

TOM GREEN COUNTY



San Angelo, Texas

**OFFICE OF THE
County Auditor**

June 7, 2022

The Honorable Anthony Monico,
District Clerk Tom Green County
112 West Beauregard Avenue San
Angelo, Texas 76903

Dear Mr. Monico,

We recently completed our quarterly review of your office's financial records for the months of April 2021 through September 2021. Included in the review were the Treasurer's receipts, District Clerk receipts, the Odyssey receipt journal and till report, the disbursements, the deposits, the Treasurer's receipts, and the official District Clerk monthly report. We examined your Special Account bank activity and reconciliations as well as detailed examination of fees assessed and paid. In addition, we reviewed the District Clerk trust funds as well as the tax excess proceeds.

While testing fees, we found two instances of time payment fee being removed on deferred adjudication cases. Senate Bill 1923, effective 9/1/21, added Article 101.004 to the Code of Criminal Procedure which states that the time payment fee can now be charged on community supervision, deferred adjudication, or deferred disposition cases. We recommend charging and collecting these fees as set by statute. In addition we found that fees were not allocated correctly on a number of E-file receipts to cases. We provided a list of these cases so that corrections can be made on them.

Balances on disposed tax suits were first reported in the District Clerk's October 2018 – March 2019 review letter and continues to be a concern. When we reviewed the tax suit certificates of deposit, past and present, most of the cases show court costs owed. On this review, we presented a detailed spreadsheet noting eight "Disposed" cases which still have balances because disbursements noted on the Sheriff's Return as made by Linebarger, are not reflected in Odyssey. Additionally, two of these tax cases are missing assessed fees listed on the Sheriff's Return. As these balances haven't been adjusted for the payments made by Linebarger per the Sheriff's Return, for many years, the Odyssey Accounts Receivable balance may be overstated as court costs remain on most tax cases reviewed. Our continued recommendation is to correct these cases by applying the payments made by Linebarger in order to fairly represent the Accounts Receivable balance in Odyssey.

In that same letter, and most of the letters since then, we recommended preparing and keeping a subsidiary ledger, in order to have a detailed list by case with balances to tie to the Special Account bank balance. As the District Clerk's Special Account operates as an escrow account, holding funds until they are released by court order, this will help identify which monies need to be disbursed. As such, the ledger should include dates, cause numbers, amounts and fund type (adoption fees, overpayments, bonds, etc.). There is no need for the Special Account subsidiary ledger to be complicated, it may be kept either manually, in Excel,

or in Quicken. The subsidiary ledger would identify outstanding items, for example, a case we found with undisbursed funds of \$75.00 due to the Travis County Constable Precinct 5. A check had been issued in May 2019 but was never cashed. A stop payment was issued in June 2020. A new check was never issued, for which we would recommend a new check to the Travis County Constable Precinct 5 or returning the \$75.00 to the payee.

In addition, there are processing times that we feel need your attention. We found that in tax suits, there was an average 93 day delay in investing funds after there was a court order to invest the funds. We also found that there was an average 100 day delay in disbursing funds after there was a court order to disburse the funds. The court orders also directed disbursement of the interest earned while the funds were invested, and the interest was not disbursed on several cases. We believe some cross training may alleviate some of these delays, so that there is a backup if the bookkeeper is out, but the processes generally need improvement regardless.

There were other minor items we discovered and discussed separately with your staff. It took several requests for information to obtain the documentation needed for this review and for the independent auditor's end of year audit. Timely receipt of the information we request is crucial to completing the reviews, and we hope not to have to impose deadlines in the future, or base findings on lack of information. We would greatly appreciate your cooperation in that matter.

Very cordially,

A handwritten signature in black ink that reads "Nathan Craddock" with a long horizontal flourish extending to the right.

Nathan Craddock
County Auditor

Cc: The Honorable Jay Weatherby, District Judge The Honorable Commissioners Court
 340th Judicial District, Texas Tom Green County, Texas