
CITY OF SAN ANTONIO

OFFICE OF THE CITY AUDITOR



Audit of Municipal Court

State Required Reporting

Project No. AU22-031

May 04, 2022

Kevin W. Barthold, CPA, CIA, CISA
City Auditor

Executive Summary

As part of our annual Audit Plan approved by City Council, we conducted an audit of the Municipal Court, specifically state required reporting. The audit objectives, conclusions, and recommendations follow:

Determine if the Municipal Court is accurately reporting financial and statistical data to external agencies.

The Municipal Court is accurately reporting financial and statistical data to state agencies by the required deadlines. Specifically, the Municipal Court has submitted the following reports accurately according to State requirements and by the due dates:

- Weekly Conviction report
- Monthly Court Activity report
- Quarterly State Criminal Costs and Fees Report
- Annual Texas Excess Motor Carrier Fines report
- Annual Child Safety Seat and Seat Belt Violation Fines report

We make no recommendations to the Municipal Court; consequently, no management responses are required. Management's acknowledgement of audit results is in Appendix B on page 6.

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Background

The San Antonio Municipal Court operates as the judicial branch of the City of San Antonio. The Municipal Court is responsible for adjudicating state law criminal fine-only offenses and city ordinance violations. The Court has subject matter civil jurisdiction for bond forfeitures, cruelly-treated animal hearings and dangerous dogs hearings. The Court also has jurisdiction to hear civil offenses of city ordinances relating to parking and stopping of vehicles and certain city code violations. The Municipal Court judges in their role as magistrates operate a Magistrate Court for individuals arrested by the San Antonio Police Department and the Department of Public Safety. At the initial appearance, a probable cause determination is made and the arrestee is informed of their constitutional and statutory rights and pending charges. The Municipal Court reports directly to the Mayor and City Council but operates administratively under the guidance of City management and related administrative directives.

The Municipal Court is required to remit various State fines and court costs. It submits the following reports to the Texas Comptroller's Office of Public Accounts (Comptroller): State Criminal Costs and Fees City Quarterly Report, Texas Excess Motor Carrier Fines and Costs of Enforcement annual reports, and Child Safety Seat and Seat Belt Violation Fines annual report.

Additionally, the City may retain 10 percent of the money collected from State criminal costs and fees if the funds collected are reported and remitted timely. If not reported timely, the retainer is forfeited and submitted to the State.

The Municipal Court is also required to submit statistical information of court activity. The Texas Administrative Code (TAC) requires submission of court activity reports each month to the Office of Court Administration (OCA). Additionally, the Texas Transportation Code (TTC) requires the Municipal Court to submit weekly reports of convictions involving a moving vehicle to the Texas Department of Public Safety (TxDPS).

For FY 2021, the Municipal Court recorded \$7 million in fines and fees. Additionally, the Municipal Court remitted \$4.3 million in State criminal costs and fees.

Audit Scope and Methodology

The audit scope included the statistical and financial reporting processes for fiscal year (FY) 2021.

We interviewed personnel from the Municipal Court, San Antonio Police Department (SAPD), and the Finance Department to gain an understanding of the reporting process. Additionally, we reviewed internal policies and procedures, financial spreadsheets, and State forms. Finally, we reviewed State guidance for reporting including the Municipal Court Financial Management Handbook.

We reviewed the fee tables in Municipal Court's case management system (Incode) to determine if they were current with the applicable State statutes. We obtained a random sample of 10 weekly conviction reports to determine if they had been submitted accurately and timely to TxDPS. Additionally, we judgmentally selected four monthly court activity reports to determine if they were capturing all required information and were submitted by the required deadline to the OCA. We also judgmentally selected two quarterly State Criminal Costs and Fees reports along with reviewing a random sample of 25 daily Incode reconciliations to determine if all costs and fees agreed with SAP and had been submitted to the Comptroller by the due date. Additionally, we determined if the Municipal Court accurately calculated the 10% service discount for filing the State Criminal Costs and Fees report in a timely manner.

We reviewed the Texas Excess Motor Carrier Fines and Costs of Enforcement and the Child Safety and Seat Belt Violation Fines annual reports to determine if they had been submitted accurately and by the annual deadline. This included verifying if the Municipal Court was properly remitting 50% of the fine amount for the applicable violations to the Comptroller. Finally, we obtained a listing of users in Incode to determine if user access was appropriate.

We assessed internal controls relevant to the audit objective. This included a review of internal policies and procedures and approval processes.

We relied on computer-processed data in SAP and Incode to validate the financial information used for the State Criminal Costs and Fees reports. Our reliance was based on performing direct tests on the data rather than evaluating the system's general and application controls. Our direct testing included tracing 25 daily reconciliation packets from Incode into SAP. We do not believe that the absence of testing general and application controls had an effect on the results of our audit.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the

evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Results and Recommendations

A. State Reporting

The Municipal Court is accurately preparing and submitting all required State reports.

Chapter 133 of the Local Government Code requires Municipal Courts to collect, report, and remit court costs and fees to the Comptroller. We judgmentally selected two State Criminal Costs and Fees reports from FY 2021 and determined they were accurate, agreed to SAP, and were submitted by the due date of the 31st of the month following the end of the quarter. We also determined the Municipal Court was correctly remitting 50% of the excess motor carrier weight violations on the reports. Additionally, we randomly selected 25 daily Incode reconciliations from these reports, agreed them to SAP, and determined they showed evidence of review. Finally, we determined the Municipal Court accurately calculated the 10% service fee discount for filing the report in a timely manner.

Section 543.203 of the TTC requires the Municipal Court to send a weekly report of all convictions on a charge of violating a law regulating the operation of a vehicle on a highway to TxDPS. We randomly selected 10 weekly conviction reports from FY 2021 and determined they were accurately produced by Incode and were submitted to TxDPS on a weekly basis.

Chapter 171 of the TAC requires Municipal Courts to send a report of Court Activity to the OCA by the 20th of each month. We judgmentally selected four monthly court activity reports from FY 2021 and determined they were populated correctly from Incode and were submitted by the due date of the 20th of each month.

Section 545.413 of the TTC requires the Municipal Court to remit 50% of the fine collected for child safety seat and seatbelt violations to the Comptroller at the end of the fiscal year by October 31st. For FY 2021, we determined the Municipal Court was correctly reporting 50% of the violations and was submitting the report by the due date.

Recommendations

None.

Appendix A – Staff Acknowledgement

Mark Bigler, CPA-Utah, CISA, CFE, Audit Manager
Douglas Francis, CIA, Auditor in Charge
Javier Castillo, IT Auditor

Appendix B – Management's Acknowledgement



CITY OF SAN ANTONIO

SAN ANTONIO TEXAS 78283-3966

April 25, 2022

Kevin W. Barthold, CPA, CIA, CISA
City Auditor
San Antonio, Texas

RE: Management's Acknowledgement of its Review of Audit of Municipal Court State Required Reporting

The Municipal Court has reviewed the audit report and provided its comments to the auditors. As there are no recommendations for management, no management responses are required.

Municipal Court

☒ Fully Agrees

☐ Does Not Agree (provide detailed comments)

Sincerely,

A handwritten signature in black ink, reading "Frederick P. Garcia".

Frederick P. Garcia
Court Clerk
Municipal Court

04/25/22

Date

A handwritten signature in blue ink, reading "Carla Obledo".

Carla Obledo
Presiding Judge
Municipal Court

04/25/22

Date