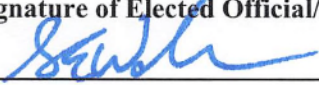


AGENDA PLACEMENT FORM

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

Date: 01/14/2026
Meeting Date: 01/26/2026
Submitted By: Steve Watson
Department: County Auditor
Signature of Elected Official/Department Head:


<p>Court Decision: This section to be completed by County Judge's Office</p> <p> 1-29-2026</p>

Description:

Acknowledge the FY26 Annual Audit Reports for:
Personnel - Salaries

(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

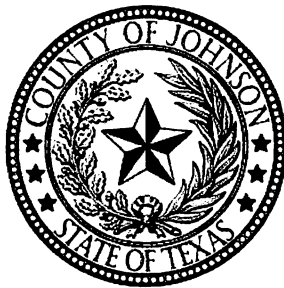
Other Department/Official (list) _____

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

LACY BRUTON
PERSONNEL CLERK
MAIN (817) 556-6350

DARLA MEDFORD
HR GENERALIST/
BENEFITS COORDINATOR
(817) 556-6349

CHRIS BROOKS
WORKER'S COMP/
SAFETY COORDINATOR
(817) 556-6350



LAURA BAXTER
PERSONNEL ASSISTANT/
PAYROLL ADMINISTRATOR
(817) 556-6162

JOVELYN HERSICK
PAYROLL ADMINISTRATOR
(817) 556-6350

JOHNSON COUNTY
RANDY GILLESPIE
PERSONNEL DIRECTOR

December 15, 2025

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

RE: Auditor's Report – FY26 Annual Payroll Audit

Dear Mr. Watson,

This letter is to confirm receipt of the above indicated audit. My staff and I will review the two observations mentioned and I am also confident this will be corrected going forward. I appreciate you and your staff for providing this important County function.

Sincerely,

Randy Gillespie
Personnel Director

cc: Laura Baxter, Personnel Assistant

**2 NORTH MAIN STREET ROOM 215
CLEBURNE, TEXAS 76033
FAX (817) 556-6899**



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

December 1st, 2025

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

RE: Auditor's Report – FY26 Annual Payroll Audit

Dear Mr. Gillespie,

Summary

In accordance with Local Government Code, Sections 112 and 115, the Auditor's Office performed a review of salaries in the Kronos Payroll software (Kronos) for the Annual Payroll Audit for fiscal year 2026.

Background

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

Scope

Our review was limited to the examination of the Kronos employee reports and the Commissioner's Court approved budget for fiscal year 2026. Note: CSCD employee salaries are funded by Rider 62 which is a specific provision within the Texas State budget.

Objective

The objective of this audit was to compare the employee roster report from Kronos to the annual budget for fiscal year 2026 approved by the Commissioners' Court. We ensured that there were no employee salaries in Kronos that were higher than what was approved.

Observations

Of the 927 positions reviewed the following observations were noted.

- Two positions did not have the correct job code documented in the FY26 Budget presented to the Commissioner's Code.
- Two CSCD positions' salaries were updated based on the CSCD Salary Increase letter; However, the same two positions were also included in the FY26 budget approved by Commissioner's Court with a different amount resulting in inconsistent data being reported. The net value of the two positions was zero, and the salaries actually paid out were accurate.

We worked with your department staff on the issue and are confident this will be corrected going forward.

Recommendation

The finalized salary budget file should be reviewed by management prior to it being presented in Commissioner's Court to reduce manual entry errors that could ultimately impact the budget's accuracy and integrity.

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

Sincerely,



Steven Watson
Johnson County Auditor

cc: Ricardo Ocegueda, Senior Internal Auditor
cc: Kathy Rice, Audit Manager