



# OFFICE OF COURT ADMINISTRATION

DAVID SLAYTON  
Administrative Director

June 28, 2015

The Honorable Mark Henry  
County Judge  
Galveston County  
722 Moody, Suite 200  
Galveston, Texas 77550

Re: Independent Auditor's Report on Court Collections

Dear Judge Henry:

The Collection Improvement Program (CIP) Audit staff of the state Office of Court Administration has completed its compliance engagement for Galveston County (County). Our testing indicates the collection program for the County is not compliant with the requirements of Article 103.0033 of the Code of Criminal Procedure and 1 TAC §175.3. In testing the required components, the County was found to be out of compliance with three (3) of the seven (7) Critical Components. In addition, it was agreed that an additional component needs to be addressed to ensure the County is compliant in any subsequent compliance engagement.

According to Section 133.058(e) of the Local Government Code, the County has 180 days to re-establish compliance in order to continue retaining a service fee for the collection. Please notify me when the County is operating its collection programs in compliance with 1 TAC §175.3, and a follow-up audit will be scheduled.

The procedures used to conduct this engagement are enumerated in the Detailed Procedures and Findings section of the enclosed report. The procedures were agreed to by the CIP Technical Support Department of the Office of Court Administration solely to evaluate whether the collection program of the County has complied with Article 103.0033 of the Code of Criminal Procedure and 1 TAC §175.3.

This report is intended solely for the information and use of the Office of Court Administration and Galveston County and is not intended to be, and should not be, used by anyone other than those specified parties.

We extend our gratitude to your collection staff for the courtesy and professionalism extended to us, and we look forward to working with you in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Magness", is written over a horizontal line.

Greg Magness, CIA, CGAP  
Audit Manager

Enclosure



**Office of Court Administration**

**Collection Improvement Program**

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

**Galveston County**

**July 28, 2015**

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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 Galveston 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 not compliant with the requirements of Article 103.0033 of the Code of Criminal Procedure and 1 TAC §175.3. In testing the required components, the County was found to be out of compliance with three (3) of the seven (7) Critical Components. In addition, it was agreed that one (1) additional component needs to be addressed to ensure the County is compliant in any subsequent compliance engagement.

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.

Galveston 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 November 1, 2013 through December 31, 2013, 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.*

Galveston County provided a list of defendants who accepted a payment plan for the court costs, fees, and fines during the period of November 1, 2013 through December 31, 2013.

***Management Response: See Appendices B, C, and D for responses.***

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

After obtaining a population of all adjudicated cases, the cases were separated into three separate populations, and a randomly-generated, statistically-valid sample was selected from cases that had no missed payments and cases that missed a payment(s). After testing 195 cases only 15 cases were found that were issued a *capias pro fine*. Due to time constraints no more *capias pro fine* cases were tested.

The number of samples tested for each population are listed below:

- Payment Plans with no missed payments - 82 cases were tested for procedures 8 - 11 listed below.
- Payment Plans with missed payments - 79 cases were tested for procedures 12 - 13 listed below.
- Cases where a *capias pro fine* was issued – all 15 cases identified from the Justice courts that issue *capias pro fines* were tested for procedure 14 listed below.

***Management Response: See Appendices B, C, and D for responses.***

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

A completed survey was obtained and reviewed from each program for pertinent information to the engagement. The responses were used to determine compliance with procedures 4 - 6 below.

***Management Response: See Appendices B, C, and D for responses.***

4. *Evaluate the survey to determine if each 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.*

Galveston County has three (3) county courts-at-law, six (6) district courts, and eight (8) justice courts. The county courts and district courts jointly have a collection program, and the justice courts collectively have a collection program. Each program has at least one (1) staff dedicated to the collection program who works to establish and monitor payment plans.

The County is compliant with this component.

***Management Response: See Appendices B, C, and D for responses.***

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.*

Per the surveys, both programs monitor payment plans using a collection software with each program utilizing a different software. Both programs monitor accounts for missed payments, prepares a report for delinquent accounts needing a phone call, and generates a list of delinquent accounts needing letters mailed.

The County is compliant with this component.

***Management Response: See Appendices B, C, and D for responses.***

6. *Evaluate the survey to determine if the program has a component designed to improve collection of balances more than 60 days past due. Answers will be verified through testing of Defendant Communication components.*

Per the surveys, the county seeks to collect balances greater than 60 days past due by using a third-party collection agency. The justice courts also issue capias pro fine warrants on seriously delinquent accounts.

