



COMMISSIONERS COURT
COMMUNICATION

REFERENCE NUMBER CO#117466

PAGE 1 OF 5

DATE: 4/15/2014

SUBJECT: **RECEIVE AND FILE THE AUDITOR'S REPORT OF THE REGISTRY OF THE COURT ACCOUNTS HELD BY THE COUNTY CLERK AS OF SEPTEMBER 30, 2013**

***** 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 County Clerk as of September 30, 2013.

BACKGROUND:

As required by Local Government Code Section 117.123, the Auditor's Office performed an audit of the registry funds held by the County Clerk as of September 30, 2013. The objective of the audit was to determine whether assets and liabilities related to the registry account balances reported on the attached financial statements were presented fairly. The scope of this audit did not include testing of the controls over the accounting of transactions and balances of the registry accounts since those controls were previously tested during fiscal year 2013. The Auditor's Office also determined whether collateral held jointly by the County Clerk and the depositories was adequate.

FISCAL IMPACT:

There is no direct fiscal impact associated with this item.

SUBMITTED BY: Auditor

PREPARED BY: S. Renee Tidwell
APPROVED BY:



TARRANT COUNTY

TARRANT COUNTY ADMINISTRATION BUILDING - ROOM 506
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March 28, 2014

The Honorable Mary Louise Garcia, County Clerk
The Honorable District Judges
The Honorable Commissioners Court
Tarrant County, Texas

Re: Auditor's Report – County Clerk, Registry of the Court Accounts

SUMMARY

As required by Local Government Code Section 117.123, we performed an audit of the registry funds held by the County Clerk as of September 30, 2013. The objective of our audit was to determine whether assets and liabilities related to the registry account balances reported on the attached financial statements were presented fairly. The scope of this audit did not include testing of the controls over the accounting of transactions and balances of the registry accounts since we previously reviewed those controls during fiscal year 2013. We also determined whether collateral held jointly by the County Clerk and the depositories was adequate.

In our opinion, the attached financial statements related to the County Clerk's Registry of the Court Accounts were presented fairly, in all material respects. We also found that the value of collateral held by the clerk and the depositories exceeded the amounts required by the respective contracts.

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 County 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 Odyssey, the County Clerk's case management application. The clerk is responsible for the deposits, disbursements, and the investment of the registry funds. Currently, registry accounts are held at JP Morgan Chase and Wells Fargo banks.

In accordance with Local Government Code Section 117.121, *Disbursement of Funds*, the Auditor's Office reviews and countersigns all disbursements made from the County 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."

CLOSING REMARKS

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

Sincerely



S. Renee Tidwell, CPA
County Auditor

Attachments: Statement of Assets and Liabilities
Statement of Changes in Assets and Liabilities

Distribution: Jeff Nicholson, Chief Deputy
James Knowles, Accounting Manager

Audit Team: Kim Trussell, Audit Manager
Matt Jones, Internal Auditor

**Tarrant County, Texas
County Clerk
Registry of the Court Accounts**

**Statement of Assets and Liabilities
Fiscal Year Ending September 30, 2013**

Assets	
Cash in bank (deposits)	\$ 19,049,919.49
Certificates of deposit, including accrued interest	<u>25,408,972.44</u>
Total Assets	<u><u>\$ 44,458,891.93</u></u>
 Liabilities	
Due to beneficiaries	<u>\$ 44,458,891.93</u>
Total Liabilities	<u><u>\$ 44,458,891.93</u></u>

Tarrant County, Texas
County Clerk
Registry of the Court Accounts

Statement of Changes in Assets and Liabilities
Fiscal Year Ending September 30, 2013

	<u>Un-Invested</u>	<u>Invested</u>	<u>Total</u>
Beginning Balance, September 30, 2012	34,721,206.95	19,076,772.75	53,797,979.70
Deposits	43,730,821.51		43,730,821.51
Interest Earned		\$257,187.01	257,187.01
Transfer from Invested to UnInvested	4,039,236.10	(4,039,236.10)	-
Transfer from UnInvested to Invested	(10,114,248.78)	10,114,248.78	-
Disbursements	(53,327,096.29)		(53,327,096.29)
Ending Balance - September 30, 2013	<u>19,049,919.49</u>	<u>25,408,972.44</u>	<u>44,458,891.93</u>