

**AGENDA PLACEMENT FORM**

(Submission Deadline – Monday, 5:00 PM before Regular Court Meetings)

Date: 05/20/24

Meeting Date: 05/28/24


Submitted By: Steve Watson

Department: County Auditor

Signature of Elected Official/Department Head:



**Court Decision:**  
This section to be completed by County Judge's Office



**May 28, 2024**

**Description:**

Acknowledge the Audit Reports for the following list of Accounts for FY24 Q2:

- 1. DC Jury Audit Letter
- 2. DC Registry Audit Letter
- 3. CSCD Audit Letter
- 4. Commissary Audit Letter
- 5. Inmate Trust Audit Letter
- 6. Postage Audit Letter
- 7. Treasurer Audit Letter

(May attach additional sheets if necessary)

**Person to Present:** Steve Watson

(Presenter must be present for the item unless the item is on the Consent Agenda)

**Supporting Documentation:** (check one)     PUBLIC     CONFIDENTIAL

(PUBLIC documentation may be made available to the public prior to the Meeting)

**Estimated Length of Presentation:** N/A minutes

**Session Requested:** (check one)

Action Item     Consent     Workshop     Executive     Other \_\_\_\_\_

**Check All Departments That Have Been Notified:**

- County Attorney     IT     Purchasing     Auditor
- Personnel     Public Works     Facilities Management

Other Department/Official (list) \_\_\_\_\_

**Please List All External Persons Who Need a Copy of Signed Documents  
In Your Submission Email**

**Re: FY24 Q2 District Clerk Jury Audit Letter Draft**

David R. Lloyd &lt;dlloyd@johnsoncountytexas.org&gt;

Fri 17-May-24 10:41 AM

To: Audit-Letters &lt;audit-letters@johnsoncountytexas.org&gt;

Cc: Chris Taylor &lt;ctaylor@johnsoncountytexas.org&gt;

Dear Mr. Watson:

I would like to express my appreciation for your prompt and thorough review of District Clerk's Audit Report, FY24 Q2 District Clerk Jury Fund. I agree with your findings, and I am pleased that the review was conducted with minimal impact on my staff.

Your audit team, working together with my Chief Financial Officer and Management Staff is to be commended for a job well done.

Respectfully,

David R. Lloyd  
DISTRICT CLERK  
Johnson County, Texas  
817.556.6105

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**From:** Audit-Letters <audit-letters@johnsoncountytexas.org>**Sent:** Friday, May 17, 2024 10:29:31 AM**To:** David R. Lloyd <dlloyd@johnsoncountytexas.org>**Cc:** Chris Taylor <ctaylor@johnsoncountytexas.org>**Subject:** FY24 Q2 District Clerk Jury Audit Letter Draft

Mr. Lloyd,

Please review the attached draft letter for this audit.

If you agree with this letter, Reply with your Approval.

Once approved, this will be submitted to Commissioners Court.

Thank you,

sw

**Steve Watson**  
Johnson County Auditor

P: 817-556-6305

E: [swatson@johnsoncountytexas.org](mailto:swatson@johnsoncountytexas.org)



JOHNSON COUNTY AUDITOR  
JOHNSON COUNTY COURTHOUSE  
#2 N. MAIN  
CLEBURNE, TEXAS 76033  
Telephone (817) 556-6305 ~ Fax (817) 556-6075

Steven E. Watson  
County Auditor

Jennifer R. Lyon  
First Assistant County Auditor

May 13, 2024

The Honorable David Lloyd  
District Clerk  
Johnson County  
204 South Buffalo  
Cleburne, TX 76033

RE: Auditor's Report – FY24 Q2 District Clerk, Jury Fund

Dear Mr. Lloyd,

### **Summary**

In accordance with Local Government Code, Section 115, the Auditor's Office performed a review of the District Clerk's Jury Services for the second quarter, ended March 2024, of the 2024 fiscal year.

