

A REPORT
TO THE DAVIS COUNTY AUDIT COMMITTEE



An Audit of the Treasurer Cancel/Bounce Error

March 26, 2021

Curtis Koch
Davis County Clerk/Auditor

Blake Woodall
Internal Auditor

On March 3, 2021 Davis County Treasurer, Mark Altom, emailed Clerk/Auditor Curtis Koch to set up a meeting to discuss some issues related to the payment of property taxes that affected multiple parcel numbers. During this meeting held on March 11, 2021 Treasurer Altom presented a document prepared by his office, outlining the problem and a recommended solution to abate of \$2,263.81 for delinquent taxes and fees on parcel #03-039-0059. Please read Attachment A.

After the meeting between the Treasurer and Auditor Offices, it was determined further research would be performed by both offices in order to gain a better understanding of how the error may have occurred so that appropriate corrective measures could be implemented.

Subsequent explanations from the Treasurer’s office on what may have happened are attached. Please read Attachments B, C & D.

Based on the work of the Auditor’s Office, the financial records of the County show the following transactions:

| Parcel #'s in Question | Taxpayer Name |
|------------------------|------------------|
| [REDACTED] | [REDACTED] |
| [REDACTED] | [REDACTED] |
| [REDACTED] | No Parcel Exists |
| [REDACTED] | [REDACTED] |
| [REDACTED] | [REDACTED] |

| Date | Time | Name | Parcel # | Receipt # | Action | Amount | Notes |
|------------|----------|--------------|------------|------------------|---------|----------|------------------------|
| 11/15/2017 | 9:56 am | [REDACTED] | [REDACTED] | 0005907932 | Paid | 2,263.81 | 2017 Taxes, WFB Trans |
| 11/15/2017 | 10:00 am | [REDACTED] | [REDACTED] | 0005907932 | Paid | 1,763.69 | 2017 Taxes, WFB Trans |
| 11/14/2018 | 8:15 am | [REDACTED] t | [REDACTED] | 1006288482 | Paid | 1,961.16 | 2018 Taxes: FP |
| 11/14/2018 | 4:07 pm | [REDACTED] | [REDACTED] | 1006289810 | Paid | 2,235.43 | 2018 Taxes |
| 11/16/2018 | NA | [REDACTED] | [REDACTED] | Bounced via bank | Error | 2,235.43 | |
| 11/16/2018 | 8:18 am | [REDACTED] | [REDACTED] | Cancel | Bounced | 2,263.81 | 2017 Taxes |
| 11/16/2018 | 9:41 am | [REDACTED] | [REDACTED] | 0006292289 | Paid | 2,436.73 | 2018 Taxes, WFB Trans |
| 11/19/2018 | 7:52 am | [REDACTED] | [REDACTED] | 1006293551 | Paid | 1,961.16 | 2018 Taxes, WFB Trans |
| 11/19/2018 | 8:34 am | [REDACTED] | [REDACTED] | Cancel | Bounced | 2,235.43 | |
| 11/19/2018 | 8:46 am | [REDACTED] | [REDACTED] | Cancel | Bounced | 1,961.16 | 2018 Tax Bounced |
| 11/19/2018 | 4:22 pm | [REDACTED] | [REDACTED] | 006295043 | Paid | 2,255.43 | 2018 Taxes plus B. fee |
| 11/26/2018 | 1:05 pm | [REDACTED] | [REDACTED] | 006301240 | Paid | 1,981.16 | 2018 Taxes plus B. fee |
| 3/11/2021 | NA | [REDACTED] | [REDACTED] | DEP#352168 | Deposit | 2,263.81 | No Funds Deposit |

Findings:

Based on the financial records of the County, the Auditor's Office cannot validate any of the explanations provided by the Treasurer's office.

Based on a review of the RealTax computer system, the Auditor's Office has reasonable assurance the cancelled/bounced payment performed on parcel [REDACTED], cannot be attributed to a computer system error. Please read Attachment E.

Based on the financial records and accounts of the County, the Auditor's Office has reasonable assurance that no money/funds are missing and the error can be attributed to a data entry mistake.

Owner of parcel [REDACTED] were never delinquent in the payment of property taxes. Their November 2017 payment should not have been canceled/bounced by the Treasurer's Office 366 days after the being paid on time on November 15, 2017.

Had the Grimstead's not discovered the issue, the error would have presented itself five years from the erroneous cancel/bounce when the property would have been placed on the tax sale.

Parcel [REDACTED] mentioned in the initial explanation (Attachment A) provided by the Treasurer's Office has no relation to the [REDACTED] error.

The owners of parcel [REDACTED] did bounce a payment on 11/14/2018 and paid it again on 11/26/2018 including the returned check fee of \$20. This transaction had nothing to do with the Grimstead property and is not relevant to the discussion as to why the [REDACTED] property tax payment was incorrectly canceled/bounced.

The collectors account bank reconciliation for the month of November 2018 that was performed monthly by Auditor's Office, did not detect the erroneous bounce due to unreconciled bounced checks related to personal property.

After the explanation provided in the first memorandum was found to be incorrect by the Treasurer (Attachment B), a recommended fix to the error based on the initial explanation was implemented.

The suggested correction in Attachment A to remove the cancel/bounce from parcel [REDACTED] by abatement is not in accordance with state statute governing the abatement process. In order for an abatement to apply the following criteria would have had to have been met:

- Completed application by the property owner
- Age verification (typically applicant has to be 66+)
- Income verification (Income limit is in the mid \$30K's)
- Ownership and residency requirements (they have to own and live in the home, etc.)
- Application can only be submitted for the current tax year

Risks:

The Treasurer's Office does not have a comprehensive control structure to provide the necessary checks and balances over their core functions and processes. This allows for super users that can carry out all functions of the office without oversight by any other person.

Super user roles within the Treasurer's Office enable staff to perform core business functions such as cash receipting, recording, reconciling, and canceling/voiding transactions. An individual can have complete control of transactions from beginning to end with little to no oversight, this allows problems or errors to go undetected for months and even years.

Timely reconciliation by the Treasurer's office is not being performed to prevent or detect errors.

The Treasurer's Office is not structured to have adequate separation of duties or secondary review and sign-off of transactions. This work is only performed 30 or more days after month end closing when the Auditor's Office is provided the unreconciled account information.

By not following state statute in the application of abatements, additional opportunities are created to conceal transactions that are made in error or fraud.

As demonstrated by the events above, the current operating procedures of the Treasurer's Office allow for the voiding of valid payments/transactions, which creates an opportunity for fraud and abuse of tax payer funds.

Recommendations:

The Treasurer's Office should implement a holistic-comprehensive system of internal controls. In order to do this, start by identifying the core business processes and the roles/responsibilities of staff members within those processes. As part of the control environment consider activities designed to prevent, detect, or correct errors and fraud. Controls activities might include, separation of duties, timely reconciliation or transactions, reviews and signoff, secondary reviews, and other activities designed then implemented by department management.

The role of super users that can complete an entire transaction process from beginning to end should be eliminated. This should be done by identifying incompatible duties such as processing or posting a transaction then also canceling/bouncing the same transaction.

