



COMMISSIONERS COURT  
COMMUNICATION

REFERENCE NUMBER CO#117465

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DATE: 4/15/2014

SUBJECT: **RECEIVE AND FILE THE AUDITOR'S REPORT OF THE REGISTRY OF THE COURT ACCOUNTS HELD BY THE DISTRICT 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 District 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 District 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 District Clerk and the depository 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

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March 28, 2014

The Honorable Thomas Wilder, District Clerk  
The Honorable District Judges  
The Honorable Commissioners Court  
Tarrant County, Texas

Re: Auditor's Report – District 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 District 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 District Clerk and the depository was adequate.

In our opinion, the attached financial statements related to the District 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 depository exceeded the amounts required by contract.

### 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 District 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 the TIMS application. The clerk is responsible for the deposits, disbursements, and the investment of the registry funds. Currently, the registry accounts are held at JP Morgan Chase.

In accordance with Local Government Code Section 117.121, *Disbursement of Funds*, the Auditor's Office reviews and countersigns all disbursements made from the District 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 District 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:* Doug Gowin, Operation Manager  
Andrea Ziton, Registry Fund Manager

*Audit Team:* Kim Trussell, Audit Manager  
Maki Ogata, Senior Auditor

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

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

<b>Assets</b>		
Cash (deposits)		\$ 688,280.94
Certificates of deposits, including accrued interest		<u>19,264,093.59</u>
Total Assets		<u><u>\$ 19,952,374.53</u></u>
<b>Liabilities</b>		
Due to beneficiaries		<u>\$ 19,952,374.53</u>
Total Liabilities		<u><u>\$ 19,952,374.53</u></u>

**Tarrant County, Texas**  
**District 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	\$ 730,412.06	14,606,212.51	\$ 15,336,624.57
Deposits	15,648,589.94		15,648,589.94
Interest earned	-	193,726.69	193,726.69
Transfer from Invested to UnInvested	12,056,098.89	(12,056,098.89)	-
Transfer from UnInvested to Invested	(16,520,253.28)	16,520,253.28	-
Disbursements	(11,226,566.67)	-	(11,226,566.67)
Ending Balance, September 30, 2013	<u>\$ 688,280.94</u>	<u>\$ 19,264,093.59</u>	<u>\$ 19,952,374.53</u>