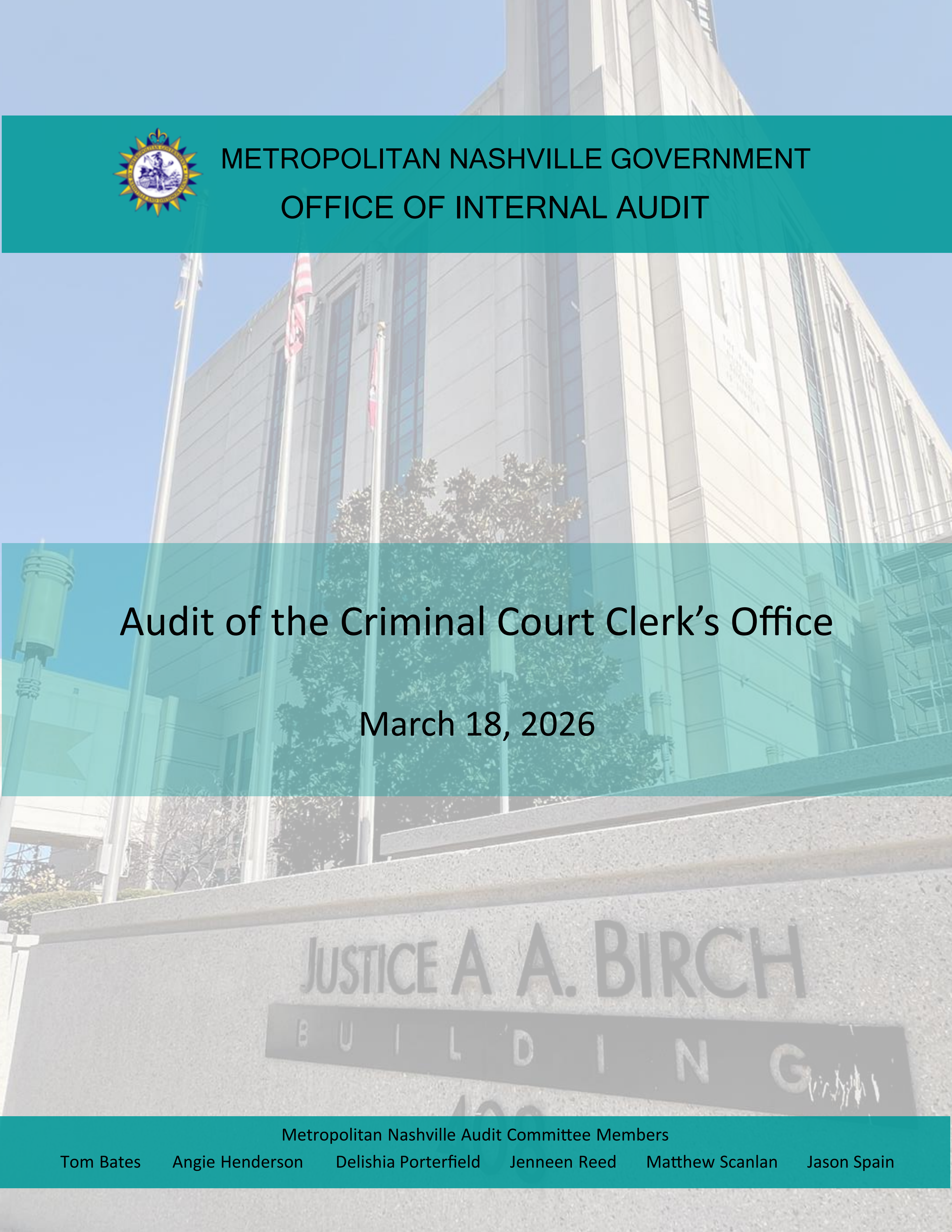
METROPOLITAN NASHVILLE GOVERNMENT

OFFICE OF INTERNAL AUDIT



Audit of the Criminal Court Clerk’s Office

March 18, 2026

EXECUTIVE SUMMARY

Why This Audit Matters

The Nashville Criminal Court Clerk is responsible for maintaining the official records and managing the administrative functions of the Criminal Trial Courts, and General Sessions Courts. The office processes documentation related to criminal proceedings, provides courtroom support, and handles court fines, fees, restitution, and bail payments.