The Treasurer's Office should develop a plan to reconcile transactions timely, some transactions may need to be reviewed and reconciled daily while other transactions could be reconciled weekly. Timeliness of reconciling transactions are critical to identifying and correcting errors.

The monthly bank reconciliation of the Tax Collectors bank account performed by the Auditor's office should be a review that all transactions tie out and that appropriate supporting documentation exists.

Prior to the review and reconciliation of the Collector Account by the Auditor's office, the Treasurer's office must review the data to identify and correct incomplete or missing transactions.

Abatements should only be recommended and used when necessary and within the bounds of state statute.

In order to provide the appropriate control structure in the office, it may be appropriate to increase staff and/or technical expertise in the office.

Conclusion:

The 2017 [REDACTED] property tax payment for \$2,263.81 on parcel [REDACTED] should not have been manually canceled/bounced. It appears the [REDACTED] have been made whole and were able to successfully complete the refinance of their property. While this series of events illustrates significant control weaknesses that failed to prevent, detect, or correct this error, these events also provide opportunity for improved processes. The Auditor's Office is happy to assist with review of the design and implementation of proposed recommendations as needed.

Treasurer**Davis**
COUNTYMark Altom
TreasurerJonathan Lee
Chief DeputyDavis County Board of Equalization
P.O. Box 618
Farmington UT 84025

March 11, 2021

Re: [REDACTED]

The Treasurer's Office recommends that the Board of Equalization abate the 2017 delinquent taxes and fees on parcel # [REDACTED] in the amount of \$2,263.81 plus any accrued interest to date.

Background:

The owner of parcel [REDACTED] called the County Treasurer's office on March 4, 2021 to inquire on a 2017 delinquency on parcel [REDACTED] they recently discovered. In researching this delinquency, the Treasurer's Office pieced together what we believe happened as follows:

Taxpayer's mortgage company (Wells Fargo Real Estate Tax Services) paid the 2017 taxes on time on November 15, 2017 on parcel [REDACTED]. On November 19, 2018, there was a bounced payment at Wells Fargo CEO notifying the County Treasurer's office of a bounced payment. In researching the bounced payment, parcel number [REDACTED]'s 2018 payment should have been bounced but the receipt number was erroneously read one line below what it should have been. The receipt number read corresponded to the Wells Fargo Real Estate Tax Services payment file for 2017 and the November 15, 2017 payment on parcel [REDACTED] was Cancel / Bounced in error.

The Treasurer's system did not have a delinquent flag set on parcel [REDACTED] so no notice of delinquency was ever sent to the parcel owner above. The owner of parcel [REDACTED] which should have had the delinquency because of the bounced payment has since sold the property in 2020. Their 2018 (bounced) payment remained credited to the property since it was incorrectly bounced on parcel [REDACTED] instead of his parcel. The delinquency are now not recoverable from the seller as they have since moved; nor should it be recovered from the new owners. The erroneous Cancel/Bounce on parcel [REDACTED] should be removed and payment restored. This can be done with approval from the Board of equalization to abate the taxes and fees for 2017.

As a result, the Treasurer's Office asks the Board of equalization to abate the 2017 delinquent taxes and fees on parcel # [REDACTED] in the amount of \$2,263.81 plus any accrued interest to date.

Respectfully,

Jonathan Lee
Chief Deputy TreasurerMark Altom
Treasurer

Attachments.

cc: Davis County Auditor Office
Davis County Commissioners**Connects.You.**

Payments for parcel ID [REDACTED]

| Coll Date | Receipt# | Receipt ID | Status | Type | Amount | Xfered | Refunded | Paid by |
|------------|------------|------------|------------|------|------------|----------|----------|-----------------------------|
| 11/9/2020 | 0007061975 | 17264188 | ON DEPOSIT | TAX | 2,591.51 | | | Wells Fargo Real Estate Tax |
| 11/13/2019 | 0006677813 | 16768175 | ON DEPOSIT | TAX | 2,583.24 | | | Wells Fargo Real Estate Tax |
| 11/16/2018 | 0006292289 | 16261977 | ON DEPOSIT | TAX | 2,436.73 | | | Wells Fargo Real Estate Tax |
| 11/16/2018 | CANCEL | 16257830 | CANCELLED | TAX | *2,263.81* | | | CANCEL RECEIPT#0005907932 |
| 11/15/2017 | 0005907932 | 15753172 | CANCELLED | TAX | *2,263.81* | 2,263.81 | | Wells Fargo Real Estate Tax |
| 11/16/2016 | 0005539946 | 15278658 | ON DEPOSIT | TAX | 2,122.16 | | | WELLS FARGO HOME MORTGAGE |
| 11/23/2015 | 0005184827 | 14922377 | ON DEPOSIT | TAX | 2,091.58 | | | NATIONSTAR MORTGAGE LLC |
| 11/24/2014 | 004797632 | 14330532 | ON DEPOSIT | TAX | 2,088.92 | | | BANK OF AMERICA |
| 10/25/2013 | 004295532 | 13737377 | ON DEPOSIT | TAX | 1,769.06 | | | [REDACTED] |
| 11/7/2012 | 003887737 | 13258402 | ON DEPOSIT | TAX | 1,772.57 | | | [REDACTED] |
| 11/9/2011 | 003485898 | 12781154 | ON DEPOSIT | TAX | 1,747.12 | | | [REDACTED] |
| 11/30/2010 | 003154054 | 12379336 | ON DEPOSIT | TAX | 1,653.97 | | | [REDACTED] |
| 12/1/2009 | 002752243 | 11891346 | ON DEPOSIT | TAX | 1,352.67 | | | [REDACTED] |
| 11/26/2008 | 0002328119 | 11388967 | ON DEPOSIT | TAX | 1,343.13 | | | [REDACTED] |
| 11/27/2007 | 0001920414 | 10898311 | ON DEPOSIT | TAX | 1,407.25 | | | [REDACTED] |
| 11/26/2006 | 0001575604 | 9538428 | ON DEPOSIT | TAX | 1,345.79 | | | [REDACTED] |
| 11/12/2005 | 0001423434 | 9387822 | ON DEPOSIT | TAX | 1,290.08 | | | [REDACTED] |
| 11/14/2004 | 0001338582 | 9276497 | ON DEPOSIT | TAX | 1,252.78 | | | [REDACTED] |
| 11/30/2003 | 0001304476 | 9209447 | ON DEPOSIT | TAX | 1,243.79 | | | [REDACTED] |
| 11/17/2002 | 0001194978 | 9072098 | ON DEPOSIT | TAX | 1,195.22 | | | [REDACTED] |
| 11/17/2001 | 0001111730 | 1567161 | ON DEPOSIT | TAX | 1,192.64 | | | [REDACTED] |
| 11/9/2000 | 0001037645 | 1459681 | ON DEPOSIT | TAX | 1,192.41 | | | [REDACTED] |
| 5/3/2000 | REF 006496 | 1434406 | ON DEPOSIT | HOLD | -1,148.02 | | | [REDACTED] |
| 12/14/1999 | 0001028482 | 1414478 | ON DEPOSIT | HOLD | 1,148.02 | 1,148.02 | 1,148.02 | [REDACTED] |
| 10/25/1999 | 0000965552 | 1350275 | ON DEPOSIT | TAX | 1,148.02 | | | LIFE BANK |
| 10/25/1999 | PRE 132835 | 1350151 | ON DEPOSIT | TAX | 17.68 | | | LIFE BANK |
| 1/14/1999 | 0000540241 | 1318845 | ON DEPOSIT | TAX | 1,189.01 | | | TITLE WEST |
| 1/14/1999 | PRE 106047 | 1318528 | ON DEPOSIT | TAX | 9.49 | | | TITLE WEST |
| 7/8/1998 | RED 026104 | 1249489 | ON DEPOSIT | TAX | 81.77 | | | [REDACTED] |
| 6/9/1998 | RED 025946 | 1246593 | ON DEPOSIT | TAX | 1,171.30 | | | INVEST TITLE |
| 1/2/1997 | RED 021980 | 1147873 | ON DEPOSIT | TAX | 1,048.19 | | | [REDACTED] |
| 8/3/1995 | PRE 033447 | 1017346 | ON DEPOSIT | TAX | 1,078.61 | | | [REDACTED] |
| 11/24/1994 | 0000286056 | 963052 | ON DEPOSIT | TAX | 1,005.67 | | | [REDACTED] |
| 11/25/1993 | 0000237536 | 10185835 | ON DEPOSIT | TAX | 1,004.67 | | | RTS14603 |
| 11/29/1992 | 0000213119 | 10155883 | ON DEPOSIT | TAX | 957.97 | | | RTS14603 |
| 11/24/1991 | 0000140711 | 10026712 | ON DEPOSIT | TAX | 955.98 | | | RTS14603 |
| 11/24/1990 | 0000097691 | 10260950 | ON DEPOSIT | TAX | 890.68 | | | RTS14603 |
| 12/3/1989 | 0000083606 | 10240105 | ON DEPOSIT | TAX | 863.20 | | | TA9187 |

