

DEKALB COUNTY, GEORGIA



RECORDERS COURT

MANAGEMENT REPORT

FOR THE YEAR ENDING DECEMBER 31, 2010

**PREPARED BY
INTERNAL AUDIT DIVISION**



Finance-Internal Audit & Licensing

Cornelia Louis
Acting Deputy Director of Finance

Chief Executive Officer

W. Burrell Ellis, Jr.

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DATE: September 8, 2011
TO: The Honorable Nelly F. Withers, Chief Judge, Records Court
FROM: Acting Deputy Director of Finance, Internal Audit & licensing
SUBJECT: Records Court Audit – 2010
RE: Management Letter

GENERAL INFORMATION

We have completed an audit of the Records Court fiscal operations for the period beginning January 1, 2010 and ending December 31, 2010. We have prepared a separate audit report that includes a Statement of Operations for the years ending December 31, 2010 and 2009 compared, and the related opinion. Deficiencies, Observations, Comments, and Recommendations herein relate to the operational aspects of the court system.

PURPOSE AND SCOPE

The purpose of our audit is to (1) determine whether records and reports prepared by the Records Court adequately reflect revenues obtained and (2) prepare a statement of operations for the audit year.

The fiscal books, records, daily reports, and other pertinent documents were examined for the year ended December 31, 2010. Internal Audit conducted such audit tests and procedures as were considered necessary under the circumstances.

SIGNIFICANT DEFICIENCIES

Significant Deficiency I – Errors

Internal Audit (IA) identified several instances of shortages/overages of cash, omitted credit card activity/reports, inaccurate Cash Reports, inadequate general ledger postings (Oracle postings), and incomplete deposit slips.

Seventy percent of shortages/overages in the Case Management – SAS System (CMS-SAS) ranged between \$5 and \$30; thirty percent ranged between \$85 and \$1000.

Irregularities exist between the credit card amounts reported on the Daily Cash Report (report prepared in Ms Excel) and the credit card statement from Official Payments Corporation (OPC). Sometimes, the final page of the OPC report was not attached to the Daily Cash Report; generally, the final page lists the grand total of credit card revenues collected. When the report

Significant Deficiency I – Errors (con't)

consists of two pages, the last figure on the first page was recorded on the Daily Cash Report as the final total.

In addition, there were significant differences between the credit card statement amounts provided by OPC and Cash Report amounts generated from the CMS-SAS System. Management was unable to explain the differences. Recorders Court relied on the final figures provided by OPC for financial reporting.

Internal Audit found cash deposited in the SunTrust Bank Account, but no journal entry was posted in Oracle. Deposit slips totals were lower than the cash deposited. Periodically, checks and money order amounts were not included on the deposit slips.

Recommendation I

We recommend that Recorders Court staff exercise due diligence when processing transactions to ensure that they are adequately and accurately completed. Also, we recommend a review of the CMS-SAS and OPC systems be made to determine if the differences can be resolved.

Significant Deficiency II– Warrants

During our testing of citations issued in 2010, we noticed a backlog in processing 'Failure to Appear' (FTA) notices. The backlog is due to understaffing in the court. Failure to Appear notices result in a warrant. Recorders Court current procedure requires FTAs to be processed within 45 days.

After further discussion with Recorders Court about FTAs, personnel indicated that approximately 125,000 'Failure to Pay Fine' warrants are in queue, dated back to 2007, to be issued. Warrants are assessed a \$75 fee. The pending warrants may provide significant revenue for the County.

Recommendation II

We recommend that management ensure outstanding warrants are processed timely. To assist in timely processing, staffing levels should be examined. Recorders Court may consider partnership with the Police Department to pursue future warrant round-up programs. The Police Round-Up program consist of a few Recorders Court staff and four (4) police partnering on a Saturday and Sunday to ensure warrants are served. The police are tasked with serving the warrants, while the staff remains at Recorders Court office to answer any questions or concerns that may arise.

Significant Deficiency III – Fee Schedule

Some fees in the CMS-SAS system were inaccurate. An upload of the 2010 fee schedule into the CMS-SAS system was deemed unsuccessful, due to problems the court experienced with the updates; the enhancement was removed. However, the updated fee schedule was posted to the Recorders Court website.