Audit Objectives and Scope

The objectives of this audit are to determine if:

- Processes are in place to ensure court-related fees and fines are collected, recorded, and deposited timely.
- Processes are in place to ensure disbursements are approved, paid, and recorded.
- Processes are in place over the acceptance, approval, collection and deposit of bond payments.
- Processes are in place to approve expungement requests, and to subsequently destroy records in accordance with court orders.
- Payroll expenditures and leave time for criminal court staff are properly approved, calculated, and documented.

The scope of this audit includes revenues, disbursements, expungements, and payroll activity between July 1, 2023, and June 30, 2025.

What We Found

The Criminal Court Clerk has controls in place over cash collections, disbursements, and the processing of criminal expungements. Bond payments were collected, approved and recorded appropriately.

Documenting the transfer of custody of cash could be improved. Leave time approval protocols were inconsistent among various employee roles. Additionally, leave time payroll categories for salaried employees were not recorded in the Oracle R12 payroll record.

What We Recommend

The Criminal Court Clerk should ensure leave time payroll is recorded completely and accurate leave time information is maintained in the Oracle Cloud system. Consistent leave time requirements should be established for all employees, and exception justifications should be documented. Additionally, two-person sign off to document the transfer of custody of cash at the Bond Office should be implemented.

Contents

Background

The Criminal Court Clerk's Office serves Davidson County, Tennessee and is a vital component of the local criminal justice system. It is responsible for maintaining the official records and managing the administrative functions of the Criminal Trial Courts, General Sessions Courts (Criminal Division), and Traffic Court. The office processes all documentation related to criminal proceedings, including warrants, court orders, indictments, and plea agreements. It also provides courtroom support by preparing dockets and assisting judges, prosecutors, defense attorneys, and law enforcement officials during trials and hearings. In addition to these responsibilities, the office handles the collection and disbursement of court fines, fees, restitution, and bail payments.

Public services are another key function of the office, as it offers access to criminal records and court calendars, and processes expungements and background checks. In recent years, the office has embraced modernization efforts, expanding digital services such as online case lookups, criminal background searches, and payment portals for court-related costs. Through these functions, the Criminal Court Clerk's Office plays a central role in ensuring the smooth operation, transparency, and accessibility of the criminal court system in Davidson County.

The Criminal Court Clerk is an elected official who serves a four-year term. The department has six divisions, each with a supervisor, and are all overseen by a chief deputy clerk. The six divisions are Finance, General Sessions Courts, State Trial Courts, Information Technology, Human Resources, and Customer Information.

Objectives & Conclusions

Are court-ordered fines and fees assessed, collected, deposited, and recorded in a timely manner?

Yes. The Criminal Court Clerk's Office maintained effective controls to ensure cash collections were received, recorded, and deposited in accordance with established policies. During the audit period, court-related fees and fines were collected using cash, check or credit card for general sessions and criminal cases. Additionally, services such as providing certified copies are available by the Criminal Court Clerk for a fee. A breakdown of total receipts during the audit period is shown in Exhibit A.

Exhibit A: Total Receipts Excluding Bonds

	FY2024	FY2025
Criminal	$ 632,610	$ 605,342
General Sessions	$ 2,062,007	$ 1,969,656
Other Fees	$ 1,060,559	$ 1,475,870

Source: Criminal Justice Information Systems

A sample of 47 deposits during the audit period was selected for review. Supporting documentation confirmed that deposits matched recorded receipts, and all deposits were made within the required two business days. No discrepancies were noted, indicating that controls over cash collection were functioning as intended.

Are controls in place to ensure payroll expenditures and employee leave time are accurate, approved, and appropriately documented?

Generally, yes. Controls are in place to ensure payroll expenditures are accurate, approved, and documented. The Criminal Court Clerk uses Kronos for all payroll and leave time tracking. The office submits payroll to Metro Finance's Division of Payroll at the end of each pay period to be processed. Employee leave time is recorded and tracked internally in Kronos; however, leave time is not submitted to the Division of Payroll for salaried employees. Accordingly, the general ledger does not show accurate payroll categories for the Criminal Court Clerk's payroll expenses.