The County is compliant with this component.

***Management Response: See Appendices B, C, and D for responses.***

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.*

In reviewing the online reporting system, Galveston County is current with the CIP reporting requirements.

The County is compliant with this component.

***Management Response: See Appendices B, C, and D for responses.***

8. *Test samples generated in Procedure 2 (above) to determine if an application or contact information was obtained within one (1) month of the assessment date, and contains both contact and ability-to-pay information for the defendant.*

Of the 82 cases tested, 16 errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is between 11.28% and 27.66%.

The County is compliant with this component.

***Management Response: See Appendices B, C, and D for responses.***

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 82 cases tested, 82 errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is greater than 88.13%.

The County is not compliant with this component.

***Management Response: See Appendices B, C, and D for responses.***

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 82 cases tested, two (2) errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is less than 6.70%.

The County is compliant with this component.

***Management Response: See Appendices B, C, and D for responses.***

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 82 cases tested, 15 errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is between 10.47% and 26.27%.

The County is compliant with this component.

***Management Response: See Appendices B, C, and D for responses.***

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 79 cases tested, 76 errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is greater than 91.17%.

The County is not compliant with this component.

***Management Response: See Appendices B, C, and D for responses.***

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 79 cases tested, 65 errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is between 73.49% and 90.00%.

The County is not compliant with this component.

***Management Response: See Appendices B, C, and D for responses.***



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 195 cases reviewed, 15 cases were identified where a capias pro fine warrant was issued. In testing the 15 cases, 10 errors were noted. While this calculates as a 67% error rate, the small sample of cases tested is not sufficient to statistically validate the component.

The County agreed that there were issues within this component that need to be addressed to ensure the County is compliant in any subsequent compliance review, and no further testing was needed.

***Management Response: See Appendices B, C, and D for responses.***

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).*

Galveston County is not 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).

The County is compliant with the four (4) Operational Components, but had a compliance rate less than 50% for three (3) of the seven (7) Defendant Communication Components. In addition, it was agreed that one (1) additional component needs to be addressed to ensure the County is compliant in any subsequent compliance engagement.

***Management Response: See Appendices B, C, and D for responses.***

## **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 Galveston 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 November 1, 2013 through December 31, 2013, 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

The CIP Audit Department 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 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  
Edward Smith; Auditor



# Mark Henry

County Judge  
County of Galveston

Galveston County Courthouse  
722 Moody Avenue, Galveston, Texas 77550

Tyler Drummond  
Chief of Staff

Dianna Martinez  
Office Coordinator

Linda Bilotta Liechty  
Administrative Assistant

July 8, 2015

Mr. Greg Magness, CIA, CGAP  
Audit Manager  
Office of Court Administration  
205 West 14<sup>th</sup> Street  
Suite 600  
Austin, Texas 78711

Re: Independent Auditor's Draft Report on Court Collection for Galveston County

Dear Mr. Magness:

Thank you for forwarding the draft report of the audit for Galveston County. Per your instructions, each individual justice court and affected collections office was submitted a copy of the report and asked to submit a response to the findings, if any. What follows is the consensus of those affected offices.

Due to the nature of the audit, the justice courts were unable to determine which specific court the cases were drawn from. Therefore, no substantive response will be submitted on the issues due to lack of specific data. No one argues with the findings; everyone agrees that the system as audited during the effective time frame was broken for a variety of reasons, and this led to the collective failure of the collections process.

In reference to district and county court-at law collections, procedures adopted from trainings were ultimately found to be insufficient to meet the standard of care necessary to be in compliance in all areas.

Since the audit, the county has been proactive in taking and instituting corrective measures designed to ensure compliance. Several meetings have been held with O.C.A. staff with several more are scheduled. The recommendations being provided by O.C.A. staff are being carefully considered and adopted where feasible. Third party vendors with products specifically designed to ensure compliance with all statutory standards are being researched and, where feasible, implemented.

Galveston County takes these findings very seriously and is in the process of taking the corrective measures necessary to bring the collections process back into compliance.

Respectfully,

A handwritten signature in cursive script that reads "Mark Henry".