### **Background**

The District Clerk's Office is the official custodian of records, and is responsible for the care and safekeeping of all court records for the District Courts of Johnson County. It also maintains and manages the records and monies for court fees, custodial accounts which are invested for the benefit of many minor children, bail bond forfeitures and all tax lawsuits. The office also produces a substantial number of court documents including, but not limited to, civil citations, criminal warrants, criminal judgments and sentences and protective orders.

In accordance with Texas Government Code 61.001(a)(1), as of September 1<sup>st</sup>, 2023, a person who reports for jury service is entitled to receive reimbursement for travel and expenses for amounts not less than \$20 for the first day of service and \$58 for any additional days. The State of Texas reimburses Johnson County, per Government Code, Sec. 61.0015(a), \$14 a day for the amounts paid to a person who reports for jury service in response to a summons for the first day or fraction of the first day, and \$52 a day for the amounts paid to a person who reports for jury

service in response to a summons for each day or fraction of each day *after* the first day of attendance.

Jury Services has a dedicated manager and is staffed by an Administrative clerk, and two Associate clerks.

### **Scope**

Our review was limited to the examination of District Clerk Jury Service processes, juror disbursements, and juror donations, for the quarter ended March 2024.

### **Objective**

We examined a sampling of juror forms, which were completed and signed by each juror, against the 'Payment Edit Report'. The forms direct the disbursement at the end of the juror's service period. If the juror chose to donate their funds, they did so by selecting a recipient or recipients from a preapproved list. Disbursements to jurors and to donation recipients were verified against juror forms. We also verified the bank fund transfers reconciled to the total paid per juror forms by batch.

We determined that controls were adequate, to reasonably ensure payments made to jurors were authorized, accurate, and properly paid during this three (3) month period.

### **Findings**

There were no exceptions that would lead us to conclude that the collections and disbursements for this period were not, in all material respects, appropriately charged, remitted and reported.

Thank you and your staff for your courtesy and cooperation shown during the audit.

Sincerely,



Steven Watson  
Johnson County Auditor

cc: Kathy Rice, Audit Manager  
cc: Dwight Crowe, Senior Internal Auditor

**Re: FY24 Q2 District Clerk Registry Audit**

David R. Lloyd &lt;dlloyd@johnsoncountytexas.org&gt;

Fri 17-May-24 10:39 AM

To: Audit-Letters &lt;audit-letters@johnsoncountytexas.org&gt;

Cc: Chris Taylor &lt;cltaylor@johnsoncountytexas.org&gt;

Dear Mr. Watson:

I would like to express my appreciation for your prompt and thorough review of District Clerk's Audit Report, FY24 Q2 District Clerk Registry Account. I agree with your findings, and I am pleased that the review was conducted with minimal impact on my staff.

Your audit team, working together with my Chief Financial Officer and Management Staff is to be commended for a job well done.

Respectfully,

David R. Lloyd  
DISTRICT CLERK  
Johnson County, Texas  
817.556.6105

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**From:** Audit-Letters <audit-letters@johnsoncountytexas.org>**Sent:** Friday, May 17, 2024 10:27:00 AM**To:** David R. Lloyd <dlloyd@johnsoncountytexas.org>**Cc:** Chris Taylor <cltaylor@johnsoncountytexas.org>**Subject:** FY24 Q2 District Clerk Registry Audit

Mr. Lloyd,

Please review the attached draft letter for this audit.

If you agree with this letter, Reply with your Approval.

Once approved, this will be submitted to Commissioners Court.

Thank you,

sw

**Steve Watson**  
Johnson County Auditor

5/17/24, 11:29 AM

Mail - Kathy Rice - Outlook

P: 817-556-6305

E: [swatson@johnsoncountytexas.org](mailto:swatson@johnsoncountytexas.org)



JOHNSON COUNTY AUDITOR  
JOHNSON COUNTY COURTHOUSE  
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Telephone (817) 556-6305 ~ Fax (817) 556-6075

Steven E. Watson  
County Auditor

Jennifer R. Lyon  
First Assistant County Auditor

May 14, 2024

The Honorable David Lloyd  
District Clerk  
Johnson County  
204 South Buffalo  
Cleburne, TX 76033

RE: Auditor's Report – FY24 Q2 District Clerk's Registry Account

Dear Mr. Lloyd,

### **Summary**

In accordance with Local Government Code, Section 115, the Auditor's Office performed a review of the District Clerk's Registry of the Court from January through March 2024.