Bounced / 2017 pmt 11/16/2018
 11/16/ WFBETS

6



ACH Receive Report

Custom
As of 11/19/2018

Company: DAVIS COUNTY GOVERNMENT AIF 6053
User: Jonathan Lee

11/20/2018 10:44 AM ET

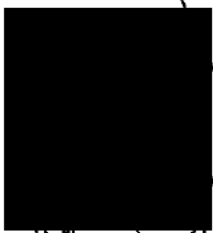
Commercial Electronic Office®

Treasury Information Reporting

| | |
|--|--|
| <p>3,432.85 Entry Class/Description: CCD/174604 Sending Company ID: 1330903620 Recipient ID: CC-1117-F0AF5 Trace Number: 071756731040 Unique ID: 0000091004455617851 Bank Reference: 071756731040 Received Amount:</p> | <p>Discretionary Data: N/A Sending Co Name: FORTE Recipient Name: DAVIS CO UT TAX POS</p> |
| <p>2,651.07 Entry Class/Description: CCD/148516 Sending Company ID: 1330903620 Recipient ID: CCD-1116-0E0GE Trace Number: 071753617489 Unique ID: 0000091004455617845 Bank Reference: 071753617489 Received Amount:</p> | <p>Discretionary Data: N/A Sending Co Name: FORTE Recipient Name: DAVIS CO UT TAX IVR</p> |
| <p>400.64 Entry Class/Description: CCD/178565 Sending Company ID: 1330903620 Recipient ID: CC-1116-30F04 Trace Number: 071753620288 Unique ID: 0000091004455617847 Bank Reference: 071753620288 Received Amount:</p> | <p>Discretionary Data: N/A Sending Co Name: FORTE Recipient Name: DAVIS CO UT ASSESSOR P</p> |
| <p>362.31 Entry Class/Description: CCD/178565 Sending Company ID: 1330903620 Recipient ID: CC-1117-56FF8 Trace Number: 071756731493 Unique ID: 0000091004455617852 Bank Reference: 071756731493 Received Amount:</p> | <p>Discretionary Data: N/A Sending Co Name: FORTE Recipient Name: DAVIS CO UT ASSESSOR P</p> |

Credit Total for Account 1270800616 USD: 640,030.00

Debit Amount Transaction Details



| | |
|---|---|
| <p>30,500,000.00 Entry Class/Description: CCD/MIXED Sending Company ID: 1876000545 Recipient ID: 1070 Trace Number: 000012110632 Unique ID: 0000091004455617848 Bank Reference: 000012110632 Received Amount:</p> | <p>Discretionary Data: N/A Sending Co Name: Utah State Treas Recipient Name: DAVIS COUNTY-COLLECTOR</p> |
| <p>1,961.16 Entry Class/Description: CCD/148503 Sending Company ID: 1330903620 Recipient ID: UNFD-1116-984E3 Trace Number: 071753617484 Unique ID: 0000091004455617843 Bank Reference: 071753617484 Received Amount:</p> | <p>Discretionary Data: N/A Sending Co Name: FORTE Recipient Name: DAVIS CO UT TAX WEB</p> |

Debit Total for Account 1270800616 USD: 30,501,961.16

Account Net Total 1270800616 USD: -29,861,931.16

Currency: USD
Bank: 121000248
Account: 1270800913(UT)

WELLS FARGO BANK, N.A.
COUNTY AUDITOR'S OFFICE

Credit Amount Transaction Details

| | |
|---|--|
| <p>5,570.60 Entry Class/Description: CCD/TRANSFER Sending Company ID: 1800948598 Recipient ID: Trace Number: 000017144551 Unique ID: 0000091004550089252 Bank Reference: 000017144551 Received Amount:</p> | <p>Discretionary Data: N/A Sending Co Name: STRIPE Recipient Name: X</p> |
|---|--|



Payments for parcel ID [REDACTED]

