



Nicole R. Galloway, CPA
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of the 43rd Judicial Circuit Clinton County

Background	<p>In 2005, the judges of the Forty-Third Judicial Circuit, which consists of Clinton County as well as Caldwell, Daviess, DeKalb, and Livingston counties, created an internal Court Services Program to provide misdemeanor probation and pre-trial/bond supervision services. In 2011, the judges decided to discontinue the Court Services Program and outsource these services to a not-for-profit entity.</p>
Probation Services	<p>The judges of the Forty-Third Judicial Circuit participated in the formation of a not-for-profit entity established to provide misdemeanor probation supervision services and pre-trial/bond supervision services to the court and paid some start-up costs for this entity. To avoid the appearance that there is a relationship between the judges and the bidder for services, the circuit judges should not be involved with the appointment and startup costs of a potential bidder. In addition, the bid documents issued by the circuit court for the misdemeanor probation services contract appeared to give the not-for-profit an unfair advantage in the bidding process, and did not include important financial details that could have influenced the proposal process.</p> <p>Fees collected by the original, internal Court Services Program were held in a bank account outside the county treasury. In January 2012, this account had a balance of over \$400,000. Payments from this account were approved by the circuit judges and made by the Clinton County Circuit Clerk, instead of going through the normal county payment process, which requires most payments from the circuit courts to be paid out of the county treasury. Additionally, annual budgets were not prepared as required by state law.</p>
Accounting Controls and Procedures	<p>The Clinton County Circuit Clerk does not timely complete the monthly general bank reconciliations, and does not adequately review cases with liabilities to ensure monies are disbursed timely. Garnishments receipts are not paid out within the required 10-day holding period. Furthermore, the Circuit Clerk is not reviewing costs owed to the court as required by the court's formal debt plan and thus, has not worked with the judges to evaluate if any accounts are uncollectible and need to be written off.</p>

In the areas audited, the overall performance of this entity was **Fair**.*

*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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