### **Background**

The District Clerk's Office is the official custodian of records, and is responsible for the care and safekeeping of all court records for the District Courts of Johnson County. It also maintains and manages the records and monies for court fees, custodial accounts which are invested for the benefit of many minor children, bail bond forfeitures and all tax lawsuits. The office also produces a substantial number of court documents including, but not limited to, civil citations, criminal warrants, criminal judgments and sentences and protective orders.

### **Scope**

Our review was limited to the examination of the District Clerk's Registry bank statements, disbursements, and Trust Owners account balances for the quarter ended March 2024.



## Objective

1. To accomplish this audit, we examined various reports and their supporting documentation and verified that collections made by cash, check and credit cards were accurate for this period. We ensured that funds collected on the receipt journal from Odyssey matched the monthly worksheet log of fees received.
2. The accuracy of the bank reconciliation was confirmed by comparing the Odyssey Trust Account Owner's Report to the book balance on the bank reconciliation.
3. To ensure the liability account funds were properly disbursed, per Local Government Code 117, we verified that a signed Court Order authorized the payments.

## Findings

There were no exceptions that would lead us to conclude that the collections and disbursements for this period were not, in all material respects, appropriately charged, remitted and reported.

Thank you and your staff for your courtesy and cooperation shown during the audit.

Sincerely,



Steven Watson  
Johnson County Auditor

cc: Dwight Crowe, Senior Internal Auditor  
cc: Kathy Rice, Audit Manager

**RE: FY24 Q2 CSCD Audit Letter Draft**

Diane Crowe <dcrowe@johnsoncountytexas.org>

Mon 13-May-24 7:50 AM

To: Audit-Letters <audit-letters@johnsoncountytexas.org>

Good morning Steve,

I agree with the letter.

Thank you!

Diane

**From:** Audit-Letters <audit-letters@johnsoncountytexas.org>

**Sent:** Thursday, May 9, 2024 3:20 PM

**To:** Diane Crowe <dcrowe@johnsoncountytexas.org>

**Cc:** Angela Bowman <abowman@johnsoncountytexas.org>

**Subject:** FY24 Q2 CSCD Audit Letter Draft

**Ms. Crowe,**

Please review the attached draft letter for this audit.

If you agree with this letter, Reply with your Approval.

Once approved, this will be submitted to Commissioners Court.

Thank you,

sw

**Steve Watson**

Johnson County Auditor

P: 817-556-6305

E: [swatson@johnsoncountytexas.org](mailto:swatson@johnsoncountytexas.org)



JOHNSON COUNTY AUDITOR  
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Steven E. Watson  
County Auditor

Jennifer R. Lyon  
First Assistant County Auditor

May 9<sup>th</sup>, 2024

Ms. Diane Crowe  
Director, CSCD  
Johnson and Somervell Counties  
425 West Chambers  
Cleburne, Texas 76033

RE: Auditor's Report – FY24 Q2 CSCD Adult Probation

Dear Ms. Crowe,

### **Summary**

In accordance with Local Government Code, Sections 112 and 115, the Auditor's Office performed a review of the Community Supervision Correction Departments (CSCD), Correction Software Solutions (CSS) Bank Reconciliation, Receipt Reports and the Certified Payment Credit Card processor as well as the new CSS Credit Card reports for the period ending March 2024.

### **Background**

Johnson County CSCD is a multi-district adult probation department that supervises offenders who are on court ordered community supervision in Johnson and Somervell Counties. The department has various specialized units, including Court Services, Bond, Substance Abuse and SAFPF, Sex Offender and Mental Health, and Community Service. Various fees and restitution payments are collected by the department.

### **Scope**

Our review was limited to the examination of the CSCD Offices, CSS system reports and the bank reports for this period.

## **Objective**

To accomplish this audit, we examined the CSS reconciliation reports and the daily deposit receipt documents, to the bank statement for this period. We ensured that funds collected were posted timely.