Mark Henry

409-766-2244 • 281-316-8300 Ext. 2244 • Fax 409-765-2915

## Response from Justice of the Peace, Precinct 1

In light of my response to the OCA audit of Galveston County, please keep in mind that I took office on January 1, 2015. That being said, there are four things to consider in understanding the performance of the JP collections:

- 1) JP collections are handled separately and differently from County Court and District Court collections. Commissioners Court has contracted with an outside collections agency. The JP office collects the information / application for payment plans, and, as long as they client is current, collects payments. Once the applicant defaults on the plan, Justice Administration and the collection agency take over.
- 2) Staffing has been dramatically cut at the JP level, which hinders the JP clerks' ability to sufficiently investigate the accuracy of information provided by the clients. These cuts occurred in 2013 and more recently in January of 2015. With these reductions in staff, commissioners had promised relief employees, and this year those two employees were cut.
- 3) The process itself is counter-productive in that the verification process alerts employers that they are employing someone with a criminal history. The employers then are hesitant to continue to employ the client. The clients know this and are hesitant to give truthful information to the JP clerks.
- 4) The JP clerks have little or no ability to reject ANY agreement, as they are just following a court order from the JP.

A possible solution, which would have a dramatic effect, would be to increase staffing in each of the four JP precincts by two to three employees to the pre-2013 level.

Alison Cox  
Justice of the Peace, Precinct 1  
Galveston County

**Response received from the Director of Justice Administration for Galveston County**

**NOTE: The responses herein relate to collections for the District/County courts in Galveston County. Galveston County contracts with a vendor for collections in the J.P. courts. The use of a combination of JP collections and County/District Court collections complicates the issues. I do not have any information on how much of the case sampling is JP and how much District/County. The JP courts use a collection agency for delinquent accounts, while the County/District Courts collect in-house. While we do assist the JP courts in an effort to insure they are in compliance with OCA guidelines, we do not handle any actual collections. The County does not currently have one office for collections in both the District/County and JP courts.**

Auditor’s Note: This engagement measures Galveston County’s compliance with the rules governing the Collection Improvement Program. As such, all collection programs within the County are tested for compliance with the requirements of Article 103.0033 of the Code of Criminal Procedure and 1 TAC §175.3.

While the Justice Administration department does not receipt monies paid on payment plans and extensions for the JP courts, a questionnaire obtained from Galveston County’s collection staff, as well as interviews conducted during this engagement, indicated that a department within Justice Administration was responsible for monitoring the court collection process for the JP offices once an application is obtained by the JP office and submitted to the department. When a case is found to be seriously delinquent (over 60 days past due), a third-party collection agency is used to improve collections. Auditors verified this process while on-site.

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**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 82 cases tested, 82 errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is greater than 88.13%.

The County is not compliant with this component.

**Management Response: The numbers and percentages related to cases combined from the District/County courts and the JP courts. I cannot answer as to the correctness of these numbers because we do not collect for the JPs.**

**This issue has been reported in previous audits and the decision to not make telephone calls (for District/County courts) when time and staffing permits was based on:**

- (1) Concern the call could cause the employee to lose his/her job (while the previous auditor has told us that we don’t have to say who we are, caller ID identifies the County as the caller)**
- (2) Insufficient staff to make phone calls regularly**
- (3) Criminal case filings in Galveston County have doubled in the last 10 years while collection staff has been reduced**

- (4) Court orders payment agreement and verification of employment does not impact decision to make or continue payment agreement***
- (5) Defendants express concern about us calling their employer***
- (6) We were told by the previous O.C.A. Auditor that we simply need to put a check mark on the payment agreement and it would be counted as "verified". It appears that information was considered insufficient for the purpose of the 2015 audit.***

Auditor's Note: 1 TAC §175.3(c)(2) requires verification of the defendant's home or contact telephone number and the employer or source of income. Verification must be documented by identifying the person conducting it and the date. No documentation was provided that showed employment, nor the defendant's contact information, was verified. While the respondent's concern for the defendant's employment has been expressed by jurisdictions in the past, there have been no documented occurrences of a defendant losing his job due to a court verifying employment. To mitigate the concern of the defendant losing his/her job, there are alternative ways to obtain verification without calling the employer.

While the Justice Administration department does not receipt monies paid on payment plans and extensions for the JP courts, a questionnaire obtained from Galveston County's collection staff, as well as interviews conducted during this engagement, indicated that a department within Justice Administration was responsible for monitoring the court collection process for the JP offices once an application is obtained by the JP office and submitted to the department. While cases tested represent a sample of cases from all courts, all cases tested failed this component, indicating this is a county-wide issue.

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***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 79 cases tested, 76 errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is greater than 91.17%.

The County is not compliant with this component.