Additionally, inconsistencies were found in the level of documentation required by employees for requesting leave time. A review of employee leave found that not all employees had documented approval for their leave by supervisors and management indicated that some employees were exempt from the requirement.

Are controls in place to ensure expungement applications are reviewed, authorized, and completed timely, and in compliance with applicable law?

Yes. A review of the procedures surrounding the expungement process determined that controls are in place to ensure appropriate separation of duties and communication among all parties involved in the expungement process. A sample of 47 approved expungement requests was selected. For each case, the record had been removed from the CJIS system.

Are processes in place to ensure the authorization, receipt, deposit and recording of bond payments?

Generally, yes. The Bond Office is responsible for collecting cash bonds and processing bonds when posted. During the audit period, two percent of bonds posted were cash bonds collected via cash, check, or credit card. Total bond receipts are shown in Exhibit B.

Exhibit B: Total Bond Receipts

	FY24	FY25
Total Bond Posted	$ 102,788,567	$ 113,352,768
Total Cash Bond Receipts	$ 2,230,193	$ 2,462,549

Source: Criminal Justice Information System

A sample of 47 cash bond payments was reviewed for controls around the collection, recording, and deposit processes. Documentation was available for all payments. All receipts matched deposit amounts. However, logs used to document the transfer of cash between the bond office and the bookkeepers were not always complete.

A separate sample of 47 posted bonds was reviewed for controls around the process of approving, posting, and documenting the posted bonds. Signed recognizance forms were provided for all but two of the bonds. The two that did not have documentation were confirmed to be expunged cases where records would have been destroyed. During the audit period, Bond Office procedures were enhanced to include a signature from a GPS monitoring company when GPS monitoring is required, prior to the release of the defendant. All 45 recognizance forms reviewed contained the required signatures, and no discrepancies were found.

Are controls in place to ensure the disbursement of funds is authorized, recorded, and timely?

Yes. After the collection of court fees and bonds, the Criminal Court Clerk will reimburse defendants for costs and bonds when ordered to by the court. Fees are also collected on behalf of state agencies depending on the nature of the crime, and these fees will be paid to the agencies accordingly. Additionally, law enforcement agencies, such as Vanderbilt Police, Belle Meade Police, Berry Hill Police, and others, will also be reimbursed for costs incurred by making an arrest within their jurisdiction. During the audit period, disbursements totaled $4,421,049.

A review of the disbursement process found that the controls are in place to appropriately authorize and make these payments. A sample of 47 disbursements was reviewed for required signatures, accurate payment amounts, and supporting documentation. No discrepancies were found.

Observations & Recommendations

Internal controls help ensure entities achieve important objectives to sustain and improve performance. The Committee of Sponsoring Organizations of the Treadway Commission (COSO), Internal Control – Integrated Framework, enables organizations to effectively and efficiently develop systems of internal control that adapt to changing business and operating environments, mitigate risks to acceptable levels, and support sound decision-making and governance of the organization. See ***Appendix B*** for a description of the observation *Assessed Risk Rating*.

Observation A

Recording of Leave Time for Salaried Employees

Leave time balances for salaried employees are not being recorded or reflected in the Oracle R-12 system.

The Criminal Court Clerk's accounting reports reflect payroll solely as "Annual Salary" for 97% of their payroll expenditures. Leave categories, such as sick time and vacation time, are only recorded in Oracle R-12 for hourly employees and therefore make up less than one percent of all payroll expenses during the audit period. Though leave time is paid at the same rate as regular salary, Oracle R-12 is the official organizational record for payroll and does not account for the actual payroll categories of the department.

Risk Level: **Low**

The absence of leave data in central payroll reporting reduces transparency and the ability to verify leave usage, detect errors, or identify unauthorized leave payouts.

Criteria

- *COSO, Control Activities—Principle 12: The organization deploys control activities through policies that establish what is expected and procedures that put policies into action.*

Recommendation

Criminal Court Clerk management should Implement a process to report complete leave data, including leave earned, used, and balances to Division of Payroll for each pay period.

