

**Travis County District Clerk  
Civil Bond Examination  
#16-04  
July 22, 2016**

Historic Travis County Courthouse  
1000 Guadalupe Street



TRAVIS COUNTY  
AUDITOR'S OFFICE

NICKI RILEY, CPA  
COUNTY AUDITOR



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To: Velva Price  
Travis County District Clerk

From: Nicki Riley, CPA  
Travis County Auditor

Date: July 22, 2016

Subject: District Clerk Civil Bond Review

Scheduled as part of our statutory requirements, the Risk Evaluation and Consulting (REC) Division of the Travis County Auditor's Office has completed an examination of bonds related to civil cases maintained by the District Clerk's Office. We conducted our examination in accordance with the applicable statutes governing the County Auditor's Office and those relating to County financial and accounting protocols. As a result of our examination, we are providing this report on our findings and recommendations.

## **BACKGROUND**

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During the progression of some civil cases, a party to the case may be required to deposit funds with the clerk of the court. The clerk is responsible for tracking and securing these funds until a judicial order directs the clerk on the method in which to disburse the bond funds. The clerk tracks the bond in both its court system and its accounting records; in the latter, the bond is accounted for as a liability of the clerk.

## **SCOPE OF EXAMINATION**

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This examination included an assessment of the adequacy and effectiveness of the overall system of financial controls in place for the District Clerk's 702 civil bonds totaling \$2,542,282.57 on hand as of November 30, 2015. We reviewed in detail 72 (10%) of these bonds totaling \$2,256,595 (89%).

## **EXAMINATION METHODOLOGY**

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Our work was based on applying sampling procedures to office records and on verbal and written representations from District Clerk's Office personnel. Sampling relates to examining, on a test basis, evidence supporting the amounts and disclosures in the financial records and statements. The use of sampling techniques would not necessarily disclose all material weaknesses or misstatements in the District Clerk's financial statements, financial records, and internal controls. In regards to the written and verbal representations made by this office, unless otherwise noted in this report, the District Clerk's Office management maintains that the assertions we relied upon in the examination were correct to the best of their knowledge.

## **SUMMARY OF FINDINGS & RECOMMENDATIONS**

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Based upon our examination, we noted no material misstatements or internal control weaknesses in the accounting protocols for the District Clerk's civil bonds.

## **CLOSING**

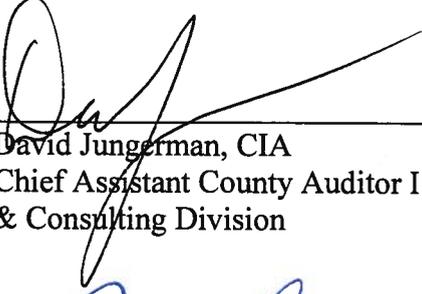
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This report is intended solely for the information and use of the District Clerk's office and the Commissioners Court. We greatly appreciate the cooperation and assistance received from the management and staff of the District Clerk's Office during this examination. Please contact us if you have any questions or concerns regarding this report.

## **EXAMINATION TEAM**

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David Jungerman, Senior Auditor  
Jennifer Bodiker, Staff Auditor



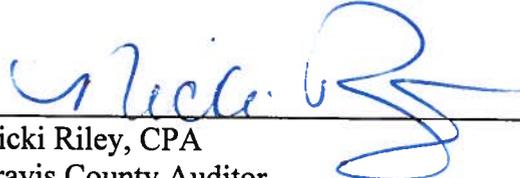
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David Jungerman, CIA  
Chief Assistant County Auditor I – Risk Evaluation  
& Consulting Division



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Patti Smith, CPA  
First Assistant County Auditor



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Nicki Riley, CPA  
Travis County Auditor

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Examination File