| Coll Date | Receipt# | Receipt ID | Status | Type | Amount | Xfered | Refunded | Paid by |
|------------|------------|------------|------------|------|----------|--------|----------|--------------------------------|
| 11/25/2020 | 0007083325 | 17310949 | ON DEPOSIT | TAX | 2,151.41 | | | CENTRAL LOAN ADMINISTRATION |
| 11/1/2019 | 1006665243 | 16743144 | ON DEPOSIT | TAX | 2,100.22 | | | WFB: via file |
| 11/19/2018 | 1006293551 | 16272826 | ON DEPOSIT | TAX | 1,961.16 | | | [REDACTED] |
| 11/15/2017 | 0005907932 | 15754020 | ON DEPOSIT | TAX | 1,763.69 | | | Wells Fargo Real Estate Tax |
| 11/14/2016 | 0005536789 | 15264568 | ON DEPOSIT | TAX | 1,653.05 | | | Wells Fargo Real Estate Tax |
| 11/23/2015 | 0005184714 | 14808454 | ON DEPOSIT | TAX | 1,556.72 | | | Wells Fargo Real Estate Tax |
| 11/14/2014 | 1004739271 | 14247000 | ON DEPOSIT | TAX | 1,759.70 | | | WFRETS |
| 11/14/2013 | 1004336719 | 13781195 | ON DEPOSIT | TAX | 1,576.20 | | | WFRETS |
| 11/29/2012 | 1003986062 | 13361667 | ON DEPOSIT | TAX | 1,568.90 | | | LC047045UTAH HOUSING CORPORATI |
| 11/15/2011 | 1003504975 | 12802633 | ON DEPOSIT | TAX | 1,564.50 | | | UTAH HOUSING CORPORATION |
| 11/12/2010 | 1003086530 | 12300338 | ON DEPOSIT | TAX | 1,483.14 | | | UTAH HOUSING CORPORATION |
| 12/1/2009 | 1002743558 | 11882604 | ON DEPOSIT | TAX | 1,421.66 | | | ZCS000647 |
| 12/2/2008 | 0002354233 | 11416368 | ON DEPOSIT | TAX | 1,407.61 | | | ZCS000647 |
| 11/28/2007 | 0001935657 | 10915355 | ON DEPOSIT | TAX | 1,111.79 | | | ZCS00013 |
| 11/19/2006 | 0001587182 | 9511589 | ON DEPOSIT | TAX | 967.65 | | | ZCS00013 |
| 11/19/2005 | 0001444570 | 9410074 | ON DEPOSIT | TAX | 1,021.62 | | | RTS58055 |
| 11/25/2004 | 0001359492 | 9303556 | ON DEPOSIT | TAX | 993.00 | | | RTS58055 |
| 11/11/2003 | 0001314243 | 9170090 | ON DEPOSIT | TAX | 977.51 | | | FI07026 |
| 11/28/2002 | 0001210514 | 9097193 | ON DEPOSIT | TAX | 935.40 | | | FI07026 |
| 11/18/2001 | 0001160824 | 1573205 | ON DEPOSIT | TAX | 931.35 | | | LC36000 |
| 12/5/2000 | 0001091596 | 9932079 | ON DEPOSIT | TAX | 831.25 | | | WASHINGTON MUTUAL |
| 11/27/1999 | 0001002597 | 1390872 | ON DEPOSIT | TAX | 814.67 | | | RTS92242 |
| 11/29/1998 | 0000519721 | 1302911 | ON DEPOSIT | TAX | 827.85 | | | TA3462 |
| 11/29/1997 | 0000463298 | 1211046 | ON DEPOSIT | TAX | 842.18 | | | TA3462 |
| 11/30/1996 | 0000408232 | 1131817 | ON DEPOSIT | TAX | 759.07 | | | TA8582 |
| 11/26/1995 | 0000353370 | 1054153 | ON DEPOSIT | TAX | 783.39 | | | TA8582 |
| 11/26/1994 | 0000304530 | 982231 | ON DEPOSIT | TAX | 767.99 | | | TA8582 |
| 12/8/1993 | 0000268150 | 12054125 | ON DEPOSIT | TAX | 767.65 | | | STM MORTGAGE |
| 11/28/1992 | 0000192467 | 10120471 | ON DEPOSIT | TAX | 730.51 | | | TA2998 |
| 11/30/1991 | 0000151490 | 10064713 | ON DEPOSIT | TAX | 728.93 | | | TA2998 |
| 11/25/1990 | 0000106209 | 10269468 | ON DEPOSIT | TAX | 675.51 | | | TA2998 |
| 12/3/1989 | 0000069465 | 10225997 | ON DEPOSIT | TAX | 653.64 | | | TA2998 |

Refunded
WFB: via file
5/6 but not
BOUNDED

Abstract
Land Serial Number:

Tax Name & Address for Tax Year 2021

Tax District: 57 WEST BOUNTIFUL
Exempt:
Parcel Dates: 1/1/1981 to Present
Acres: 0.260

2021/12/15

Situs Address

575 W 2050 North West Bountiful 84087-

| Type | Party | KOI | Entry Number Book & Page | Rec. Date & Time Inst. Date | Consideration | Vest Doc. | See Also | Entry Number | Cross References Book & Page |
|----------|--|-----|-----------------------------|--------------------------------|---------------|--------------|----------|--------------|---------------------------------|
| Grantor: | AMERICA FIRST FEDERAL CREDIT UNION | | 3273339 | 07/21/2020 01:20 p | | | | | |
| Grantee: | [REDACTED] | | 7568-1280 | 07/14/2020 | | | | 3201394 | 7383-1386 |
| Grantor: | [REDACTED] | | 3261473 | 06/16/2020 04:21 p | \$378,026.00 | | | | |
| Grantee: | [REDACTED] | | 7535-2103 | 06/12/2020 | | | | | |
| Grantor: | [REDACTED] | | 3261456 | 06/16/2020 04:04 p | \$10.00 | YES | | | |
| Grantee: | [REDACTED] | | 7535-2029 | 06/15/2020 | | | | | |
| Grantor: | [REDACTED] | | 3201394 | 11/05/2019 01:43 p | \$105,000.00 | | | | |
| Grantee: | [REDACTED] | | 7383-1386 | 11/04/2019 | | | | 3273339 | 7558-1280 |
| Grantor: | [REDACTED] | | 3104578 | 07/12/2018 12:07 p | | | | | |
| Grantee: | [REDACTED] | | 7055-431 | 07/12/2018 | | | | 2757468 | |
| Grantor: | MERS SECURITYNATIONAL MORTGAGE COMPANY | | 3104577 | 07/12/2018 12:07 p | | | | | |
| Grantee: | WELLS FARGO FINANCIAL NATIONAL BANK | | 7055-430 | 07/12/2018 | | | | | 2757468 |
| Grantor: | SOUTH DAVIS METRO FIRE SERVICE AREA | | 2911949 | 12/23/2015 08:21 a | | | | | |



ATTACHMENT B



Blake Woodall <bwoodall@co.davis.ut.us>

\$1,961.16 bounced check

Mark Altom <marka@co.davis.ut.us>

Thu, Mar 11, 2021 at 1:52 PM

To: Curtis Koch <ckoch@co.davis.ut.us>, Blake Woodall <bwoodall@co.davis.ut.us>, Doug Stone <dstone@co.davis.ut.us>, Jonathan Lee <jlee@co.davis.ut.us>

I decided to do more research on this. I found out that [redacted] check DID NOT BOUNCE. The parcel that bounced was for the exact same dollar amount of \$1,961.16 BUT on parcel [redacted] (see attached). This parcel was bounced correctly. They paid on 11/14/2018, it was canel/bounced 11/19/2018 and they paid, including the \$20.00 returned check fee, on 11/26/2018. (See screen print below).

We need to do some more research on what happened. We'll plan on an update in the meeting scheduled for Monday, March 15.