Recommendation III

We recommend that the fee schedule in the CMS-SAS system is reviewed for accuracy and the appropriate steps be taken to resolve inaccuracies. As of report date, Recorders Court Office Software Specialist is manually updating the new fees in the CMS – SAS system. At the time of payment, the fine is crossed checked with the new fee schedule.

Significant Deficiency IV – Closed/Open Citations

The current CMS-SAS system was implemented in August 2006. Closed cases/citations were converted from the Mainframe as open cases. The vendor, Southern Automated Systems, once maintained the software. The County no longer has a viable working relationship with the vendor; consequently, citations continue to remain open, only being closed as they are discovered in the system. This situation continues to affect Recorders Court and the accuracy of their records.

Recommendation IV

We recommend that Recorders Court solicit a new vendor to support the financial system of the Court, which is critical to their operation.

OBSERVATIONS

Observation I – Source Documentation

Management requires that the Daily Cash Packet include copies of the various documents: AR Invoice Balancing Report, Daily Cash Report, Cash Report, Credit Card Summary, Daily Cash Log, Cash Forms, and a copy of the Deposit Slip. Oftentimes, Daily Cash Packet lacks the required documentation. Also, Daily Cash Logs were not adequately completed.

Recommendation I

We recommend that when processing the Daily Cash Packet, Recorders Court staff comply with the current policies and procedures; thereby, ensuring the completeness of data.

Observation II – Citation

Citation Logs are used to: (1) record all tickets processed by the precincts and (2) ensure all tickets are accounted. The tickets are attached to the log. After review of the logs and citations by Recorders Court, they are filed separately. Researching a ticket requires staff to manually review all citations from the incident date up to a week after the incident date. This process is manual, inefficient, and time consuming.

There are a significant number of citations issued with incorrect court dates; some court dates are scheduled on days when court is not in session. As a result, the court date is rescheduled by the Recorders Court technician and updated communication is sent via mail to the defendant. A Court Calendar is distributed to departments that issue citations. Per Recorders Court staff, a significant number of resets, rescheduled court dates, occurred in 2010.

Recommendation II

We recommend that Recorders Court seek ways to electronically organize and store documents/records through an Enterprise Content Management (ECM) system; this will improve efficiency and reduced costs.

Also, we recommend that Recorders Court's management coordinate with the issuing departments to ensure court dates are scheduled on the appropriate days. Compliance by the issuing department will allow Recorders Court to use their staffing resources towards other functions. The CMS-SAS system does not interface with the Police APS Electronic Ticketing system. Currently, a document is being drafted (Request For Proposals – RFP) to solicit services to design, implement, and manage the New Case Management System for Recorders Court. Once Recorders Court has implemented an effective system, we recommend that the issuing departments consider using only electronic tickets; electronic tickets restrict scheduling court dates on available days. This would eliminate data entry errors and allow the Court to operate more efficiently.

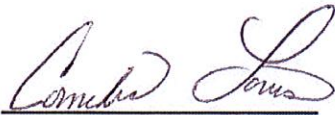
COMMENTS

Comment I – Unpaid Tickets

As of December, 2010, IA found a considerable number of tickets that have not been paid. Recorders Court should consider soliciting a collection services through a third-party vendor.

Comment II – Staffing Levels

Approximately 500 citations are issued daily; the citations are coded and entered in the CMS-SAS system by Recorders Court staff. As mentioned in the deficiency above, the backlog is due to understaffing in the Court. As of December 2010, citations for Judicial Correction Services were processed through June 2010; this is equivalent to a backlog of six (6) months.



Cornelia Louis

CL/CCH

cc: Richard Stogner, Executive Assistant/Chief Operating Officer
Joel Gottlieb, Finance Director/Chief Financial Officer
William Z. Miller, Director of Public Safety
William O'Brien, Chief of Police
Curtis Rawlings, Acting Director of Information Systems
Kathy Crumbley, Clerk of Recorders Court