



Thomas A. Schweich  
Missouri State Auditor

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# FOLLOW-UP REPORT ON AUDIT FINDINGS

## Polk County

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May 2013

Report No. 2013-040



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<http://auditor.mo.gov>

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\*Includes selected findings



# THOMAS A. SCHWEICH

## Missouri State Auditor

To the County Commission  
and  
Officeholders of Polk County

We have conducted follow-up work on certain audit report findings contained in Report No. 2012-126, *Polk County*, issued in October 2012, pursuant to the Auditor's Follow-Up Team to Effect Recommendations (AFTER) program. The objectives of the AFTER program are to:

1. Identify audit report findings that require immediate management attention and any other findings for which follow up is considered necessary at this time, and inform the county about the follow-up review on those findings.
2. Identify and provide status information for each recommendation reviewed. The status of each recommendation reviewed will be one of the following:
  - Implemented: Auditee fully implemented the recommendation, either as described in the report or in a manner that resolved the underlying issue.
  - In Progress: Auditee has specific plans to begin, or has begun, to implement and intends to fully implement the recommendation.
  - Partially Implemented: Auditee implemented the recommendation in part, but is not making efforts to fully implement it.
  - Not Implemented: Auditee has not implemented the recommendation and indicates that it will not do so.

Our methodology included working with the Prosecuting Attorney, prior to completion of the audit report, to develop a timeline for the implementation of corrective action related to the audit recommendations. As part of the AFTER work conducted, we reviewed documentation provided by Prosecuting Attorney's office, and discussed with the Prosecuting Attorney the status of significant findings and any corrective action taken regarding our audit findings. Documentation included a report from the Prosecuting Attorney on the status of recommendations, receipt and deposit records for the period of March 15, 2013, through March 22, 2013, system generated reports of ticket amendments and ticket dismissals for the period of January 1, 2013, through March 15, 2013, and a system generated report of financial adjustments for the period of June 1, 2012, through March 21, 2013. We compared selected ticket amendments, dismissals, and financial adjustments to supporting documentation. This report is a summary of the results of this follow-up work, which was substantially completed during March and April 2013.

A handwritten signature in black ink that reads "Thomas A. Schweich".

Thomas A. Schweich  
State Auditor

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# Polk County

## Follow-Up Report on Prior Audit Findings

### Status of Findings

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3. Prosecuting Attorney Controls and Procedures Failure to segregate duties related to traffic tickets and accounting records created the opportunity for theft of monies collected by the Prosecuting Attorney's office. Other controls and procedures were in need of significant improvement.

3.1 Segregation of duties Traffic ticket amendment and accounting duties were not adequately segregated. One clerk in the Prosecuting Attorney's office received and reviewed all traffic tickets; applied the Prosecuting Attorney's facsimile signature stamp to the traffic tickets; determined if a traffic ticket could be amended to a lesser charge in exchange for a higher fine; and completed and applied the Prosecuting Attorney's facsimile signature stamp to the amendment offer. Further, this clerk was also responsible for receiving, recording, transmitting or depositing all monies for amended traffic tickets, and bad check and court ordered restitution cases; and completing bank reconciliations. No documented supervisory review of ticket procedures, transmittals and/or deposits, or other accounting records and procedures was performed.

Recommendation The Prosecuting Attorney ensure the approval of ticket amendments is adequately documented. In addition, the Prosecuting Attorney should segregate traffic ticket amendment and accounting duties to the extent possible and ensure adequate supervisory reviews of records are performed and documented.

Status **Partially Implemented**

The Prosecuting Attorney implemented additional procedures which include further limitations of the types of tickets and dismissals that can be processed without his direct approval and requiring his staff to obtain a receipt from the Circuit Clerk's office for all monies turned over to that office related to ticket amendments. The Prosecuting Attorney does not review certain amendments and dismissals. We reviewed 8 of 224 amendments and 3 of 99 dismissals processed between January 1 and March 15, 2013, and noted no instances in which the amendments and dismissals were not handled in accordance with the current policies and procedures including documented review and approval by the Prosecuting Attorney when applicable. The Prosecuting Attorney indicated duties are segregated to the extent possible and he is performing supervisory review of the accounting records on a regular basis.

3.2 Receipting and depositing Receipt slips were not issued for traffic ticket payments received and transmitted to the court. The numerical sequence of receipt numbers assigned by the computerized accounting system was not accounted for properly. Receipt dates entered into the system were not always accurate and in sequential order. Monies received were not always deposited timely.



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**Recommendation**

The Prosecuting Attorney issue receipt slips for all monies received, and ensure receipt slips are properly dated, sequentially numbered, and accounted for properly. In addition, the Prosecuting Attorney should ensure all monies are deposited timely.

**Status**

**Implemented**

The Prosecuting Attorney implemented additional procedures related to receipts and deposits. We reviewed all receipts and deposits handled during the period of March 15 to March 21, 2013, and noted receipt slips were issued for all monies received for deposit into the bank account. Receipts slips are properly dated, sequentially numbered and accounted for properly. Additionally, monies are deposited timely. For monies received related to traffic ticket amendments, the clerk transmitting the monies to the court must obtain a receipt from the court and a copy of the receipt is scanned into the Prosecutor's case management system.

**3.3 Adjustments**

The bad check clerk had the ability to post adjustments to the computer system without obtaining independent approval. This clerk was also responsible for receiving, recording, and depositing bad check monies received. Several adjustments were made to bad check defendant accounts to remove amounts due from the system; however, approval of those adjustments was not documented.

**Recommendation**

The Prosecuting Attorney require supervisory review and approval for accounting adjustments and retain adequate documentation to support all adjustments.

**Status**

**Implemented**

The Prosecuting Attorney indicated he now approves all accounting adjustments. We obtained a report of all adjustments for the period of June 1, 2012, through March 22, 2013, which indicated 12 adjustments had been posted during that period. We reviewed documentation of two adjustments and determined those adjustments were handled in accordance with current policies and procedures including documentation of the Prosecuting Attorney's review.

**3.4 Inactive bank account**

The Prosecuting Attorney had a dormant bank account which should have been closed. Monies totaling \$980 were held in an account established by the former Prosecuting Attorney.

**Recommendation**

The Prosecuting Attorney investigate unidentified balances and follow up on old outstanding checks in the dormant bank account. Unclaimed or unidentified monies should be disposed of in accordance with state law, and the account should be closed.



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Status

**Implemented**

The Prosecuting Attorney turned the monies in the dormant bank account over to the County Treasurer. The County Treasurer indicated monies will be distributed in accordance with state law.

3.5 Record retention

Some case files could not be located by office personnel.

Recommendation

The Prosecuting Attorney ensure records are properly retained.

Status

**Implemented**

The Prosecuting Attorney now requires all case documentation to be scanned into an electronic records system. During our on-site review conducted March 22, 2013, and our review of additional documentation received, we noted no instances in which records were not properly retained.