Mark Altom
Treasurer
Davis County, Utah
(801) 451-3243



Snipping Tool

File Edit Tools Help

New Mode Delay [Icons]

Tax bill payments

Exit

Exit Detail Print Print to PDF Parcel ID:

Receipts for this parcel ID [Redacted]

| Coll Date | Receipt# | Receipt ID | Status | Type | Amount - PD? | Xfered | Refunded | Paid by |
|------------|------------|------------|--------------|------|------------------------------------|-------------------------------------|----------|--------------------------------|
| 11/04/2020 | 0007058049 | 17250813 | ON DEPOSIT | TAX | 2,218.87 <input type="checkbox"/> | .00 | .00 | AMERICA FIRST FEDERAL CREDIT U |
| 11/13/2019 | 0006678946 | 16774886 | ON DEPOSIT | TAX | 2,161.96 <input type="checkbox"/> | .00 | .00 | AMERICA FIRST FEDERAL CREDIT U |
| 11/26/2018 | 0006301240 | 16328991 | ON DEPOSIT | TAX | 1,981.16 <input type="checkbox"/> | ✓ .00 | .00 | [Redacted] |
| 11/19/2018 | CANCEL | 16273098 | CANCELLED/BC | TAX | -1,961.16 <input type="checkbox"/> | ✓ .00 | .00 | CANCEL RECEIPT#1006288482 |
| 11/14/2018 | 1006288482 | 16252228 | CANCELLED/BC | TAX | 1,961.16 <input type="checkbox"/> | ✓ 1,961.16 <input type="checkbox"/> | .00 | [Redacted] |

Treasurer



Jonathan Lee
Treasurer

Mark Altom

Chief Deputy

March 17, 2021

RE: Bounced check/canceled payment on parcel 03-039-0059

On November 16, 2018 there was a cancelled/bounce transaction on a payment that was made by Wells Fargo Real Estate Tax Service on November 15, 2017. Research has determined that this payment was cancelled/bounced in error. The error was discovered when the owner of the property, [REDACTED] called and talked to Jonathan. [REDACTED] had just completed a refinance of their mortgage and the title company discovered a delinquency for 2017 taxes.

Mark and Jonathan met with Curtis Koch, Blake Woodall and [REDACTED] from the Clerk/Auditor staff on March 11, 2021. The issue was discussed and the conclusion at the end of the meeting was for all of us to meet again the following week.

Mark and Jonathan research all of the bounced checks and returned ACH transactions for the month of November 2018. Every one of these bounced checks and returned ACH payments were cancelled/bounced correctly (Exhibit A) and there was not a bounced check or returned ACH for \$2,263.81. It appears Jonathan inadvertently entered an incorrect receipt number in error, with a transposition, or a receipt from a different transaction on another receipt line, and bounced this payment from November 15, 2017 in error. Therefore, the funds for this payment were never debited from the Collector bank account. So, from a distribution perspective, the funds from this payment were distributed in December 2017 for the collections from November 2017. Then, when it was cancelled/bounced in error, the funds were taken away from the taxing entities in error. Then, based on discussion with Clerk/Auditor staff and Treasurer staff in the March 11, 2021 meeting it we recommended and supported to make a payment to parcel [REDACTED] without any funds. This payment was made by Jonathan with deposit #352168 (Exhibit B).

The net result of the payment on November 15, 2017, cancel/bounce on November 16, 2018, and the payment made on deposit #52168 are: the funds from the November 2017 payment were distributed to the taxing entities in December 2017; then, the cancel/bounce transaction done in error in November 2018 took the funds away from the taxing entities in December 2018; now, with the payment with deposit #352168 will return the funds to the taxing entities in the April 2021 distribution. At this point, the transaction is balanced and the taxing entities and the taxpayers' parcel is paid in full.

In order to prevent this error to happen in the future, the Treasurer's office is immediately implementing a change in procedure for cancel/bounced transactions. It is also the intent of the Treasurer's office to have Information Systems program controls in the new

Connects.You.

CoreTax computer system to generate reports and require approval of cancel/bounce transactions when they are processed by Treasurer's office management and/or staff.

The change in procedure for the Treasurer's office related to Secure Instant Payments (SIP) online and IVR payments is as follows:

- 1) Mark will continue to process the daily files that are generated by SIP. Any reversals of payments for SIP will be processed by Jonathan. Once the payment is reversed, Jonathan will notify Mark, and Mark will make a note in the RealTax log that the payment was reversed and give the reason for the reversal.
- 2) Any returned check or ACH return will be processed by Jonathan. After Jonathan has reversed the payment, Jonathan will give a document to Mark for Mark's review and approval. Then, Mark will give the document to [REDACTED] so she can send a letter to the payor, if necessary (SIP is able to send an email to the payor for SIP reversals).

The Treasurer will also implement more frequent Collector account reconciliation, at least weekly, and if feasible, daily reconciliations. This will take a little time by working with Wells Fargo bank to have them help us implement this more frequent reconciliation that we have not done in the past. The Collector account reconciliation has been completed by the Clerk/Auditor staff in the past. The Clerk/Auditor will be a final reconciliation with the monthly bank statements as a separation of duties between the Treasurer and the Clerk/Auditor.

The Treasurer's office recognizes that the Treasurer management is responsible for reasonable controls in the Treasurer's office and does not make the Clerk/Auditor staff responsible for control responsibilities. However, because the process of reconciliation has worked in the past, the reconciliation by the Clerk/Auditor staff has been a tool to find errors. The Treasurer and Clerk/Auditor staff has a good working relationship and has and will continue to work closely to improve the processes. There has been a continual evolution of regulations and laws regarding internal controls over a long period of time. The Treasurer's office is committed to improve the controls and processes in order for those with oversight of these processes is satisfactory and reasonable to prevent loss in any way to Davis County.



Mark Altom, Treasurer

Date: 3/17/2021



Jonathan Lee, Chief Deputy Treasurer

Date: 3/17/2021



Treasurer

Mark Altom
Treasurer

Jonathan Lee
Chief Deputy

March 17, 2021

RE: Bounced check/canceled payment on parcel [REDACTED]

On November 16, 2018 there was a cancelled/bounce transaction on a payment that was made by Wells Fargo Real Estate Tax Service on November 15, 2017. Research has determined that this payment was cancelled/bounced in error. The error was discovered when the owner of the property, [REDACTED] called and talked to Jonathan. [REDACTED] had just completed a refinance of their mortgage and the title company discovered a delinquency for 2017 taxes.

Mark and Jonathan met with Curtis Koch, Blake Woodall and [REDACTED] from the Clerk/Auditor staff on March 11, 2021. The issue was discussed and the conclusion at the end of the meeting was for all of us to meet again the following week.

Mark and Jonathan research all of the bounced checks and returned ACH transactions for the month of November 2018. Every one of these bounced checks and returned ACH payments were cancelled/bounced correctly (Exhibit A) and there was not a bounced check or returned ACH for \$2,263.81. The payment was cancelled/bounced on November 16, 2018. Research on this cancel/bounce is inconclusive whether this was an employee error or a computer error. The funds for this payment were never debited from the Collector bank account. So, from a distribution perspective, the funds from this payment were distributed in December 2017 for the collections from November 2017. Then, when it was cancelled/bounced in error, the funds were taken away from the taxing entities in error. Then, based on discussion with Clerk/Auditor staff and Treasurer staff in the March 11, 2021 meeting it was recommended and supported by those is the meeting to make a payment to parcel [REDACTED] without any funds. This payment was made by Jonathan with deposit #352168 (Exhibit B).

The net result of the payment on November 15, 2017, cancel/bounce on November 16, 2018, and the payment made on deposit #52168 are: the funds from the November 2017 payment were distributed to the taxing entities in December 2017; then, the cancel/bounce transaction done in error in November 2018 took the funds away from the taxing entities in December 2018; now, with the payment with deposit #352168 will return the funds to the taxing entities in the April 2021 distribution. At this point, the transaction is balanced and the taxing entities and the taxpayers' parcel is paid in full.

