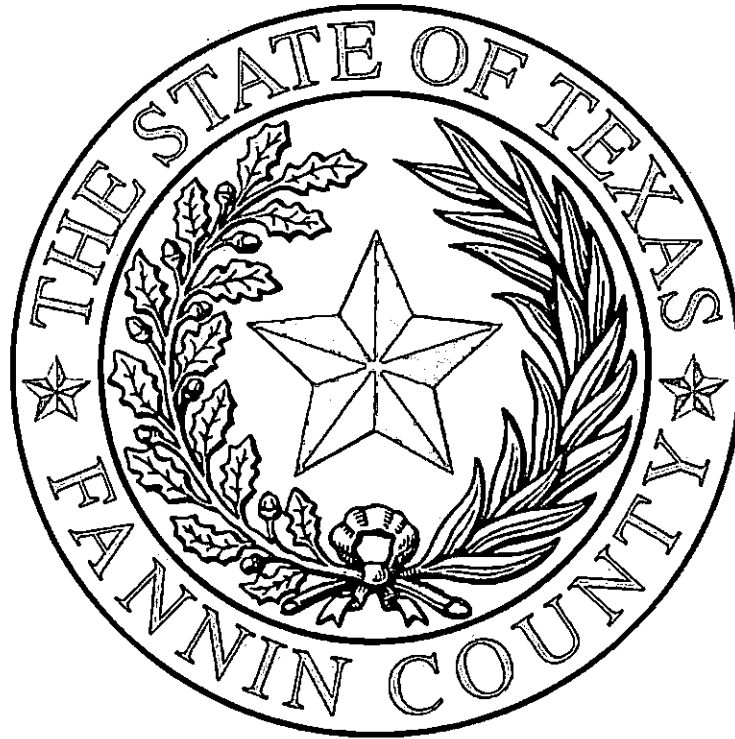


# **FANNIN COUNTY INTERNAL AUDITOR'S REPORT**

## **FANNIN COUNTY CLERK'S VITALS AND LAND RECORDS**

October 1, 2024 - September 30, 2025



**January 2nd, 2026**

**Alicia Whipple**

**Fannin County Auditor**

**Michael Barker**

**Fannin County Assistant Auditor**

**Internal Audits**



**OFFICE OF THE**  
**COUNTY AUDITOR**

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January 2<sup>nd</sup>, 2026

Honorable Jenny Garner, Fannin County Clerk  
Honorable Commissioners Court of Fannin County

Re: Internal Auditor's Report – Review of Financial and System Controls, County Clerk Vital Statistics and land records.

## **INTRODUCTION**

The Internal Audit Division conducted an internal audit of the County Clerk's Office as authorized by Local Government Code (LGC) §115. The audit methodology included data analysis, observation, and interviews with key process owners. The scope of this internal audit includes the financial records and administrative procedures of the County Clerk's Vital Statistics and Land Records functions. The County Clerk's books, accounts, reports, and records were examined as part of this audit; however, the examination was not all-inclusive.

The objectives of this audit were to provide reasonable assurance regarding:

1. Accuracy and consistency of financial data
2. Protection of assets
3. Proper receipting and timely deposit of all funds in compliance with statutory requirements
4. Accurate fee assessment and statutory compliance for recorded instruments
5. Adequacy of internal controls over financial transactions
6. Compliance with applicable legal and regulatory requirements

The County Clerk bonds were reviewed for compliance with Government Code §51.032. Selected transactions were reviewed to verify statutory fee compliance. Office operations were observed, and staff interviews were conducted to assess internal controls.

Due to the fact that not every transaction was thoroughly examined during the internal audit, there is a possibility that errors or fraud were overlooked. As a result, the official is responsible for ensuring that the financial data is complete and accurate.

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## **BACKGROUND**

The Office of the County Clerk was established by Article V, Section 20 of the Texas Constitution. The County Clerk serves as clerk of the county courts, including probate and commissioners' courts, and performs election-related duties.