## **Findings**

There are no material findings that would lead us to conclude that the balances and collections of this office for this period were not, in all material respects, appropriately charged, remitted and reported.

Thank you and your staff for your courtesy and cooperation shown during the audit.

Sincerely,



Steven Watson  
Johnson County Auditor

cc: Kathy Rice, Audit Manager

**RE: FY24 Q2 Commissary Audit Letter Draft**

Tara Raby <traby@johnsoncountytexas.org>

Thu 09-May-24 9:31 AM

To: Audit-Letters <audit-letters@johnsoncountytexas.org>; Adam King <adam@johnsoncountytexas.org>

Good morning-

You may proceed with placing this audit on Commissioner's Court?

Thank you,

*Tara Raby*

Johnson County Sheriff's Office Manager

1102 E Kilpatrick Ste A

Cleburne TX 76031

817-556-6058 ext. 3503

[traby@johnsoncountytexas.org](mailto:traby@johnsoncountytexas.org)



From: Audit-Letters <audit-letters@johnsoncountytexas.org>

Sent: Wednesday, May 8, 2024 11:23 AM

To: Adam King <adam@johnsoncountytexas.org>

Cc: Tara Raby <traby@johnsoncountytexas.org>

Subject: FY24 Q2 Commissary Audit Letter Draft

Sheriff King,

Please review the attached draft letter for this audit.

If you agree with this letter, Reply with your Approval.

Once approved, this will be submitted to Commissioners Court.

Thank you,

sw

**Steve Watson**

Johnson County Auditor

P: 817-556-6305

E: [swatson@johnsoncountytexas.org](mailto:swatson@johnsoncountytexas.org)



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Steven E. Watson  
County Auditor

Jennifer R. Lyon  
First Assistant County Auditor

May 7, 2024

The Honorable Adam King  
Sheriff  
Johnson County  
1102 E. Kilpatrick Ave  
Cleburne, Texas 76031

RE: Auditor's Report – FY24 Q2 Sheriff's Office Commissary

Dear Sheriff King,

### **Summary**

In accordance with Local Government Code, Section 351.0415, "Commissary Operation by Sheriff or Private Vendor", the Auditor's Office performed a review of the Inmate Commissary Account for the Second Quarter Fiscal Year 2024.

### **Background**

The Johnson County Sheriff's Office operates a commissary in accordance with rules adopted by the Commission on Jail Standards. The Sheriff maintains commissary accounts, showing the amount of proceeds from the commissary operation and the amount and purpose of disbursements from the proceeds. Allowable expenditures are specified in Local Government Code 351.0415.

### **Scope**

To complete the regular audit procedures for the Inmate Commissary account for the months of January, February and March 2024.

## Objective

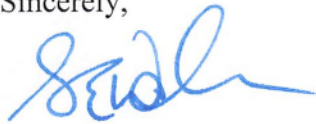
We verified the accuracy of the bank reconciliation report to the bank statement for the Commissary account. We examined various reports and their supporting documentation, ensured that funds collected from the Inmate Trust account matched the sales, including sales tax, and reviewed Commissary expenditures to ensure compliance with LGC 351.0415.

## Findings

There were no exceptions that would lead us to conclude that the balances, collections and disbursements for this period were not, in all material respects, appropriately charged, remitted and reported.

Thank you and your staff for your courtesy and cooperation shown during the audit.

Sincerely,



Steven Watson  
Johnson County Auditor

cc: Susan Rossee, Internal Auditor  
cc: Kathy Rice, Audit Manager

**RE: FY24 Q2 Inmate Trust Audit Letter Draft**

Tara Raby <traby@johnsoncountytexas.org>

Thu 09-May-24 9:32 AM

To: Audit-Letters <audit-letters@johnsoncountytexas.org>; Adam King <adam@johnsoncountytexas.org>

Good morning-

You may proceed with placing this audit on Commissioner's Court?

