

OCA Auditor- The Audit Breakdown

Greg Magness, CIA, CGAP
Audit Manager
CIP – Audit Section

Audits / Rate Reviews

- ▶ Compliance Audits
- ▶ Rate Reviews
- ▶ Data Verification Audits



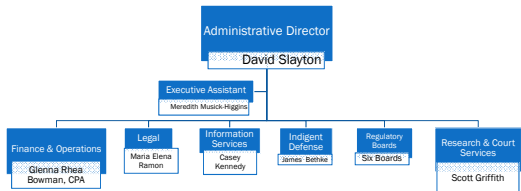
Expectations

- ▶ Of CIP Audit
- ▶ Of Programs

Background

- ▶ HB 2949, 81st Leg., R.S.
- ▶ SB 1, 81st Leg., 1st Called Session
 - Moved the audit function from Comptroller to the Office of Court Administration (OCA)
 - Added 180-day grace period for municipalities (later added to Counties)
 - Applied to court costs, fees, and fines imposed on cases after the law's effective date of September 1, 2011

Background



Audits / Rate Reviews

- ▶ Compliance Audits
- ▶ Rate Reviews
 - Pre-implementation
 - Post-implementation
- ▶ Data Verification Audits

Audits / Rate Reviews

- ▶ Audit Universe
 - 61 Counties
 - 8 new Counties due to 2010 Census
 - 29 Municipalities
 - 5 new Municipalities due to 2010 Census

Working to build and pilot the Data Verification Audit
this State Fiscal Year
(Sept 1, 2014 – Aug 31, 2015)

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Audits / Rate Reviews

- ▶ Will schedule Audits and Rate Reviews
 - Based on available audit hours
 - Assigned to auditors who will schedule the projects
 - Will leave some scheduling room for Follow-up Audits

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Rate Review

- ▶ Not an Audit – Informational Use Only
- ▶ Performed to address the requirement of Article 103.0033(f) of the Code of Criminal Procedure
- ▶ Does not measure compliance as required by Article 103.0033(j) of the Code of Criminal Procedure
- ▶ Snapshot of first 120-day Collection Rate

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Rate Review

- ▶ Snapshot of first 120-day Cash Collections
 - Broken down in 30-day increments
- ▶ Total percentage satisfied in first 120-days
 - Cash Collections plus Credits
 - Credits for jail time, indigency, and community service
- ▶ Percentage of Defendants that pay immediately
 - Must pay at time of plea/judgment
 - Must not have a failure to appear

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Rate Review

- ▶ Determine actual Assessment Date
- ▶ Record payments/credits within first 120-days of assessment
- ▶ Determine if defendant paid immediately

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Post-implementation 120-day Collection Rate Review City of Metropolis

The Office of Court Administration has completed a Post-Implementation Collection Rate (PICR) Review of the City of Metropolis' Municipal Court Collection Program. The objective of this review was to determine the 120-day collection rate of court costs, fees, and fines pursuant to Article 103.0033(4) of the Code of Criminal Procedure. The review covers the City of Metropolis' Fiscal Year 2011 (October 1, 2010 – September 30, 2011).

Please note: the PICR Review is not an audit and does not measure compliance with program requirements. The purpose of the review is to determine your 120-day collection rate since the implementation of your Court Collection Improvement Program and is for informational purposes only.

As a result of the review, the following information was determined:

120-day Collection Rate	60.19%
Collections - first 30 days	53.20%
Collections - days 31 - 60	2.81%
Collections - days 61 - 90	2.58%
Collections - days 91 - 120	1.60%

In addition, through the course of the review, the following information was obtained:

Percentage of jail time credit	13.25%
Percentage of community service credit	1.96%
Percentage of indigency waiver	0.00%*
Total percentage of court costs, fees, and fines satisfied	75.41%
Percentage of people that paid immediately	40.21%

* The City of Metropolis may assign community service or jail time for indigent defendants who cannot pay their court costs, fees, and/or fines.

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Compliance Audit

Required by:

Code of Criminal Procedure
Article 103.0033(j)

Test 11 components:

4 Program Operations Components
7 Defendant Communication Components

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Compliance Audit

▶ Program Operations Components

1. Dedicated Program Staff
2. Payment Plan Monitoring
3. Improvement of collections of cases >60 days overdue
4. Reporting of Collection Activity to OCA

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Compliance Audit

▶ Compliance with Program Operations Components

- If Program is non-compliant with any one of the four component, the Program has failed the audit
- The auditor will complete the audit to communicate ALL issues of non-compliance
- Follow-up audit will be scheduled 6 months after jurisdiction declares they have reestablished compliance

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Compliance Audit

- ▶ Defendant Communication Components
 5. Application
 6. Verification of Contact Information
 7. Defendant Interviews
 8. Specified Payment Terms
 9. Telephone Contact for Past-due Payments
 10. Mail Contact for Past-due Payments
 11. Contact if Capias Pro Fine Sought

