

AGENDA PLACEMENT FORM


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

Date: 05/05/2025

Meeting Date: 05/12/2025

Submitted By: Steve Watson

Department: County Auditor

Signature of Elected Official/Department Head:


Court Decision: <small>This section to be completed by County Judge's Office</small>
 <p style="color: red; font-weight: bold; margin-top: 10px;">5-12-25</p>

Description:

Acknowledgment of the Quarterly Report to Judges for Audits Completed
During the Quarter of January through March 2025 - Auditors Office

(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**



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

April 16, 2025

Judge Sydney Hewlett, 18th District
Judge Tiffany Strother, 249th District
Judge William Bosworth, 413th District
Judge Christopher Boedeker, County Judge
Rick Bailey, Commissioner, Pct. 1
Kenny Howell, Commissioner, Pct. 2
Mike White, Commissioner, Pct. 3
Larry Woolley, Commissioner, Pct. 4

Honorable Judges and Commissioners:

The following audits were completed during the quarter of Jan. - Mar. '25.

<u>OFFICE</u>	<u>AUDIT PERIOD</u>	<u>AUDITOR COMPLETED</u>	<u>FINDINGS</u>
Adult Probation - CSCD	Oct. 24 - Dec. 24	07-Jan-25	N
Constable 1	Oct. 24 - Dec. 24	07-Feb-25	Y
Constable 2	Oct. 24 - Dec. 24	07-Feb-25	N
Constable 3	Oct. 24 - Dec. 24	07-Feb-25	N
Constable 4	Oct. 24 - Dec. 24	07-Feb-25	N
County & District Attorney Hot Check Collections	Oct. 24 - Dec. 24	29-Jan-25	N
County Clerk Court Cash Bond	Oct. 24 - Dec. 24	13-Jan-25	N
County Clerk Court Fines & Fees (General Fund)	Oct. 24 - Dec. 24	14-Jan-25	N
County Clerk Recording	Oct. 24 - Dec. 24	16-Jan-25	N
County Clerk Registry of Court	Oct. 24 - Dec. 24	13-Jan-25	N
District Clerk Fines & Fees (General Fund)	Oct. 24 - Dec. 24	14-Jan-25	N
District Clerk Registry of Court	Oct. 24 - Dec. 24	22-Jan-25	N
District Clerk Jury Account	Oct. 24 - Dec. 24	21-Jan-25	N
Elections	Oct. 24 - Dec. 24	17-Feb-25	N
Hamm Creek	Oct. 24 - Dec. 24	10-Feb-25	N
Indigent Health Care	Oct. 24 - Dec. 24	18-Feb-25	N
JP-1	Oct. 24 - Dec. 24	10-Feb-25	N
JP-2	Oct. 24 - Dec. 24	10-Feb-25	N

JP-3	Oct. 24 - Dec. 24	10-Feb-25	N
JP-4	Oct. 24 - Dec. 24	10-Feb-25	N
Juvenile Probation	Oct. 24 - Dec. 24	18-Feb-25	N
Payroll - General	Oct. 24 - Dec. 24	16-Jan-25	Y
Payroll - Accruals	2025	07-Jan-25	Y
Postage	Oct. 24 - Dec. 24	17-Feb-25	N
Public Works	Oct. 24 - Dec. 24	16-Jan-25	N
Sheriff's Office - Fines, Bonds & Escrow Account	Oct. 24 - Dec. 24	23-Jan-25	N
Sheriff's Office - Jail Inmate Trust and Commissary Accts	Oct. 24 - Dec. 24	11-Feb-25	N
Sheriff's Office - LEOSE Account	Oct. 24 - Dec. 24	19-Feb-25	N
Tax Office - Ad Valorem Account	Oct. 24 - Dec. 24	03-Mar-25	N
Tax Office - Auto Registration	Oct. 24 - Dec. 24	29-Jan-25	N
Tax Office - Boat Registration	Oct. 24 - Dec. 24	19-Feb-25	N
Tax Office - Sales Tax	Oct. 24 - Dec. 24	26-Feb-25	N
Treasurer	Oct. 24 - Dec. 24	17-Feb-25	N

NOTE: Findings description is as follows:

N = No findings/exceptions found

YES = Finding/exception found-see attached Audit Letter to the Department Head

Please do not hesitate to let me know if you have any questions.