Management Response

The Metropolitan Nashville government implemented Oracle R12 in September 2019. The payroll upload spreadsheet that included attendance records was derived from Kronos and uploaded into R12. The Criminal Court Clerk did not utilize this upload process at the inception of R12 as this office did not begin using Kronos until December 2020, over a year after R12 implementation. After Metro's commencement of R12, Criminal Court Clerk employees were trained to use an alternate payroll entry method not requiring a Kronos upload spreadsheet. This training involved entering pay codes that affected employees' pay directly into R12. This addresses why only 3% of this office's attendance records are reflected in R12; only these entries affected employee pay. This audit report produced a finding of "leave time balances for salaried employees were not being recorded or reflected in the Oracle R12" payroll system. While leave time balances were not primarily reflected in R12's payroll system, they were well-maintained and transparent in Metro's attendance system, Kronos.

As the Criminal Court Clerk payroll was entered and submitted in the same method, bi-weekly, for the past six years with no redirection or communication that previously addressed the findings in this report, it is reasonable this office held the belief that our submissions were adequate. As previously discussed, the Criminal Court Clerk, along with other Metropolitan government offices and departments, began using Oracle Cloud in December 2025. Oracle Cloud contains an absence system that automatically transfers attendance records to the payroll system, and this finding was remedied in December 2025.

Observation B

Inconsistent Leave Documentation

Risk Level: **Low**

Leave time approval requirements vary by employee role, and the rationale for these differences is not formally documented or consistently applied within the leave tracking process.

Employees of the Criminal Court Clerk submit leave time requests to their supervisors, who provide approved leave details to the Human Resources Supervisor for entry into Kronos. In a sample of 47 leave time entries reviewed, 3 entries did not have documented leave request approvals. While most employees are required to submit leave time requests for approval, certain employees are exempt from this requirement based on their role. Management advised staff members within the executive management office are not required to submit leave requests due to the nature of their positions. Other employees clock in and out daily through the phone system and leave time taken is recorded in Kronos down to the minute.

Sound leave time administration practices emphasize consistent policies, equitable treatment of employees, and adequate documentation to support leave time recorded. The absence of consistent leave approval requirements and documentation increases the risk of perceived or actual inequities in leave time usage, reduces transparency, and may weaken management's ability to effectively monitor and verify leave time recorded.

Criteria

- *COSO, Control Activities – Principle 10: The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.*

Recommendation

Criminal Court Clerk management should establish consistent leave time request and approval requirements for all employees and clearly document any justified exceptions. Additionally, management should ensure that all leave time recorded in Kronos is supported by appropriate documentation to promote fairness.

Management Response

The Criminal Court Clerk produced requested leave documentation for 44 of 47 employees for dates occurring between 2023-2025. The only three leave requests without written or electronic documentation were for the Chief Deputy Clerk and Executive Assistant of the Clerk, who both answer directly to the Criminal Court Clerk. All other employee leaves were documented and produced upon request. While these three absences were recorded in Kronos and taken from the accrued time balances, these two executive team members did not request their leave time in writing to the Clerk; they received verbal authorizations. As previously discussed, the Criminal Court Clerk, along with other Metropolitan government offices and departments, began using Oracle Cloud in December 2025. Oracle Cloud contains an absence system that requires employees, no matter their executive level, to request leave time through this system to maintain proper documentation and leave balances. This audit finding was remedied December 2025.

Observation C

Cash Bond Documentation

Risk Level: **Low**

Documentation related to the chain of custody with cash bond payments could be improved. While most bonds are processed through bonding agencies, smaller bonds may be paid in cash directly to the Bond Office. Policy limits cash bonds to less than $10,000. Cash collections are documented on a written log that includes the date, amount, receipt number, and the cashier's initials. After collection, cash is placed in a labeled envelope and secured in the safe. Daily, a bookkeeper retrieves the cash from the bond office to prepare deposits at a separate location. However, there is no documented acknowledgment or signature on the written cash log to confirm the bookkeeper's receipt and transfer of the cash collected.

A sample of 47 cash bond transactions receipted in CJIS during the audit period were reviewed for documentation and confirmation of timely deposit. Although all 47 sampled receipts were ultimately reconciled and appropriately deposited, 4 were not recorded on the written log. Current procedures do not require the bookkeeper to sign or otherwise acknowledge receipt of cash when collected from the Bond Office safe, resulting in an absence of custody documentation. Without documented verification of the transfer of cash, there is an increased risk of error, loss, or misappropriation of funds.