***Management Response: The numbers and percentages related to cases combined from the District/County courts and the JP courts. I cannot answer as to the correctness of these numbers because we do not collect for the JPs.***

***The County (District/County courts) has a report procedure that provides information of missed payments and it is our policy to make the telephone call, when resources are available. The reasons for occasional periods of non-compliance are:***

- (1) Insufficient staff to make phone calls (previously had deputy constable and temporary employees to assist with this duty)***
- (2) Phone calls were made, but not properly recorded/evented in the case file.***
- (3) Telephone calls during daytime hours are largely unsuccessful.***

Auditor's Note: 1 TAC §175.3(c)(5) requires a telephone call to be made within one month of a missed payment. In speaking with the representative of the JP Collection program within the Justice Administration department, she explained she was temporarily moved from her collection duties and assigned as a back-up clerk in several of the JP offices during the time period being reviewed, and could not perform the required phone calls. In speaking with the representative of the District/County Court collection program during the engagement, she explained that the department does not perform phone calls for delinquency on payment plans.

While the Justice Administration department does not receipt monies paid on payment plans and extensions for the JP courts, a questionnaire obtained from Galveston County's collection staff, as well as interviews conducted during this engagement, indicated that a department within Justice Administration was responsible for monitoring the court collection process for the JP offices once an application is obtained by the JP office and submitted to the department.

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**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 79 cases tested, 65 errors were noted. Taking into consideration the inherent sampling error, we are 90% confident that the error rate is between 73.49% and 90.00%.

The County is not compliant with this component.

**Management Response: The numbers and percentages related to cases combined from the District/County courts and the JP courts. I cannot answer as to the correctness of these numbers because we do not collect for the JPs.**

**Our policy is to generate demand letters within one month of a missed payment. For the District/County courts, the conversion to Odyssey caused certain delays as we worked on programming for forms, eventing, coding, and reporting of cases. Much of the staff handling these duties had the added, and prioritized, duties of software conversion and data verification.**

Auditor's Note: 1 TAC §175.3(c)(6) requires a written delinquency notice to be sent within one month of a missed payment. In speaking with the representative of the JP Collection program within the Justice Administration department, she explained she was temporarily moved from her collection duties and assigned as a back-up clerk in several of the JP offices during the time period being reviewed, and could not mail the required delinquency notices. In speaking with the representative of the District/County Court collection program during the engagement, she explained that the department does not mail notices for delinquency on payment plans.

While the Justice Administration department does not receipt monies paid on payment plans and extensions for the JP courts, a questionnaire obtained from Galveston County's collection staff, as well as interviews conducted during this engagement, indicated that a department within Justice Administration was responsible for monitoring the court collection process for the JP offices once an application is obtained by the JP office and submitted to the department.



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 195 cases reviewed, 15 cases were identified where a capias pro fine warrant was issued. In testing the 15 cases, 10 errors were noted. While this calculates as a 67% error rate, the small sample of cases tested is not sufficient to statistically validate the component.

The County agreed that there were issues within this component that need to be addressed to ensure the County is compliant in any subsequent compliance review, and no further testing was needed.

***Management Response: The numbers and percentages related to cases combined from the District/County courts and the JP courts. I cannot answer as to the correctness of these numbers because we do not collect for the JPs.***

***The County has procedures in place to send required delinquent notices. Those written notices are sent at 30, 60, 90, 120 and 150 delinquent. Due to limited resources, most capias profines are issued as a part of the annual roundup. In order to make the best use of the resources available, the list of capias profines is based on: age of case, amount due, multiple cases for defendant, location and several other parameters. However, demand letters are sent on all delinquencies (for District/County courts) in an attempt prior to issuing a capias. In the 2014 Warrant Roundup, Galveston County was able to collect more than \$300,000 in delinquencies without a single arrest by using collection techniques we believe work best for Galveston County. Arrests cost money, including jail housing expenses, deputy's time and travel and lost fines due to jail time served. Issuing a capias on every case (if approved by the court) would require additional personnel for both the Sheriff and the Collections Department. As you know, all monies recovered are not retained by the County. However, the expense of collections falls solely on the County. Galveston County, while attempting to maintain compliance with O.C.A. requirements, must also consider resources and real expenses when executing warrants and other collection techniques. Most times, the use of other resources such as OMNI and Scofflaw provide better results with less cost and impact to the budget and community. While we realize a fine is a punishment for a crime, the timeliness of collections is only one factor and it is not unrealistic to expect the County to consider other factors, including jail population, amount of fine due versus cost to execute warrant, defendant's indigent status, long-reaching impact of arrest (possible job loss, non-compliance with child support payments).***