Sincerely,



Steven E. Watson
Johnson County Auditor

klr



Outlook

RE: FY25 Q1 Audit Letter Draft - 1 Finding

From Matt Wylie <mwylie@johnsoncountytexas.org>

Date Mon 10-Feb-25 1:58 PM

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

Cc Kathryn Keene <kkeene@johnsoncountytexas.org>; Sherron A. Beard <Sherron@johnsoncountytexas.org>

Approved



Matt Wylie

Constable Precinct One
Johnson County
3390 FM. 1434
Cleburne, TX 76033
817-556-6163

[Civil Paper Lookup](#)

[Current Sales](#)

[Constable Pct.1 Website](#)

[Johnson County Constable Fees](#)

[Johnson County Precinct Address Lookup - Searchable Map](#)

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

Sent: Monday, February 10, 2025 1:37 PM

To: Matt Wylie <mwylie@johnsoncountytexas.org>

Cc: Kathryn Keene <kkeene@johnsoncountytexas.org>; Sherron A. Beard <Sherron@johnsoncountytexas.org>

Subject: FY25 Q1 Audit Letter Draft - 1 Finding

Constable Wylie,

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



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

February 6th, 2025

The Honorable Matt Wylie
Constable Precinct One
Johnson County
3390 FM 1434
Cleburne, Texas 76033

RE: Auditor's Report – FY25 Q1 Constable Precinct One

Dear Constable Wylie,

Summary

In accordance with Chapter 115 of the Local Government Code, we completed the regular quarterly audit procedures for the Constable Precinct One for the time period October through December 2024.

Background

Constables specialize in the enforcement of Civil Law. They play a vital role in enforcing judgments rendered in civil cases, such as evictions, divorces, child custody and property disputes. They seize and sell personal property of defendants and apply the proceeds of those sales towards judgements awarded to plaintiffs. They also sell property seized for non-payment of taxes.

Scope

Our review was limited to the examination of the bank statements, and supporting documents for this period.

Objective

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 Innoprise matched the monthly Odyssey reports of fees received.

Findings

We found that a payment was posted from a "Declined" credit card transaction, in error.

Recommendations

We recommend that an "Approved" credit card receipt is received prior to posting any payments.

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

LACY BRUTON
PERSONNEL CLERK
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BENEFITS COORDINATOR
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WORKER'S COMP/
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PAYROLL ADMINISTRATOR
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JOHNSON COUNTY
RANDY GILLESPIE
PERSONNEL DIRECTOR

January 31, 2025

Mr. Steve Watson
County Auditor
Johnson County
2 N. Main St.
Cleburne, Texas 76033

RE: Auditor's Report – FY25 Q1 Payroll - General

Dear Mr. Watson,

After reviewing the findings of the above indicated audit report, I am sending this letter to show my agreement with the audit findings. I appreciate you and your staff for providing this important County function.

Sincerely,

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

Randy Gillespie
Personnel Director

cc: Laura Baxter, Personnel Assistant

2 NORTH MAIN STREET ROOM 215
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Steven E. Watson
County Auditor

Jennifer R. Lyon
First Assistant County Auditor

January 16th, 2025

Mr. Randy Gillespie
Personnel Director
Johnson County
2 N. Main St.
Cleburne, Texas 76033

RE: Auditor's Report – FY25 Q1 Payroll – General

Dear Mr. Gillespie,

Summary

In accordance with Local Government Code, Sections 112 and 115, the Auditor's Office performed a review of transactions in the Kronos Payroll software (Kronos) for the Payroll Audit, for the period ending December, 2024.

Background

The Personnel office organizes, maintains and secures each employee's records and documentation for the county. Services include, staffing and employment, training and development, compensation administration, employee services and benefits, along with processing the County's payroll on a bi-weekly basis, utilizing the Kronos.

Scope

Our review was limited to the examination of the Kronos payroll register reports, for the same time period, matching pay period payroll recap & funding reports from the bi-weekly payroll.

Objective

The objective of this audit was to compare reports from Kronos to the processed bi-weekly payroll reports for accuracy. We ran payroll register, vendor, and job change reports from Kronos. These reports and supporting documents were examined and verified for Medicare rates, FICA rates, retirement rates for both employee and county contributions, and payroll vendors paid. We also examined the personnel action forms (PAF's) for all new hires, position transfers and rate changes.

Findings

We found two employees had differences between their W-4 and their actual deduction.

