



AUDIT REPORT

Fannin COUNTY

County CLERK CRIMINAL FY2020



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MANAGEMENT LETTER

Honorable Tammy Biggar
County Clerk
Bonham, Texas

Attached is the County Auditor's final report entitled "**County Clerk Criminal FY2020**" Report. In order to reduce paper usage, a hard copy will not be sent through in-house mail except to the auditee.

If you prefer that released reports be emailed to a different (or additional) recipient, please inform me of the name and the change will be made.

Respectfully,

A handwritten signature in blue ink that reads "Alicia R. Whipple". The signature is written in a cursive style.

Alicia R. Whipple
County Auditor

INTRODUCTION

Fannin County Auditor's Office mission is to provide responsible, progressive leadership by accomplishing the following:

- Comply with applicable laws and regulations
- Safeguard and monitor the assets of the County utilizing sound fiscal policies
- Assess risk and establish and administer adequate internal controls
- Accurately record and report financial transactions of the County
- Ensure accurate and timely processing of amounts due to County employees and vendors
- Set an example of honesty, fairness and professionalism for Fannin County government
- Provide services with integrity
- Work in partnership with all departments to resolve all issues of the County
- Strive to utilize the latest efficient and effective technology in the performance of tasks
- Provide technical support and training in the development, implementation, and maintenance of information systems
- Hold ourselves accountable to the citizens of the County at all times
- Be responsive to the elected officials and department heads of Fannin County

The objectives of this audit are to:

1. Ensure compliance with statutory requirements
2. Evaluate internal controls
3. Verification of accuracy and completeness of reporting
4. Review controls over safeguarding of assets

This audit covered the period of January 1, 2020 through December 31, 2020.

The audit procedures will include interviews with key process owners, observation of transactions processing, data analysis and sample testing of transactions. The main system used will also be reviewed and incorporated as part of the testing of transactions.

BACKGROUND

The Fannin County Clerk serves as the official record keeper of proceedings on all court cases heard in the county's courts, including misdemeanor, civil, probate, and mental health courts, as well as the Commissioners' Court. The County Clerk also conducts elections for Fannin County voters. This office is divided into a number of divisions. The Clerk's Recording Division preserves documents pertaining to real property, business, and personal records. The Misdemeanor Division records all information on all class A and B misdemeanor offenses and provides administrative support to the county courts. The Civil/Probate Division keeps records for the civil and probate courts, while the Records Management Division stores a variety of records, providing retrieval services for the public, including the official minutes of the Commissioners' Court. The Elections Division conducts general and special elections as well as early voting.

EXAMINATION METHODOLOGY

Our work was based on applying sampling procedures to office records and on verbal and written representations from the County Clerk's Office. Sampling relates to examining, on a test basis, evidence supporting the amounts and disclosures in the financial records and statements. The use of sampling techniques would not necessarily disclose all matters in the office's financial statements, financial records, and financial controls that might be material weaknesses or misstatements. In regard to the written and verbal representations made by personnel from the County Clerk's Office, unless otherwise noted in this report, office management maintains that the assertions we relied upon in the examination were correct to the best of their knowledge.

SUMMARY OF FINDINGS/RECOMMENDATIONS

A review of County Clerk Criminal for fiscal year 2020 revealed the observations listed below with recommendations:

- Department did not have posted in a conspicuous place in office a complete list of fees that can be charged by law. It is noted however, that the County Clerk does have fees posted on the county web site. (GC 603.008) – **Recommendation is to**

post fees that be charged by law in a conspicuous place in all county clerk locations.

- Department did not have posted warning sign that it is a crime to intentionally or knowingly file a fraudulent court record or a fraudulent instrument with the clerk. (GC 51.904) - **Recommendation is to post warning sign in all clerk locations that it is a crime to intentionally or knowingly file a fraudulent instrument with the clerk.**

- Department was not submitting to the Commissioners' Court a full report of all fines imposed and collected and collected or judgements rendered and collected for use by the County. (LGC 114.044) - **Recommendation is to be compliant and file monthly reports with the commissioners' court. Since this audit was started the clerk has been submitting reports.**

- The department does not have a policy of immediately stamping all checks with a restrictive endorsement. – **Recommendation is to stamp all checks received immediately with a restrictive endorsement.**

- Balancing is not verified by someone different than the person taking the money. – **Recommendation is to have a clerk verify balances at the end of the day that is not the clerk collecting to have the segregation of duties.**



- Mail is not opened by someone other than the person taking in office receipts. – **Recommendation would be to have a clerk that does not take in office receipts to open mail. This too should have a segregation of duties so that if any payments are obtained through the mail someone other than person completing the receipts handle what comes in by mail.**

- No policy on recording checks and cash received. – **Recommendation would be to have a written policy for office on the recording of checks and cash received.**

- No system in place to collect outstanding amounts owed. – **Recommendation would be to put in place a system for collecting all outstanding fines and fees owed in a timely manner. The current system does not specify any specific amounts or timelines to pay on the outstanding debt which leaves a large amount of money owed to the county.**

- Office does not maintain and reconcile bank statements. – **Recommendation is that the clerks' office reconcile their bank statements. Currently this is being completed by the auditor's office. This shouldn't be done by the auditor's office as the auditor's office audits the records of the clerk.**

- Office does not compare reports to accounting records for accuracy. – **Recommendation is that the clerks' office compare their reports to the report of the auditor to ascertain that records are accurate.**

- Certified payment made on December 8 was not posted in Odyssey. – **Recommendation is that all payments received are posted in Odyssey daily.**

- Restitution collected had not been paid out. - **Recommendation is to catch up on all restitution that has been collected by the county clerk. Once this has been**

established the clerk should not collect restitution only court costs. Defendants should be paying the restitution to the Probation Department that will disperse the restitution to the appropriate people or businesses.

- Bill of cost reflected more on attorney's fee than what attorney billed. –

Recommendation is to verify that everything matches. The District Attorney's office completed the bill of cost which was in the amount of \$305.00 for all fees. The judgement in the case stipulated the defendant pay court costs of \$605.00 (court cost and court appointed attorney cost). Bill of costs was \$305.00 and court appointed attorney was \$300.00 (standard rate for attorney). The attorney billed only \$175.00 which was \$125.00 less what was recorded in the judgment that was signed by the judge.

- Case from 2018 not processed. – When in clerks' office the District Attorney's office came upon a case from 2018 that had not been processed. - **Recommendation would be that clerk's office have a policy in place to ensure all cases are processed.**

- Attorney voucher not in Odyssey multiple cases. – **Recommendation is to have all documents related to cases scanned into Odyssey. Not only does this allow everyone to see all information it will also allow the office to move to the direction of being paperless.**

CLOSING

This information is intended solely for the information and the use of the Fannin County Clerk's Office and the Commissioners' Court. We greatly appreciated the cooperation and the assistance that we received from the management and the staff of the County Clerk's Office during this examination. Ms. Sarah Long and Ms. Robyn Owens both went above and beyond to assist in this process. Although both ladies were still very new to this department they were both already very knowledgeable of general procedures. Some of the observations noted could be attributed to moving from the courthouse to the temporary location and just failing to get things set up like it was in the courthouse. The lack of certain things being done could be attributed to turnover in this department and the lack of proper training. Please feel free to contact us if you have any questions regarding this report.

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