In order to prevent this error to happen in the future, the Treasurer's office is immediately implementing a change in procedure for cancel/bounced transactions. It is also the intent of the Treasurer's office to have Information Systems program controls in the new

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The change in procedure for the Treasurer's office related to Secure Instant Payments (SIP) online and IVR payments is as follows:

- 1) Mark will continue to process the daily files that are generated by SIP. Any reversals of payments for SIP will be processed by Jonathan. Once the payment is reversed, Jonathan will notify Mark, and Mark will make a note in the RealTax log that the payment was reversed and give the reason for the reversal.
- 2) Any returned check or ACH return will be processed by Jonathan. After Jonathan has reversed the payment, Jonathan will give a document to Mark for Mark's review and approval. Then, Mark will give the document to [REDACTED] so she can send a letter to the payor, if necessary (SIP is able to send an email to the payor for SIP reversals).

The Treasurer will also implement more frequent Collector account reconciliation, at least weekly, and if feasible, daily reconciliations. This will take a little time by working with Wells Fargo bank to have them help us implement this more frequent reconciliation that we have not done in the past. The Collector account reconciliation has been completed by the Clerk/Auditor staff in the past. The Clerk/Auditor will be a final reconciliation with the monthly bank statements as a separation of duties between the Treasurer and the Clerk/Auditor.

The Treasurer's office recognizes that the Treasurer management is responsible for reasonable controls in the Treasurer's office and does not make the Clerk/Auditor staff responsible for control responsibilities. However, because the process of reconciliation has worked in the past, the reconciliation by the Clerk/Auditor staff has been a tool to find errors. The Treasurer and Clerk/Auditor staff has a good working relationship and has and will continue to work closely to improve the processes. There has been a continual evolution of regulations and laws regarding internal controls over a long period of time. The Treasurer's office is committed to improve the controls and processes in order for those with oversight of these processes is satisfactory and reasonable to prevent loss in any way to Davis County.



Mark Altom, Treasurer

Date: 3/25/2021



Jonathan Lee, Chief Deputy Treasurer

Date: 3/25/21

ATTACHMENT E



Blake Woodall <bwoodall@co.davis.ut.us>

Fwd: What went on with this receipt: 15753172

Curtis Koch <ckoch@co.davis.ut.us>
To: Blake Woodall <bwoodall@co.davis.ut.us>

Mon, Mar 29, 2021 at 1:39 PM

Curtis Koch
Davis County Clerk/Auditor
o: (801) 451-3491
c: (801) 543-9778



NOTICE OF PRIVILEGE/CONFIDENTIALITY: This electronic communication (including any attachments) may be privileged and/or confidential. This electronic communication is intended solely for the use of the addressee(s). Unauthorized use or disclosure of this electronic communication is prohibited and may violate applicable laws. If you have received this message in error, please immediately notify the sender, through a reply electronic communication, and immediately delete this electronic communication.

----- Forwarded message -----

From: Mark Langston <mark@co.davis.ut.us>
Date: Fri, Mar 26, 2021 at 1:41 PM
Subject: Fwd: What went on with this receipt: 15753172
To: Curtis Koch <ckoch@co.davis.ut.us>, Blake Woodall <bwoodall@co.davis.ut.us>

Here are the findings Kyle sent me. As you review the codes and Kyle's comments. This could not be a computer error.

Mark Langston
Director, Information Systems
Davis County Government
(801) 451-3347



----- Forwarded message -----

From: Kyle Garfield <kyle@co.davis.ut.us>
Date: Fri, Mar 26, 2021 at 1:01 PM
Subject: What went on with this receipt: 15753172
To: Mark Langston <mark@co.davis.ut.us>

Mark,

To begin with, the receipt was collected on 11/15/2017

Searching by receipt ID # (15753171 - 15753372) Marking now set to single

Select type:

| Receipt | Date | Amount | Xfered | Payor | Parcel # | Rcpt ID# | Status |
|------------|------------------|----------|--------|-----------------------------|----------|----------|--------------|
| 0005907932 | 11/15/2017 09:59 | 2,263.81 | .00 | Wells Fargo Real Estate Tax | | 15753172 | CANCELLED/BO |
| | | | | | | 15753173 | ON DEPOSIT |
| | | | | | | 15753174 | ON DEPOSIT |
| | | | | | | 15753175 | ON DEPOSIT |
| | | | | | | 15753176 | ON DEPOSIT |
| | | | | | | 15753177 | ON DEPOSIT |
| | | | | | | 15753178 | ON DEPOSIT |
| | | | | | | 15753179 | ON DEPOSIT |
| | | | | | | 15753180 | ON DEPOSIT |
| | | | | | | 15753181 | ON DEPOSIT |
| | | | | | | 15753182 | ON DEPOSIT |

Exit Print receipt Endorse

Receipt:

| | | | | | |
|----------------|------------------|--------------|--------------|------------------|----------------|
| 0005907932 | 11/15/2017 09:56 | TRE88 | .00 | 15753172 | 0 |
| Xfrd ?: | N | Xfrd Amount: | 0 | Check # | Via File |
| Activity | Amount | Xfrd ?: | Xfrd Amount: | Original Receipt | Original Trans |
| PROPERTY TAXES | 2,263.81 | Y | 2263.81 | | 0 |

But you notice (yellow highlight) that it was transferred.(we'll get to that in a second

Also want to show that since it hit property taxes when it came in, it was also distributed:

Searching by receipt ID # (15753171 - 15753372) Marking now set to single

Select type: Select date:
Unselect

| Receipt | Date | Amount | Xfered | Payor | Parcel # | Rcpt ID# | Status | Station | Print tp | Deposit |
|------------|-----------------|----------|--------|-----------------------------|-------------|----------|--------------|---------|----------|---------|
| 1505907932 | 11/15/2017 09:5 | 2,263.81 | 00 | Wells Fargo Real Estate Tax | 03-030-0059 | 15753172 | CANCELLED/EO | TRES8 | K | 344676 |