- A. EE #2565 did not request additional child credit deduction on their W-4, yet there was \$2,000 processed in the system. Verification from the ee was later requested and received.
- B. EE #635 did not properly complete section '1.c.' and it was put into the system without a note of authorization. No verification email was provided to back-up the with-holding.

There were no other exceptions that would lead us to conclude that the salaries and vendors paid were not, in all material respects, appropriately charged, remitted and reported.

Recommendations

Insure that all data entered during onboarding, and/or any other updates to deductions are reviewed and verified for accuracy.

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

Sincerely,



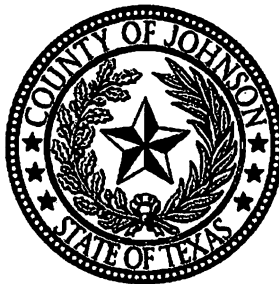
Steven Watson
Johnson County Auditor

cc: Kathy Rice, Audit Manager

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JOHNSON COUNTY

RANDY GILLESPIE
PERSONNEL DIRECTOR

February 17, 2025

Mr. Steve Watson
County Auditor
Johnson County
2 N. Main St.
Cleburne, Texas 76033

RE: Auditor's Report – Payroll – Accruals FY25

Dear Mr. Watson,

After reviewing the findings of the above indicated audit report, I am sending this letter to show my agreement with the audit findings. As indicated in the findings, this issue was identified and previously resolved by corrections to the Kronos Payroll software and why it did not maintain the corrected process in their system is unknown. Therefore, going forward the Payroll Administrator will manually enter the correct amount when the employee becomes eligible and the Kronos system at that time will follow correctly. Hopefully the new payroll software can eliminate the manual process. I appreciate you and your staff for providing this important County function.

Sincerely,

Randy Gillespie
Personnel Director

cc: Laura Baxter, Personnel Assistant

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Steven E. Watson
County Auditor

Jennifer R. Lyon
First Assistant County Auditor

January 7th, 2025

Mr. Randy Gillespie
Personnel Director
Johnson County
2 N. Main St.
Cleburne, Texas 76033

RE: Auditor's Report – Payroll – Accruals FY25

Dear Mr. Gillespie,

Summary

In accordance with Local Government Code, Sections 112 and 115, the Auditor's Office performed a review of the Accruals for Vacation and Sick time in the Kronos Payroll software (Kronos). To accomplish the audit, the Auditor's office judgmentally selected a sample of payroll accrual detail and history reports from Kronos.

Background

The Personnel office organizes, maintains and secures each employee's records and documentation for the county. Services include, staffing and employment, training and development, compensation administration, employee services and benefits, along with processing the County's payroll on a bi-weekly basis, utilizing Kronos.

Scope

For this engagement, we reviewed the accrual criteria stated in the Johnson County Employee Handbook. *"All full-time regular employees will be eligible for vacation/sick benefits after they have satisfactorily completed their 6-month orientation period. For orientation employees, vacation/sick day accruals will be calculated retroactive to the employee's hire date and may be*

taken after the 13th pay period following date of hire.” We then compared a manually calculated excel worksheet, based on the handbook criteria, to accrual balances reflected in Kronos. A sampling of active employees, and employees terminated after one year, were included in the comparison.

Objective

The objective of this audit was to analyze the reports from Kronos for accuracy and timeliness. Reports and supporting documents were examined and verified for Vacation and Sick time accrual balances.

Findings

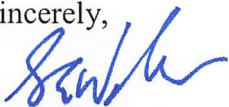
1. Upon examination, we found the posting of the initial accrued 40 hours was not recorded in the employee’s portal in a timely manner. Therefore, employees hired since January 2023 were shorted 3.076 vacation hours and 3.692 sick time hours. This has been corrected as of 12.30.24. The staff did a system update for employee’s hired after January 2023.
2. Due to the accruals not being posted timely, terminated employees were not receiving their final accrued un-used vacation pay.
3. This same issue was a finding, identified previously in 2022. It was resolved at that time, yet the corrected process was not maintained.

Recommendation

1. Update Kronos to have the accruals reflect on the employees profile the day following the completion of the six month’s pay period.
2. Insure terminated employees receive the final accrued time earned, before the final paycheck is processed.
3. Insure that all new employees’ accruals are updated at the end of their six month probationary period.

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

Sincerely,



Steve Watson
Johnson County Auditor

cc: Kathy Rice, Audit Manager