



COMMISSIONERS COURT
COMMUNICATION

REFERENCE NUMBER CO#129468

PAGE 1 OF 6

DATE: 01/29/2019

SUBJECT: **RECEIVE AND FILE THE AUDITOR'S REPORT OF THE REGISTRY OF THE COURT ACCOUNTS HELD BY THE DISTRICT CLERK AS OF SEPTEMBER 30, 2018**

***** CONSENT AGENDA *****

COMMISSIONERS COURT ACTION REQUESTED:

It is requested that the Commissioners Court receive and file the Auditor's Report of the Registry of the Court Accounts held by the District Clerk as of September 30, 2018.

BACKGROUND:

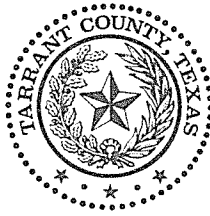
As required by Local Government Code 117.123, the Auditor's Office performed an audit of the registry funds held by the District Clerk as of September 30, 2018. The objective of the audit was to determine whether registry account balances were material correct. The Auditor's Office also determined whether collateral held jointly by the District Clerk and the depository was adequate.

FISCAL IMPACT:

There is no direct fiscal impact associated with this item.

SUBMITTED BY: Auditor's Office

PREPARED BY: S. Renee Tidwell
APPROVED BY:



TARRANT COUNTY
TARRANT COUNTY ADMINISTRATION BUILDING - ROOM 506
100 E. WEATHERFORD
FORT WORTH, TEXAS 76196-0103
817/884-1205
Fax 817/884-1104

S. RENEE TIDWELL, CPA
COUNTY AUDITOR
rtidwell@tarrantcounty.com

CRAIG MAXWELL
FIRST ASSISTANT COUNTY AUDITOR
cmaxwell@tarrantcounty.com

January 16, 2019

The Honorable Thomas Wilder, District Clerk
The Honorable District Judges
The Honorable Commissioners Court
Tarrant County, Texas

RE: Auditor's Report – District Clerk, Review of Registry of the Court Accounts

SUMMARY

As required by Local Government Code 117.123, we performed an audit of the registry funds held by the District Clerk as of September 30, 2018. The objective of our audit was to determine whether the registry account balances shown on the attached financial statements were materially correct. We also determined whether collateral held jointly by the District Clerk and the depository was adequate. In our opinion, the District Clerk's registry account balances shown on the attached financial statements were presented fairly, in all material respects. We also found that the value of collateral held by the clerk and the depository exceeded the amounts required by the contract.

BACKGROUND

The registry accounts are funds deposited and held for a third party per court order or statute. The funds held in the registry do not belong to Tarrant County. Rather, the District Clerk holds the funds in a fiduciary capacity to satisfy a legal pleading or to await the outcome of a legal proceeding. The registry accounts are recorded into the Trust Information Management System (TIMS) application, the District Clerk's case management system. The clerk is responsible for the deposits, disbursements, and the investment of the registry funds. Currently, the registry accounts are held at JP Morgan Chase.

In accordance with Local Government Code Section 117.21, *Disbursements of Funds*, the Auditor's Office reviews and countersigns disbursements made from the District Clerk's Registry Accounts. The code states, "All checks or drafts issued for the disbursement of the registry fund must be submitted to the county auditor for the auditor's countersignature before delivery or payment. The county auditor may countersign the check only on written evidence of the order of the judge of the court in which the funds have been deposited, authorizing the disbursement of the funds."

During fiscal year 2018, the District Clerk's Office presented 3,443 checks totaling \$15,659,535 for the auditor's review and approval. The auditor approved and countersigned disbursements totaling \$15,656,669. Of the 3,428 checks presented to the Auditor's Office during FY2018 for review and countersignature from the registry account, 15 checks totaling \$2,865.48 were rejected for reasons such as an incorrect check amount or payee. The District Clerk's Office voided and reissued the 15 checks.

CLOSING REMARKS

We appreciate the cooperation of the District Clerk's staff during our audit. If you have any questions, please do not hesitate to call.

Sincerely,



Renee Tidwell, CPA
County Auditor

Attachments: Statement of Assets and Liabilities
Statement of Changes in Assets and Liabilities
Management's response

Distribution: Doug Gowin, Operations Manager
Andrea Ziton, Registry Fund Manager

Audit Team: Kim Buchanan, Audit Manager
Ky J. Stafford, Internal Auditor

**TARRANT COUNTY, TEXAS
DISTRICT CLERK
REGISTRY OF THE COURT ACCOUNTS**

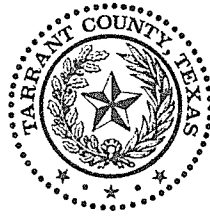
Statement of Assets and Liabilities
Fiscal Year Ending September 30, 2018

Assets		
Cash (deposits)	\$	1,286,892
Certificates of deposits, including accrued interest		<u>19,127,925</u>
Total Assets	\$	<u><u>20,414,817</u></u>
Liabilities		
Due to beneficiaries	\$	<u>20,414,817</u>
Total Liabilities	\$	<u><u>20,414,817</u></u>

**TARRANT COUNTY, TEXAS
DISTRICT CLERK
REGISTRY OF THE COURT ACCOUNTS**

Statement of Changes in Assets and Liabilities
Fiscal Year Ending September 30, 2018

	Uninvested	Invested	Total
Beginning Balance - September 30, 2017	\$ 1,001,605	\$ 22,600,736	\$ 23,602,341
Deposits	12,092,850		12,092,850
Interest earned		259,109	259,109
Transfer from Invested to Uninvested	14,613,536	(14,613,536)	
Transfer from Uninvested to Invested	(10,881,616)	10,881,616	
Disbursements	(15,539,483)		(15,539,483)
Ending Balance - September 30, 2018	<u>\$ 1,286,892</u>	<u>\$ 19,127,925</u>	<u>\$ 20,414,817</u>



TARRANT COUNTY

THOMAS A. WILDER
DISTRICT CLERK

January 18, 2019

Renee Tidwell
County Auditor
100 E. Weatherford St.
Fort Worth, TX 76196

HAND DELIVERED

**RE: Auditor's Report – District Clerk, Review of Registry of the Court
Accounts**

Dear Ms. Tidwell:

I would like to express my appreciation for your prompt and thorough review of the Registry of the Court Accounts for FY2018. I am in agreement with your findings, and I am pleased that the review was conducted with minimal impact on my staff.

I am pleased to see that there is a significant drop in the amount of rejected checks compared to last year's audit and no loss of funds.

Your audit team, working together with my Accounting staff is to be commended for a job well done.

Sincerely,

Thomas A. Wilder