The **Vital Statistics Department** serves as the local registrar and is responsible for statutory duties related to birth, death, marriage, and assumed name records. Responsibilities include issuing certified copies, collecting fees, correcting records, maintaining confidentiality, and ensuring compliance with state law, acting as the central point for recording life events and providing access to these essential public records for citizens and government agencies.

The **Land Records Division** maintains and records property-related documents such as deeds, liens, plats, assumed names (DBAs), and military discharges. The office ensures accurate indexing, preservation, and public accessibility of these records while complying with state and federal laws governing public records. This office acts as the official record keeper, ensuring these crucial legal instruments are searchable, secure, and available to citizens.

During the audit period, the Vital Statistics and Land Records divisions collected **\$407,656.25** in fees. In the prior fiscal year (October 2023 – September 2024), collections totaled **\$414,075.00**.

Jenny Garner began her first term as Fannin County Clerk in August 2024. Angela Frazier, Chief Deputy Clerk, has served in the office since July 2011. The remaining staff includes a combination of long-term and newly hired employees.

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## **EXAMINATION METHODOLOGY**

Audit procedures included analytical review, sampling, observation, inquiry, and testing of financial records and internal controls. Sampling techniques were used and, therefore, do not necessarily disclose all errors, weaknesses, or misstatements that may exist. The audit relied upon representations made by County Clerk personnel unless otherwise noted.

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## **OBSERVATIONS AND RECOMMENDATIONS**

### **1. Plats**

The county clerk's office filed and recorded 46 Plats from 10/1/2024 to 9/30/2025. The Auditor's Office reviewed 50% of these plats for compliance with Texas Property Code §12.002 and LGC §212.005–212.006. These statutes outline the framework for municipal control over plats, ensuring orderly development by requiring official sign-off before properties can be formally recognized and sold as part of a subdivision, while also specifying it has been

approved by the appropriate municipal authority before the county clerk records the plat. Also, the plats must have an original tax certificate from each relevant taxing unit, indicating that there are no delinquent property taxes. Texas counties require tax receipts with recorded plats to ensure all property taxes are paid and to prevent new parcels from being created with existing tax burdens and verifying accurate property descriptions for appraisals. It confirms no delinquent taxes exist before dividing land, protecting county revenue and public records.

**Comment:**

All plats reviewed contained the appropriate approvals and tax proof as mandated by Texas Property Code §12.002 and LGC §212.005–212.006.

## **2. Internal Office Procedure Manual**

An updated office procedure manual is essential, particularly when there are personnel changes. A comprehensive manual promotes consistency, reduces training time, minimizes risk, and standardizes procedures. It also assists with continuity during employee absences.

The existing internal office procedure manual appears to be outdated and lacks sufficient detail related to job-specific functions.

**Recommendation:**

Each clerk should document their assigned duties and responsibilities. Management should schedule recurring meetings to develop and maintain a comprehensive office procedure manual. Priority should be given to documenting critical, routine, and complex procedures first. Once an office manual has been established, the manual should be reviewed and updated at least annually.

## **3. Vital Statistics & Land Record Transactions**

A random sample of 200 transactions was selected to verify that services rendered matched receipts issued and that fees charged complied with Texas Administrative Code (TAC) Title 25 §181.22 and LGC §§118.011 and 118.013. All transactions fees reviewed for various recorded instruments were charged correctly and the products and services rendered by the County Clerk were receipted accurately.

One issue that was discovered, is that a courthouse security fee of \$1.00 was being charge when processing a birth certificate transaction. This \$1.00 fee should have been assessed as a vital preservation fee instead.

**Recommendation:**

The County Clerk has instructed Fidlar to update the system to correctly assess the \$1.00 vital preservation fee on all future birth certificate transactions. All other fees reviewed were assessed accurately and in compliance with statute.