Transactions and distribution

| Year | Dist | Parcel ID# | Type | Amount | Status | Distribution | On date | Check # | Voucher # | To entity |
|------|------|------------|---------|----------|-------------|--------------|------------|---------|-----------|--|
| 2017 | | | CLASS D | 175.46 | Distributed | | | | | Include in final distribution for year: 2017 |
| | | | | | | 175.46 | 12/04/2017 | 0 | 8899323 | BTFI IRRIG. WATER CHARGE |
| 2017 | 3 | | TAX | 2,088.35 | Distributed | | | | | Include in final distribution for year: 2017 |
| | | | | | | 326.97 | 12/04/2017 | 0 | 8899331 | DAVIS COUNTY |
| | | | | | | 18.02 | 12/04/2017 | 0 | 8899350 | STATE CHARTER SCHOOL LEVY |
| | | | | | | 83.90 | 12/04/2017 | 0 | 8899329 | COUNTY LIBRARY |
| | | | | | | 29.57 | 12/04/2017 | 0 | 8899320 | WEBER BASIN WATER |
| | | | | | | 18.19 | 12/04/2017 | 0 | 8899324 | MOSQUITO ABATEMENT |
| | | | | | | 17.50 | 12/04/2017 | 0 | 8899322 | BOUNTIFUL IRRIGATION DISTRICT |
| | | | | | | 44.86 | 12/04/2017 | 0 | 8899337 | SOUTH DAVIS SEWER |
| | | | | | | 35.19 | 12/04/2017 | 0 | 8899328 | COUNTY ASSESS & COLLECT LEVY |
| | | | | | | 266.47 | 12/04/2017 | 0 | 8899306 | STATE BASIC SCHOOL LEVY |
| | | | | | | 1.59 | 12/04/2017 | 0 | 8899341 | MULTICOUNTY ASSESS & COLLECT LEVY |
| | | | | | | 11.74 | 12/04/2017 | 0 | 8899330 | DAVIS 2008 JAIL BOND |
| | | | | | | 47.43 | 12/04/2017 | 0 | 8899346 | SOUTH DAVIS RECREATION |
| | | | | | | 62.55 | 12/04/2017 | 0 | 8899348 | SOUTH DAVIS METRO FIRE SERVICE |
| | | | | | | 141.40 | 12/04/2017 | 0 | 8899306 | BOUNTIFUL CITY |
| | | | | | | 1002.87 | 12/04/2017 | 0 | 8899304 | DAVIS SCHOOL DIST |

Receipt: 15753172

The transfer amount is used when it gets cancelled:

Searching by receipt ID # (16257829 - 16258030) Marking now set to single

Select type:

| Receipt | Date | Amount | Xfered | Payor | Parcel # | Rcpt ID# | Status |
|---------|-----------------|-----------|--------|---------------------------|----------|----------|--------------|
| CANCEL | 11/16/2018 08:1 | -1,355.43 | 00 | CANCEL RECEIPT#006289810 | | 16257829 | CANCELLED/EO |
| CANCEL | 11/16/2018 08:1 | -2,263.81 | 00 | CANCEL RECEIPT#0005907932 | | 16257830 | CANCELLED/EO |

Receipt:

| | | | | | |
|----------------|------------------|----------------|--------------|------------------|----------------|
| CANCEL | 11/16/2018 08:18 | TRES8 | .00 | 16257830 | 0 |
| Xfrd ? | N | Xfrd Amount: 0 | Check # | Via File | |
| Activity | Amount | Xfrd ? | Xfrd Amount: | Original Receipt | Original Trans |
| PROPERTY TAXES | -2,263.81 | N | 0 | 15753172 | -1817293282 |

Notice the original receipt is the receipt in question:15753172.

And the negative amount is coming from property tax, here's the expected distribution:

Searching by receipt ID # (16257829 - 16258030) Marking now set to single

Select type: Select date:
Unselect

| Receipt | Date | Amount | Xfered | Payor | Parcel # | Rcpt ID# | Status | Station | Print tp | Deposit |
|-----------|-----------------|-----------|--------|---------------------------|----------|----------|--------------|---------|----------|---------|
| CANCEL | 11/16/2018 08:1 | -1,355.43 | 00 | CANCEL RECEIPT#006289810 | | 16257829 | CANCELLED/EO | TRES8 | Z | 346988 |
| CANCEL | 11/16/2018 08:1 | -2,263.81 | 00 | CANCEL RECEIPT#0005907932 | | 16257830 | CANCELLED/EO | TRES8 | Z | 344676 |
| 006292274 | 11/16/2018 08:2 | 2,786.98 | 04 | | | 16257831 | ON DEPOSIT | TRES8 | K | 347815 |

Transactions and distribution

| Year | Dist | Parcel ID# | Type | Amount | Status | Distribution | On date | Check # | Voucher # | To entity |
|------|------|------------|---------|-----------|-------------|--------------|------------|---------|-----------|--|
| 2017 | | | CLASS D | -175.46 | Distributed | | | | | Include in final distribution for year: 2018 |
| | | | | | | -175.46 | 12/03/2018 | 0 | 8873566 | BTFI IRRIG. WATER CHARGE |
| 2017 | 3 | | TAX | -2,088.35 | Distributed | | | | | Include in final distribution for year: 2018 |
| | | | | | | -326.97 | 12/03/2018 | 0 | 8873573 | DAVIS COUNTY |
| | | | | | | -18.02 | 12/03/2018 | 0 | 8873594 | STATE CHARTER SCHOOL LEVY |
| | | | | | | -63.90 | 12/03/2018 | 0 | 8873571 | COUNTY LIBRARY |
| | | | | | | -29.57 | 12/03/2018 | 0 | 8873562 | WEBER BASIN WATER |
| | | | | | | -18.19 | 12/03/2018 | 0 | 8873566 | MOSQUITO ABATEMENT |
| | | | | | | -17.50 | 12/03/2018 | 0 | 8873564 | BOUNTIFUL IRRIGATION DISTRICT |
| | | | | | | -44.86 | 12/03/2018 | 0 | 8873581 | SOUTH DAVIS SEWER |
| | | | | | | -35.19 | 12/03/2018 | 0 | 8873570 | COUNTY ASSESS & COLLECT LEVY |
| | | | | | | -266.47 | 12/03/2018 | 0 | 8873549 | STATE BASIC SCHOOL LEVY |
| | | | | | | -1.59 | 12/03/2018 | 0 | 8873565 | MULTICOUNTY ASSESS & COLLECT LEVY |
| | | | | | | -11.74 | 12/03/2018 | 0 | 8873572 | DAVIS 2008 JAIL BOND |
| | | | | | | -47.43 | 12/03/2018 | 0 | 8873590 | SOUTH DAVIS RECREATION |
| | | | | | | -62.55 | 12/03/2018 | 0 | 8873592 | SOUTH DAVIS METRO FIRE SERVICE |
| | | | | | | -141.40 | 12/03/2018 | 0 | 8873560 | BOUNTIFUL CITY |
| | | | | | | -1002.87 | 12/03/2018 | 0 | 8873548 | DAVIS SCHOOL DIST |

Receipt: 16257830

This is the cancelling receipt that gets created when someone goes through the cancel bounce routine I sent to Curits a little while ago (Mar 12, 2021, 3:38 PM).