Criteria

- *COSO, Control Activities—Principle 12: The organization deploys control activities through policies that establish what is expected and procedures that put policies into action.*

Recommendation

Criminal Court Clerk management should implement a procedure requiring the bookkeeper to sign and date the cash bond log (or a separate transfer log) upon receipt of cash bonds. The acknowledgment should verify the amount received and establish a clear chain of custody from collection through deposit.

Management Response

Effective immediately, the Criminal Court Clerk's Office has implemented a revised procedure requiring the bookkeeper to sign and date the cash bond log at the time funds are retrieved from the bond office safe. This replaces the prior practice of indicating the transfer with a check mark and establishes a clearly documented chain of custody from collection through deposit. The updated procedure strengthens internal controls and provides additional verification for audit purposes.

Government Auditing Standards Compliance

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.

Scope

The scope of this audit includes revenues, disbursements, expungements, and payroll activity between July 1, 2023, and June 30, 2025.

Methodology

To accomplish our audit objectives, we performed the following steps:

- Interviewed key personnel within the Criminal Court Clerk's office.
- Reviewed financial and case related reports from the Criminal Justice Information System.
- Reviewed and analyzed data to determine compliance with best practices.
- Reviewed bond documentation for approvals.
- Statistical, random samples to assess the completeness and accuracy in bond recording and processing, payroll transactions, disbursement transactions, expungement and the collection of various fees. All samples were selected with a confidence rate of 90 percent, 5 percent precision and an error rate of 0. The nature of the selections ensured the results could be projected to the population.
- Evaluated internal controls currently in place.
- Considered risk of fraud, waste, and abuse.

Audit Team

Laura Henry, CFE, In-Charge Auditor

Bill Walker, CPA, CIA, CFE, CCFO, Assistant Director

Lauren Riley, CPA, CIA, ACDA, CFE, CMFO, Metropolitan Auditor

Appendix A: Management Acknowledgement Letter

Metropolitan Government of Nashville

TWENTIETH JUDICIAL DISTRICT

HOWARD C. GENTRY
CRIMINAL COURT CLERK
DAVIDSON COUNTY

JUSTICE A. A. BIRCH BUILDING
408 2ND AVENUE NORTH • SUITE 2120
NASHVILLE, TN 37201
615-862-5601

March 13, 2026

Lauren Riley, Metropolitan Auditor
Office of Internal Audit
150 2nd Avenue
Nashville, TN 37219

Dear Ms. Riley,

This letter acknowledges receipt of the internal audit report of the Criminal Court Clerk's Office conducted beginning in July 2025. Management has carefully reviewed the observations and recommendations presented and has incorporated responses within the report.

The Criminal Court Clerk's Office remains committed to maintaining strong internal controls and continuing to improve processes where opportunities are identified. We appreciate the professionalism and assistance provided by the audit team throughout this review.

Sincerely,

Howard C. Gentry
Criminal Court Clerk

Appendix B: Assessed Risk Ranking

Observations identified during the course of the audit are assigned a risk rating, as outlined in the table below. The risk rating is based on the financial, operational, compliance or reputational impact the issue identified has on the Metropolitan Nashville Government.

Rating	Financial	Internal Controls	Compliance	Public
HIGH	Large financial impact Remiss in responsibilities of being a custodian of the public trust	Missing, or inadequate key internal controls	Noncompliance with applicable Federal, state, and local laws, or Metro Nashville Government policies	High probability for negative public trust perception
MEDIUM	Moderate financial impact	Partial controls Not adequate to identify noncompliance or misappropriation timely	Inconsistent compliance with Federal, state, and local laws, or Metro Nashville Government policies	The potential for negative public trust perception
LOW/ Emerging Issues	Low financial impact <$10,000	Internal controls in place but not consistently efficient or effective Implementing / enhancing controls could prevent future problems	Generally complies with Federal, state, and local laws, or Metro Nashville Government policies, but some minor discrepancies exist	Low probability for negative public trust perception