***The timeliness of JP delinquent notices is very often delayed due to errors in the payment agreement set up in the JP court. Time is lost while we wait for JP staff to make corrections to their payment agreements.***

***In addition, we agree with O.C.A. auditors that the small sample of cases tested is not sufficient to statistically validate the component.***

***Galveston County believes bases it policies on the requirements of O.C.A. and diligently makes every effort to be compliant.***

Auditor's Note: While the process described should result in the County being compliant with 1 TAC §175.3, the process was not being followed during the time reviewed. All cases found in error were reviewed with each representative, and it was agreed the documentation was not present. In speaking with the representative of the JP Collection program within the Justice Administration department, she

explained she was temporarily moved from her collection duties and assigned as a back-up clerk in several of the JP offices during the time period being reviewed, and could not perform the required mailings. In speaking with the representative of the District/County Court collection during the engagement, she explained that the department does not mail notices for delinquency on payment plans.

Furthermore, the issuance of an additional delinquency notice or phone call is independent of when the *capias pro fine* warrant is issued. The notice is intended to ensure defendants are given an additional opportunity to comply with the payment plan/extension prior to a warrant being issued. This is the most cost-effective means for both the County and the defendant to keep the defendant compliant.

While the Justice Administration department does not receipt monies paid on payment plans and extensions for the JP courts, a questionnaire obtained from Galveston County's collection staff, as well as interviews conducted during this engagement, indicated that a department within Justice Administration was responsible for monitoring the court collection process for the JP offices once an application is obtained by the JP office and submitted to the department.

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***In general, Galveston County would like an opportunity to review the sampling of cases used in this audit and report its findings to O.C.A. In 2012, the Collections Department converted all collection data to a new software application (Odyssey). We do know that some non-financial information was lost in the conversion and that we spent two years developing and implementing adequate reports, forms, and notices as well as programming to automatically record case activity. It is quite possible that much of the issues reported as errors are recording errors within our own system. We are able to verify the procedure was handled timely by reviewing actual document records and will do so to insure that our processes are working properly. Reviewing cases solely with our in-house financial person probably did not provide access to all records, including events and filings.***

***The use of a combination of JP collections and County/District Court collections complicates the issues. The JP courts use a collection agency for delinquent accounts, while the County/District Courts collect in-house. While we do assist the JP courts in an effort to insure they are in compliance with OCA guidelines, we do not handle any actual collections.***

Auditor's Note: This engagement reviewed defendants assessed court costs, fees, and fines from November 1, 2013 through December 31, 2013 who did not pay in full at the time of assessment. The conversion of data during 2012 should have no effect on the documentation for these cases.

All cases found in error were reviewed with each representative, and it was agreed the documentation was not present. In speaking with the representative of the JP Collection program within the Justice Administration department, she explained she was temporarily moved from her collection duties and assigned as a back-up clerk in several of the JP offices during the time period being reviewed, and could not perform the required phone calls or mail delinquency notices. In speaking with the representative of the District/County Court collection program during the engagement, she explained that the department does not perform phone calls or mail notices for delinquency on payment plans.

All cases found in error have been provided to the OCA's CIP-Technical Support department. These cases will be reviewed with the County during the process of assessing the collection programs and determining the corrective actions needed to re-establish compliance.

We agree with the respondent's assertions that compliance with the TAC rules is dependent on the JP courts' processes. During the on-site visit, various resolutions to address the issue of incorrect payment plans were discussed with the Support Services Coordinator, as well as the importance of having controls in place to ensure all payment plans and extensions are submitted to the JP Collection department in a timely manner.

While the Justice Administration department does not receipt monies paid on payment plans and extensions for the JP courts, a questionnaire obtained from Galveston County's collection staff, as well as interviews conducted during this engagement, indicated that a department within Justice Administration was responsible for monitoring the court collection process for the JP offices once an application is obtained by the JP office and submitted to the department.

**REPORT DISTRIBUTION**

The Honorable Lonnie Cox  
56<sup>th</sup> District Court  
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The Honorable Alison Cox  
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The Honorable Penny Pope  
Justice of Peace, Pct. 3  
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Mr. Tyler Drummond  
Chief of Staff - County Judge  
Galveston County  
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