The steps of that routine include the gathering of an e-signature. I confirmed that the successful e-sig credentials are stored in the entered_by fields of the cancellation receipt and associated trans records. While the images from the interface doesn't show the entered_by fields, they can be seen by querying the database:

```

--select * from receipt where receipt_id between 13460230 and 13460230;
select * from receipt where receipt_id = 15753172;
--select * from trans where receipt_id = 15753172;
select * from receipt where orig_receipt = 15753172;
select * from trans where receipt_id = 15753172;

```

| Receipt Id | Receipt | Col Date | Station | Type | Kind | Void | Entered By | Amount | Area Id | Voided By | Status | Name |
|------------|---------|---------------------|---------|------|------|------|------------|--------|---------|-----------|--------|-------------------------------|
| 15753172 | | 11/15/2017 09:36:58 | TREAS | R | TAX | C | 3.EF | 0 | 701 | | | 4 Wells Fargo Real Estate Tax |
| 15753172 | CANCEL | 11/16/2018 08:18:28 | TREAS | CHCL | CHCL | C | 3.EF | 0 | 701 | | | 4 CANCEL RECEIPT#0005907932 |

| Trans Id | Acct Id | Area Id | Function Flag | Type | Kind | Receipt | Status | Receipt Id | Entered By | Amount | Vendor Name | Vendor Id | Journal | Journal Entry |
|-----------|-----------|---------|---------------|------|---------|---------|--------|------------|------------|----------|---------------------------|-----------|---------|---------------|
| 181787430 | 722214000 | 701 | | D | RECEIPT | CANCEL | Y | 15753172 | 3.EF | -2263.81 | CANCEL RECEIPT#0005907932 | | 0.0078 | 590389 |

If you'd like I could step you through the code to show the user's name who's e-sig is entered is actually stored in the cancelling receipt entered by fields. That's a pretty "in the weeds" discussion.

The distribution, to and from, worked as expected.

I'll forward the email I sent to Curtis to you about the steps to cancel/bounce a receipt. Which include the pop up requesting an e-sig.

I don't know how we respond to a system glitch again.

We could say that the records created by the cancel bounce routine are going to have certain values in certain fields. e.g.

```

Script - of_cancelreceipt (long al_receiptid, string as_station, string as_enteredby) returns integer
(Function) of_cancelreceipt (long al_receiptid, string as_station, string as_enteredby)
long ll_receipt, ll_row, ll_trans, ll_rows, n, ll_tax_trans, ll_return, ll_origT
long ll_receiptIds[]
string ls_receipt = 'CANCEL', ls_find, ls_recName, ls_period
decimal ld_amount, ld_paid, ld_bal, ld_adjust
...
Script - of_cancelreceipt (long al_receiptid, string as_station, string as_enteredby) returns integer
(Function) of_cancelreceipt (long al_receiptid, string as_station, string as_enteredby)
ids_receipt.setitem(ll_row, 'receipt_id', ll_receipt)
ids_receipt.setitem(ll_row, 'area_id', 701)
ids_receipt.setitem(ll_row, 'receipt', ls_receipt)
ids_receipt.setitem(ll_row, 'amount', 0)
ids_receipt.setitem(ll_row, 'station', left(trim(as_station), 10))
ids_receipt.setitem(ll_row, 'source', 'TREAS')
ids_receipt.setitem(ll_row, 'originator', ids_receipt.getitemstring(1, 'originator'))
ids_receipt.setitem(ll_row, 'event_no', ids_receipt.getitemnumber(1, 'event_no'))
ids_receipt.setitem(ll_row, 'xfered', 'N')
ids_receipt.setitem(ll_row, 'xfered_amt', 0)
ids_receipt.setitem(ll_row, 'type', 'CNCL')
ids_receipt.setitem(ll_row, 'kind', 'CNCL')
ids_receipt.setitem(ll_row, 'client_id', ids_receipt.getitemnumber(1, 'client_id'))
ids_receipt.setitem(ll_row, 'client_type', ids_receipt.getitemstring(1, 'client_type'))
ids_receipt.setitem(ll_row, 'deposit_id', ids_receipt.getitemnumber(1, 'deposit_id'))
ids_receipt.setitem(ll_row, 'pmt_type', 'Z')
ids_receipt.setitem(ll_row, 'check_no', ids_receipt.getitemstring(1, 'check_no'))
ls_recName = 'CANCEL RECEIPT#' + ids_receipt.getitemstring(1, 'receipt')
ids_receipt.setitem(ll_row, 'name', ls_recName)
ids_receipt.setitem(ll_row, 'status', 'A')
ids_receipt.setitem(ll_row, 'entered_by', left(trim(as_enteredby), 20))
ids_receipt.setitem(ll_row, 'void', 'C')
ids_receipt.setitem(ll_row, 'coll_date', today())
ids_receipt.setitem(ll_row, 'year', ids_receipt.getitemstring(1, 'year'))
ids_receipt.setitem(ll_row, 'orig_receipt', al_receiptID)

```

The highlighted fields match as though they were created by the code above with is from the cancelreceipt function:

Database - 1 Connection: (Active Connection - fms prod as ROKyle)

```

select receipt_id, area_id, receipt,
amount, station, source,
originator, event_no, xfered,
xfered_amt, type, kind,
client_id, client_type, deposit_id,
pmt_type, check_no, name,
status, entered_by, void,
coll_date, year, orig_receipt
from receipt where receipt_id in (15753172, 16257830);

```

| Receipt Id | Area Id | Receipt | Amount | Station | Source | Originator | Event No | Xfered | Xfered Amt | Type | Kind | Client |
|------------|---------------|---------|--------|---------|--------|------------|-----------|--------|------------|------|------|--------|
| 15753172 | 7010005907932 | | 0 | TRES8 | TREAS | PARCEL | 30390059N | | | OR | TAX | |
| 16257830 | 701CANCEL | | 0 | TRES8 | TREAS | PARCEL | 30390059N | | 0 | CNCL | CNCL | |

Database - 1 Connection: (Active Connection - fms prod as ROKyle)

```

select receipt_id, area_id, receipt,
amount, station, source,
originator, event_no, xfered,
xfered_amt, type, kind,
client_id, client_type, deposit_id,
pmt_type, check_no, name,
status, entered_by, void,
coll_date, year, orig_receipt
from receipt where receipt_id in (15753172, 16257830);

```

| Client Id | Client Type | Deposit Id | Pmt Type | Check No | Name | Status | Entered By |
|-----------|-------------|------------|----------|----------|-----------------------------|--------|------------|
| 0 | | 344676K | Via File | | Wells Fargo Real Estate Tax | 4JLEE | |
| 0 | | 344676Z | Via File | | CANCEL RECEIPT#0005907932 | 4JLEE | |

Database - 1 Connection: (Active Connection - fms prod as ROKyle)

```

select receipt_id, area_id, receipt,
amount, station, source,
originator, event_no, xfered,
xfered_amt, type, kind,
client_id, client_type, deposit_id,
pmt_type, check_no, name,
status, entered_by, void,
coll_date, year, orig_receipt
from receipt where receipt_id in (15753172, 16257830);

```

| Check No | Name | Status | Entered By | Void | Coll Date | Year | Orig Receipt |
|----------|-----------------------------|--------|------------|------|---------------------|------|--------------|
| a File | Wells Fargo Real Estate Tax | 4JLEE | | C | 11/15/2017 09:56:58 | 2017 | 0 |
| a File | CANCEL RECEIPT#0005907932 | 4JLEE | | C | 11/16/2018 08:18:28 | 2017 | 15753172 |

All the fields in the cancelling receipt record match what would have been created if the cancelreceipt function were called. The cases where values from the two rows are highlighted is when it was supposed to copy what was in the original record to the cancelling one.

So that goes against the system glitch accusation. At least it means that the records were created by the routine we suggest would have created them after an e-sig was entered.

Let me know if you'd like anything else. I'll forward this to you and the e-mail with the steps and give your phone a ring.

Kyle