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Compliance Audit

- ▶ Stop-and-Go Random Sample from all cases across the jurisdiction
 - Sampling technique that allows for the accurate measure of collection rate
 - Reviewing the fewest number of cases (most efficient)
 - Specific to each Program reviewed
(Your Program may have a different number of samples tested than other Programs based on number of courts and cases adjudicated)

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Compliance Audit

- ▶ Compliance with Defendant Communication Components
 - 80% of eligible cases are in compliance
 - Partial Compliance – 50%-79% of eligible cases are in compliance
- ▶ To be compliant overall
 - No component less than 50%
 - No more than 1 component 50% - 79%
 - All other components must be 80%+

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Compliance Audit

▶ Key Areas to Review

- Are the 7 Defendant Communications components being applied to all Eligible Cases?
- Are all courts included in the monthly/annual reports?
- Are all cases making it into the Collection Process?
 - Important to look at each JP office.
 - What controls are in place to ensure all cases make it?
 - In addition, is the Time Payment Fee being added correctly?

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Data Verification Audit

Code of Criminal Procedure – Article 103.0033(i)

Each county and municipality shall at least annually submit to the office a written report that includes updated information regarding the program, as determined by the office. The report must be in the form approved by the office.

Code of Criminal Procedure - Article 103.0033(j)

The office shall periodically audit counties and municipalities to verify information reported under Subsection (i) and confirm that the county or municipality is conforming with requirements relating to the program.

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Data Verification Audit

▶ Data Reliability

- reasonably complete and accurate,
- meets the intended purposes, and
- not subject to inappropriate alterations

** Data Reliability does not mean error-free **

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Data Verification Audit

Two Required Reports:

- **OCA Monthly Collections Report** – gathers revenue data related to collections
- **Annual Financial Information Report** – gathers expenses related to the Collection Improvement Program

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Data Verification Audit

▶ Possible Outcomes

- Sufficiently Reliable
- Partially Reliable
- Not Sufficiently Reliable
- Undetermined Reliability

The Program is working to define these

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Data Verification Audit

Primary Level

1. Number of cases where court costs, fees, and fines assessed during the month
2. Aging Schedule

Both have to be found Sufficiently Reliable to be found in Compliance

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Data Verification Audit

Secondary Components

Monthly Report

- 3. Dollar Amount Assessed
- 4. Dollar Amount Collected
- 5. Jail Time Credit Given
- 6. Community Service Credit Given

Annual Report

- 7. Salaries
- 8. Direct Operating Expense
- 9. Full Time Equivalents

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Data Verification Audit

To be found in Compliance:

- ▶ Components 3 and 4 must be found to be sufficiently reliable
- ▶ Components 5 and 6 must be found to be sufficiently reliable or partially reliable
- ▶ Two of Components 7, 8, and/or 9 must be found to be Sufficiently reliable

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Data Verification Audit

Tertiary Components:

Monthly Reports

- 10. Dollar Amount Waived: Indigency
- 11. Dollar Amount Waived: Non-indigency
- 12. Dollar Amount of Adjustment Assessed/Collected

Annual Report

- 13. Fringe Rate

- ▶ These will be tested for informational use, will not factor into compliance

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Data Verification Audit

- ▶ Key Areas to Review
 - Are all courts Reporting?
 - Ensure reporting to both OCA Judicial Information and CIP
 - Can the County get to the detailed reports supporting the counts?
 - Sample the detailed reports, and see if they meet the criteria reported.
 - Ensure dates are within the month being reported
 - Look for anomalies that indicate a systemic error

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Compliance & Data Verification Audit

- ▶ 180-day Grace Period
 - Jurisdiction notifies CIP-Audit that they have re-established compliance
 - CIP Audit will schedule follow-up review as soon as possible
 - Two months of audit period must pass
 - Four additional months must pass before Review
 - Will notify Comptroller if found non-compliant during 2nd Review

CPA only makes a switch once a Calendar Quarter

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Expectations

- ▶ Differences Between Regional Collection Specialist and CIP Auditor
 - Regional Collection Specialist
 - is assigned to a specific region of the state
 - will perform testing to prepare the jurisdiction for the audits
 - looks for opportunities within the Program to improve
 - CIP Auditor
 - is assigned statewide (not by region)
 - looks at random sample of all cases where court costs, fees, and fines were not paid within 30 days of Assessment Date
 - determines if your Program is compliant

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Expectations

- ▶ Of CIP Audit
 - Fair, unbiased evaluation
 - Professional
 - Transparent
 - Informative
 - Flexible (to an extent)

We want a true picture of your Program as it is being run at the time of the audit

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Expectations

- ▶ Of the Program
 - Point of Contact
 - Person charged with oversight of the Program
 - Supervisor
 - Limited Assistance
 - Person knowledgeable with the information and systems of the Program
 - Workspace to set-up laptop (and scanner)

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Questions



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Contact Information

Gregory Magness, CIA, CGAP
205 W. 14th Street, Suite 600
Austin, TX 78711-2066

Phone: (512) 936-1898
Email: gregory.magness@txcourts.gov
