



COLLIN COUNTY

OFFICE OF COUNTY AUDITOR
2300 Bloomdale Road • Suite 3100
McKinney, Texas 75071
(972) 548-4731 • Metro (972) 424-1460
Fax (972) 548-4696

Date: March 6, 2012
To: Judge Mike Yarbrough, Justice of the Peace, Precinct 4
From: Jeff May, County Auditor 
Subject: Second and Third Quarter FY11 Audit Results – Final

Internal Audit began an examination of the Justice of the Peace, Precinct 4, financial books and records on August 8, 2011 in accordance with Texas Local Government Code §115.002. The audit objectives were to provide reasonable assurance receipts and disbursements were promptly accounted for, accurately recorded and properly disbursed, and the internal controls were sufficient to protect County assets.

This review covered the period between January 1, 2011 and June 30, 2011. The audit procedures included a cash count, a test of deposits and receipts, a verification of disbursements, a review of the fee schedule and an examination of other financial aspects of your office.

During the review, we identified certain practices and procedures we believe could be enhanced to strengthen internal controls and increase efficiencies. This review was not intended to be a comprehensive examination of every procedure, activity, or control. Accordingly, the findings and recommendations presented in this report should not be considered all-inclusive of the areas where improvements may be needed.

Your office personnel were extremely helpful and courteous in assisting with this review. An exit conference was held with you on December 2, 2011.

Please feel free to contact us with any questions you may have.

Cash Receipts

Findings

1. As of August 19, 2011, an "Issuance of Bad Check" charge for non-sufficient fund checks had not been initiated within ten days, as stipulated in the demand letter sent to the defendants. The two cases are listed below:
 - a. On case 04-TR-10-01994, a letter was sent to the defendant January 20, 2011 requesting payment by January 30, 2011.
 - b. On case 04-TR-10-05590, a letter was sent to the defendant March 22, 2011 requesting payment by April 1, 2011.
2. As of August 19, 2011, the bonds had not been forfeited, as stipulated by a court order or a "Notice of Bond Forfeiture" letter sent to the defendants. The letter requested a response to the final default judgment on their case within ten days or their bond would be applied to satisfy court costs. The four cases are listed below:
 - a. On case 04-TR-09-12239, a letter was sent to the defendant March 25, 2011 requesting a response by April 4, 2011.
 - b. On case 04-TR-10-00220, a letter was sent to the defendant April 19, 2011 requesting a response by April 29, 2011.
 - c. On case 040TR090337201, a May 11, 2011 court order stipulated that the bond would be forfeited immediately.
 - d. On case 04-TR-10-02746, a letter was sent to the defendant June 24, 2011 requesting a response by July 5, 2011.

Recommendations:

1. The "issuance of bad check" charge should be filed and a warrant issued when the defendant is non-responsive to the follow up letter.
2. Forfeiture procedures should be immediately initiated.

Response:

1. In order to avoid conflict of interest we would have to file such charges through the District Attorney's office and another court; we have found placing the original case into capias pro-fine warrant has been a much more efficient way to collect both the original fee/fine and the NSF fee.
2. Forfeiting cash bonds can be time consuming; we do a batch of forfeitures at least two – three times each month, but always give those case where a refund is due priority over cases that will forfeit the bond completely. We also try to work with the defendants with "fail to pay toll charges" and the NTTA to give as much latitude as possible to allow the public to make restitution before the bonds are forfeited. All of the cases on the above list have gone through the forfeiture process.