

Report on the

Office of Judge of Probate

Dallas County, Alabama

August 1, 2016 through December 31, 2020

Filed: October 1, 2021



Department of Examiners of Public Accounts

401 Adams Avenue, Suite 280
Montgomery, Alabama 36104-4338
P.O. Box 302251
Montgomery, Alabama 36130-2251
Website: www.examiners.alabama.gov

Rachel Laurie Riddle, Chief Examiner



Rachel Laurie Riddle
Chief Examiner

State of Alabama
Department of
Examiners of Public Accounts

P.O. Box 302251, Montgomery, AL 36130-2251
401 Adams Avenue, Suite 280
Montgomery, Alabama 36104-4338
Telephone (334) 242-9200
FAX (334) 242-1775

Honorable Rachel Laurie Riddle
Chief Examiner of Public Accounts
Montgomery, Alabama 36130

Dear Madam:

An examination was conducted on the Office of Judge of Probate, Dallas County, Alabama, for the period August 1, 2016 through December 31, 2020. Under the authority of the *Code of Alabama 1975*, Section 41-5A-19, I hereby swear to and submit this report to you on the results of the examination.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Sherry J. Owen'.

Sherry J. Owen
Examiner of Public Accounts

rb

Table of Contents

	<i>Page</i>
Summary	A
Contains items pertaining to state and local legal compliance, office operations and other matters.	
Schedule of State and Local Compliance and Other Findings	C
Contains detailed information about findings pertaining to state and local legal compliance and other findings.	
Financial Information	1
Exhibit #1 Summary of Receipts and Disbursements	2



Department of
Examiners of Public Accounts

SUMMARY

**Office of Judge of Probate
Dallas County, Alabama
August 1, 2016 through December 31, 2020**

The Office of Judge of Probate, Dallas County, Alabama, is responsible for various Probate Court matters in accordance with the *Code of Alabama 1975*, Section 12-13-1, and is responsible for assessing the appropriate fees and court costs for each case under the Court's jurisdiction in accordance with the *Code of Alabama 1975*, Section 12-19-90. The Judge of Probate, an elected official, is also responsible for marriage licenses and for recording and collecting taxes on deeds and mortgages in accordance with various provisions of the *Code of Alabama 1975*. All fees and taxes collected are distributed in accordance with prevailing statutes.

Honorable Kimbrough L. Ballard served as Judge of Probate through January 15, 2019. Honorable Jimmy Lee Nunn served as Judge of Probate beginning January 16, 2019 through the remainder of the examination period.

Exhibit 1 provides information on the receipts and disbursements collected and remitted by the Judge of Probate during the examination period.

This report presents the results of an examination of the Judge of Probate and a review of the Judge of Probate's compliance with applicable laws and regulations of the State of Alabama in accordance with the requirements of the Department of Examiners of Public Accounts under the authority of the *Code of Alabama 1975*, Section 41-5A-12.

FINDINGS

Instances of noncompliance with state and local laws and regulations and other matters were found during the examination, as shown on the Schedule of State and Local Compliance and Other Findings and they are summarized below:

- ◆ 2020-001 relates to the failure of the Judge of Probate to reconcile bank accounts and prepare an accurate analysis of amounts on hand. This finding was previously reported as Finding 2016-001.
- ◆ 2020-002 relates to the failure of the Judge of Probate to deposit money collected timely and intact. This finding was previously reported as Finding 2016-002.

EXIT CONFERENCE

The officials were invited to an exit conference to discuss the results of the examination. Jimmy Lee Nunn, Judge of Probate attended the exit conference. The results of the exit conference were discussed with Kimbrough L. Ballard, former Judge of Probate, via phone call. Representing the Department of Examiners of Public Accounts was Sherry Owen, Audit Manager.

*Schedule of State and Local
Compliance and Other Findings*

Schedule of State and Local Compliance and Other Findings
August 1, 2016 through December 31, 2020

Ref. No.	Finding/Noncompliance
2020-001	<p><u>Finding:</u> Minimum Accounting Requirements for the Office of Judge of Probate, as prescribed by the Chief Examiner of Public Accounts, under the authority of the <i>Code of Alabama 1975</i>, Section 41-5A-21, require all bank accounts to be reconciled to the cashbook monthly and an analysis made of all balances on hand. The bank account for the recording division was not reconciled monthly and an analysis of balances on hand was not prepared. The Judge of Probate failed to establish procedures to ensure all bank accounts were accurately reconciled and the remaining balances on hand analyzed. It was found that differences occurred but were not investigated and resolved in a timely manner. Our analysis of this bank account revealed that bank fees totaling \$22,965.33 had been charged to the account during the examination period. The bank redeposited \$22,802.03 in bank fees into the recording bank account, however, bank fees in the amount of \$163.30 remain outstanding as of December 31, 2020. This finding was previously reported as Finding 2016-001.</p> <p><u>Recommendation:</u> The Judge of Probate should reconcile all bank accounts and make an analysis of balances on hand on a monthly basis.</p>
2020-002	<p><u>Finding:</u> Minimum Accounting Requirements for the Office of Judge of Probate, as prescribed by the Chief Examiner of Public Accounts, under the authority of the <i>Code of Alabama 1975</i>, Section 41-5A-21, require the Judge of Probate to establish a control environment to provide reasonable assurance the requirements of the Office are being achieved, including a requirement the Judge of Probate have written policies and procedures in place to ensure the office prepares and makes daily deposits. Probate Court money collected was only deposited once a month. Additionally, deposits were not made intact in the recording division bank account. The Judge of Probate did not have policies and procedures in place to ensure all money collected was deposited daily and intact. As a result, money on hand was exposed to loss or theft. This finding was previously reported as Finding 2016-002.</p> <p><u>Recommendation:</u> All money collected in the Office of Judge of Probate should be deposited daily and intact.</p>

Financial Information

Summary of Receipts and Disbursements
August 1, 2016 through December 31, 2020

	State	County	Board of Education	Officer and Others	Fees and Commissions	Probate Court	Total
<u>Receipts</u>							
Mortgage Tax	\$ 357,034.60	\$ 173,529.63		\$ 4,987.64	\$ 28,187.00	\$	\$ 563,738.87
Deed Filing Tax	179,972.48	89,798.36		187.80	6,922.10		276,880.74
Mineral Documentary Tax	157.15	183.34	183.34		27.57		551.40
Special Recording Fee					110,670.00		110,670.00
Recording Fees					328,003.23		328,003.23
Marriage License	43,590.00	8,490.00			636.00		52,716.00
Probate Court						140,181.98	140,181.98
Fiduciary Funds						129,867.62	129,867.62
Total Receipts	580,754.23	272,001.33	183.34	5,175.44	474,445.90	270,049.60	1,602,609.84
<u>Disbursements</u>							
Remittances:							
Taxes, Licenses and Fees	580,754.23	272,001.33	183.34	5,175.44	474,445.90		1,332,560.24
Probate Court						140,181.98	140,181.98
Fiduciary Funds						94,998.21	94,998.21
Total Disbursements	580,754.23	272,001.33	183.34	5,175.44	474,445.90	235,180.19	1,567,740.43
Beginning Amounts Not Due To Be Remitted:							
Probate Court						56,605.20	56,605.20
Fiduciary Funds						160,222.49	160,222.49
Ending Amounts Not Due To Be Remitted:							
Probate Court						56,605.20	56,605.20
Fiduciary Funds						195,091.90	195,091.90
Total	\$	\$	\$	\$	\$	251,697.10	251,697.10