Thank you,

*Tara Raby*

Johnson County Sheriff's Office Manager

1102 E Kilpatrick Ste A

Cleburne TX 76031

817-556-6058 ext. 3503

[traby@johnsoncountytexas.org](mailto:traby@johnsoncountytexas.org)



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From: Audit-Letters <audit-letters@johnsoncountytexas.org>

Sent: Wednesday, May 8, 2024 11:24 AM

To: Adam King <adam@johnsoncountytexas.org>

Cc: Tara Raby <traby@johnsoncountytexas.org>

Subject: FY24 Q2 Inmate Trust Audit Letter Draft

Sheriff King,

Please review the attached draft letter for this audit.

If you agree with this letter, Reply with your Approval.

Once approved, this will be submitted to Commissioners Court.

Thank you,

sw

**Steve Watson**

Johnson County Auditor

P: 817-556-6305

E: [swatson@johnsoncountytexas.org](mailto:swatson@johnsoncountytexas.org)





**JOHNSON COUNTY AUDITOR**  
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Steven E. Watson  
County Auditor

Jennifer R. Lyon  
First Assistant County Auditor

May 7, 2024

The Honorable Adam King  
Sheriff  
Johnson County  
1102 E. Kilpatrick Ave  
Cleburne, Texas 76031

RE: Auditor's Report – FY24 Q2 Sheriff's Office Inmate Trust Acct.

Dear Sheriff King,

**Summary**

In accordance with Local Government Code, Section 351, the Auditor's Office performed a review of the Inmate Trust Account for the Second Quarter FY24, including months January, February and March 2024.

**Background**

The Sheriff's department takes possession of all money an inmate has on their person, upon custody, and credits the money to a trust account created for the inmate. The department may spend money from an inmate account on the written order of the inmate, or as required by law or policy.

**Scope**

To complete the regular audit procedures for the Inmate Trust account for the months of January, February and March 2024.

## Objective

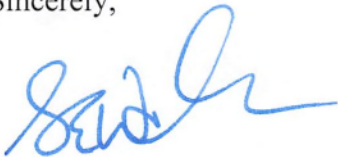
We verified the accuracy of the bank reconciliation, to the bank statement for the Inmate Trust checking account. We examined various reports and their supporting documentation. Reports included are from GTL and Lockdown software for inmate deposits, payment processing services, Kiosks, intake deposits and withdrawals for Debit Release cards, and Commissary usage. From the supporting documentation we ensured that funds collected and held in the Inmate Trust account balanced and that all Trust expenditures complied with Texas Government Code § 501.014 and Sec. 501.063.

## Findings

There were no exceptions that would lead us to conclude that the balances, collections and disbursements for this period were not, in all material respects, appropriately charged, remitted and reported.

Thank you and your staff for your courtesy and cooperation shown during the audit.

Sincerely,



Steven Watson  
Johnson County Auditor

cc: Susan Rossee, Internal Auditor  
cc: Kathy Rice, Audit Manager

**RE: FY24 Q2 Postage Audit Letter Draft**

Josh Green <jgreen@johnsoncountytexas.org>

Thu 09-May-24 8:12 AM

To: Audit-Letters <audit-letters@johnsoncountytexas.org>

Cc: Codey Sibley <csibley@johnsoncountytexas.org>

Good morning,

I have reviewed and we are good to proceed. Thanks JG

Joshua Green, Director

Facilities Management

411 Marti Drive.

Cleburne, TX 76033

(817) 556-6071 ext. 3460

**From:** Audit-Letters <audit-letters@johnsoncountytexas.org>

**Sent:** Wednesday, May 8, 2024 11:17 AM

**To:** Josh Green <jgreen@johnsoncountytexas.org>

**Cc:** Codey Sibley <csibley@johnsoncountytexas.org>

**Subject:** FY24 Q2 Postage Audit Letter Draft

Mr. Green,

Please review the attached draft letter for this audit.

If you agree with this letter, Reply with your Approval.

Once approved, this will be submitted to Commissioners Court.