## **4. Separation of Duties**

Proper segregation of duties is a key internal control to reduce the risk of error or fraud. The goal of the segregation of duties review is to gain a general understanding of the key functions within the County Clerk’s office and determine

whether the responsibilities assigned to individual clerks do achieve adequate segregation of duties. Our audit included a review of the deputy clerk's roles and the responsibilities assigned to each role. At least two sets of eyes are required for any transaction. No individual should have responsibility for initiating, approving, recording, reconciling, and handling assets for the same transaction.

Due to limited staffing and multiple locations, full segregation of duties is difficult. The following issues were noted:

- Mail is opened by individuals who also process payments
- Till balancing is not independently verified

### **Recommendation:**

When staffing permits, mail should be opened by personnel who do not process payments. Employees accepting payments should not be responsible for balancing tills or depositing funds.

## **5. Cash Handling**

Payments collected at the County Clerk's office are not being placed in a secure lock box or drawer when received. Cash and checks received are stored in envelopes at individual desks during the business day.

### **Recommendation:**

Provide individual locking cash drawers for employees handling payments and ensure adequate physical security for cash-handling operations.

## **6. Marriage License Fee**

There are two types of marriage application fees the office collects for: The most common is a regular marriage licenses and the other type is a declaration of informal marriage licenses. LGC §118.011 (7) states the amount of the Marriage License Fee is \$60.00. LGC §118.011 (8) states the amount of the Declaration of Informal Marriage License Fee is \$25.00.

### **Comment:**

No discrepancies were identified for all fees assessed on marriage licenses during the audit period.

## **7. Minimizing Exposure to Loss**

An effective method for minimizing exposure to loss and providing the county with maximum benefit of collections is to deposit the funds received daily. The County Clerk's Office accepts cash, checks, and credit cards. Checks are restrictively endorsed immediately upon receipt.

### **Comment:**

A sample of daily deposits were tested to ensure that the amounts deposited to the bank agreed with the daily reports and were deposited on a timely basis. The County Clerk's office is consistent in making daily deposits.

## **8. Birth Certificates Issued**

The County Clerk's office processed 899 birth certificates within the last fiscal year. We reviewed three months of birth certificate transactions within the audit period that were processed by the County Clerk's office. As part of our analysis, we compared monthly payments to the Texas Department of State Health Services of Vital Statistics to verify the amount submitted to the state accurately reflected the amount of birth certificate transactions process during the month.

### **Comment:**

No discrepancies were identified between the County Clerk records, state submissions, and Fannin County remote birth reports.

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## **CLOSING REMARKS**

This report is intended solely for the information and use of the Fannin County Clerk's Office and the Commissioners' Court. The deputy clerks were cooperative and provided valuable insight into daily operations and future goals.

The County Clerk's Office demonstrated generally sound practices with minimal recommendations. We appreciate the cooperation and professionalism of management and staff during this audit.

Please contact the Auditor's Office if you have any questions regarding this report.



FANNIN COUNTY AUDITOR'S OFFICE  
MEMORANDUM

January 5th, 2026

Honorable Jenny Garner  
Fannin County Clerk  
800 E. 2nd Street  
Bonham, TX 75418

Subject: Acknowledgement of Receipt of the Final Audit Report for the Fannin District Clerk Criminal Matters review.

Dear Jenny Garner,

This letter is to formally acknowledge the release and your department's receipt of the final internal audit report regarding the vital statistics and land records of the County Clerks office for the period 10/1/2024 to 9/30/2025.

We appreciate the courtesy and cooperation extended to us by you and your staff during the course of the audit. The report outlines our findings, observations, and recommendations, which are designed to strengthen your department's processes and internal controls.

Please feel free to reach out to me by telephone at 903-583-7451, extension 1612, or by email at mbarker@fanninco.net should you have any questions regarding this audit report.

Michael Barker 1-8-2026  
Fannin County Internal Auditor Date

Jenny L Garner 8 Jan 2026  
Fannin County Clerk Date

(Please sign and return to the Fannin County Internal Auditor, Michael Barker.)