Thank you,

sw

**Steve Watson**

Johnson County Auditor

P: 817-556-6305

E: [swatson@johnsoncountytexas.org](mailto:swatson@johnsoncountytexas.org)



JOHNSON COUNTY AUDITOR  
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Steven E. Watson  
County Auditor

Jennifer R. Lyon  
First Assistant County Auditor

May 7, 2024

Joshua Green  
Director Facilities Management  
Johnson County  
2 Mills St.  
Cleburne, Texas 76033

Dear Mr. Green,

RE: Auditor's Report – FY24 Q2 Postage Audit

### **Summary**

In accordance with Chapter 115 of the Local Government Code, we completed the regular quarterly audit procedures for the Johnson County Postage for the time period January-March 2024.

### **Background**

The Johnson County Postage (Mailroom) processes roughly 280K pieces of mail yearly. The mailroom receives all incoming letters, packages, and inter-office mail. It is then sorted and delivered to the twelve County facilities, and four outlying Precinct buildings. Outgoing letters are stamped and sealed by a high-volume postage machine. Packages are shipped using PitneyShip Pro, an online shipping software that saves the County more than 20% per package on postage.

### **Scope**

Our review was limited to the examination of the postage transactions and their supporting documentation for this period.

## **Objective**

To accomplish this audit, we examined the collateral documents and ensured they were current, met statutory minimums, and were properly recorded. We verified funds recorded in Innoprise matched the monthly postage reports.

## **Findings**

There were no exceptions that would lead us to conclude that the examined postage transactions, for this period were not, in all material respects, appropriately charged, remitted and reported.

Thank you and your staff for your courtesy and cooperation shown during this audit.

Sincerely,



Steve Watson  
Johnson County Auditor

cc: Sherron Beard, Internal Auditor  
cc: Kathy Rice, Audit Manager

**RE: Treasurer's Audit Letter Draft - FY24 Q2**

Kathy Blackwell <KathyB@johnsoncountytexas.org>

Mon 06-May-24 2:21 PM

To: Audit-Letters <audit-letters@johnsoncountytexas.org>

agree

**From:** Audit-Letters <audit-letters@johnsoncountytexas.org>

**Sent:** Monday, May 6, 2024 2:16 PM

**To:** Kathy Blackwell <KathyB@johnsoncountytexas.org>

**Subject:** Treasurer's Audit Letter Draft - FY24 Q2

Ms. Blackwell,

Please review the attached draft letter for this audit.

If you agree with this letter, Reply with your Approval.

Once approved, this will be submitted to Commissioners Court.

Thank you,

sw

**Steve Watson**

Johnson County Auditor

P: 817-556-6305

E: [swatson@johnsoncountytexas.org](mailto:swatson@johnsoncountytexas.org)



JOHNSON COUNTY AUDITOR  
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Telephone (817) 556-6305 ~ Fax (817) 556-6075

Steven E. Watson  
County Auditor

Jennifer R. Lyon  
First Assistant County Auditor

May 2<sup>nd</sup>, 2024

The Honorable Kathy Blackwell  
County Treasurer  
Johnson County  
2 North Main,  
Cleburne TX 76033

RE: Auditor's Report – FY24 Q2 Treasurer's Office

Dear Ms. Blackwell,

### **Summary**

In accordance with Chapter 115 of the Local Government Code, the Auditor's Office completed the regular quarterly audit procedures for the Treasurer's Office for the time period January-March 2024

### **Background**

The County Treasurer is elected for a term of four years, and is the County's chief custodian of all county funds. The Treasurer is the chief liaison for all banks. The duties include receiving, keeping and accounting for, paying, applying, and disbursing all monies belonging to the county from whatever source derived according to law.

### **Scope**

Our review was limited to the examination of collections, and receipting, as well as the office procedures for monies received for this period.

## **Objective**

We ensured that funds collected on the Schedule of Receipts matched the daily deposit of monies received. We verified receipts and their supporting documents, performed random cash counts, and verified bank statements/collateral funds with their corresponding reconciliations for the period.

## **Findings**

There were no exceptions that would lead us to conclude that the balances and collections of the office for this period were not, in all material respects, appropriately charged, remitted and reported.

Thank you and your staff for your courtesy and cooperation shown during this audit.

Sincerely,



Steven Watson  
Johnson County Auditor

cc: Sherron Beard, Internal Auditor  
cc: Kathy Rice, Audit Manager