



ELEVENTH JUDICIAL CIRCUIT
CITY OF FORISTELL, MISSOURI
MUNICIPAL DIVISION

**From The Office Of State Auditor
Claire McCaskill**

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AUDIT REPORT



Office Of The
State Auditor Of Missouri
Claire McCaskill

August 2000
www.auditor.state.mo.us

During our audit of the Eleventh Judicial Circuit, City of Foristell, Missouri, Municipal Division, we identified the following problems.

Monthly listings of open items (liabilities) are prepared for the bond account, however, the listings do not reconcile with the cash balance. As of February 29, 2000, the open items listing exceeded the cash balance by approximately \$280. The difference noted should be investigated and any shortages reimbursed.

Monthly open items listings should be prepared and reconciled to the bank account to ensure proper accountability over open cases and ensure monies held in trust by the court are sufficient to meet liabilities.

Monies collected are not deposited on a timely basis. Deposits for fine and cost receipts and bond receipts are generally made one or twice a week and average approximately \$4,000 and \$800, respectively. To adequately safeguard receipts and reduce the risk of loss or misuse of funds, deposits should be made intact daily or when accumulated receipts exceed \$100.

The municipal division accepts cash, checks, and money orders for fines and court costs. Although receipt slips indicate the method of payment received, there is no reconciliation of the composition of receipt slips to the composition of deposits by an individual independent of the receiving process.

Voided receipt slips are not retained. To account for the numerical sequence of all receipt slips, voided receipt slips should be retained.

YELLOW SHEET

ELEVENTH JUDICIAL CIRCUIT
CITY OF FORISTELL, MISSOURI
MUNICIPAL DIVISION

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STATE AUDITOR'S REPORT



CLAIRE C. McCASKILL
Missouri State Auditor

Presiding Judge
and
Municipal Judge
Eleventh Judicial Circuit
City of Foristell Municipal Division

We have audited certain operations of the city of Foristell Municipal Division of the Eleventh Judicial Circuit. The scope of this audit included, but was not necessarily limited to the two years ended February 29, 2000. The objectives of this audit were to:

1. Determine the internal controls established over the financial transactions of the municipal division.
2. Review and evaluate certain other management practices for efficiency and effectiveness.
3. Review certain management practices and financial information for compliance with applicable legal provisions.
4. Follow up on action taken by the municipal division on the applicable finding in our prior audit report on the municipal divisions of the Eleventh Judicial Circuit.

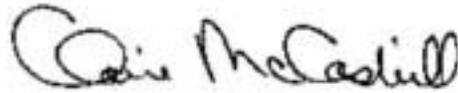
Our audit was conducted in accordance with applicable generally accepted government auditing standards and included such procedures as we considered necessary in the circumstances. In this regard, we reviewed accounting and bank records and other pertinent documents and interviewed various personnel of the municipal division.

As part of our audit, we assessed the controls of the municipal division to the extent we determined necessary to evaluate the specific matters described above and not to provide assurance on those controls. With respect to controls, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation and we assessed control risk.

Our audit was limited to the specific matters described above and was based on selective tests and procedures considered appropriate in the circumstances. Had we performed additional procedures, other information might have come to our attention that would have been included in this report.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the municipal division's management and was not subjected to the procedures applied in the audit of the division.

The accompanying Management Advisory Report presents our findings arising from our audit of the city of Foristell Municipal Division of the Eleventh Judicial Circuit.



Claire McCaskill
State Auditor

June 28, 2000 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Karen Laves, CPA
Audit Manager:	Alice M. Fast, CPA, CIA
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MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

ELEVENTH JUDICIAL CIRCUIT
CITY OF FORISTELL, MISSOURI
MUNICIPAL DIVISION
MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

1. Receipt Procedures

- A. Monies collected are not deposited on a timely basis. Deposits for fine and cost receipts and bond receipts are generally made once or twice a week and average approximately \$4,000 and \$800, respectively. To adequately safeguard receipts and reduce the risk of loss or misuse of funds, deposits should be made intact daily or when accumulated receipts exceed \$100.
- B. Voided receipt slips are not retained. To account for the numerical sequence of all receipt slips, voided receipt slips should be retained.
- C. The municipal division accepts cash, checks, and money orders for fines and court costs. Although receipt slips indicate the method of payment received, there is no reconciliation of the composition of receipt slips to the composition of deposits by an individual independent of the receiving process.

WE RECOMMEND the City of Foristell Municipal Division:

- A. Deposit receipts intact daily or when accumulated receipts exceed \$100.
- B. Retain all voided receipt slips.
- C. Establish a documented review of the reconciliation of the composition of receipt slips to the composition of deposits by an independent person.

AUDITEE'S RESPONSE

The Municipal Judge, the Court Clerk, the City Administrator and the City Treasurer indicated:

A&B. These recommendations have been implemented.

C. This recommendation will be implemented immediately.

2. Open Items

Monthly listings of open items (liabilities) are prepared for the bond account, however, the listings do not reconcile with the cash balance. As of February 29, 2000, the open items listing exceeded the cash balance by approximately \$280.

Monthly open items listings should be prepared and reconciled to the bank account to ensure proper accountability over open cases and ensure monies held in trust by the court are sufficient to meet liabilities.

WE RECOMMEND the City of Foristell Municipal Division reconcile the monthly listing of open items to the balance in the bond account. In addition, the difference noted above should be investigated and any shortages reimbursed.

AUDITEE'S RESPONSE

The Municipal Judge, the Court Clerk, the City Administrator and the City Treasurer indicated:

This recommendation has been implemented. The difference has been investigated and the shortage will be reimbursed by the city at the end of October 2000.

This report is intended for the information of the management of the city of Foristell Municipal Division of the Eleventh Judicial Circuit and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

FOLLOW-UP ON PRIOR AUDIT FINDING

ELEVENTH JUDICIAL CIRCUIT
CITY OF FORISTELL, MISSOURI
MUNICIPAL DIVISION
FOLLOW-UP ON PRIOR AUDIT FINDING

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by the city of Foristell Municipal Division on the applicable finding in the Management Advisory Report (MAR) of our prior audit report issued for the two years ended 1994 and 1993 on the municipal divisions of the Eleventh Judicial Circuit.

The prior recommendations which have not been implemented are repeated in the current MAR.

City of Foristell Municipal Division

- A.1. Checks and money orders were not restrictively endorsed until the deposits were prepared.
- 2. Receipt slips were not obtained from the City Administrator for court monies transmitted to the city.
- 3. Receipt slips issued for the receipt of bond monies were not prenumbered.
- B.1. Neither the police department nor the court maintained adequate records to account for summonses issued and their ultimate disposition.
- 2. Tickets issued were not recorded on a log and ticket books were not assigned in numerical sequence. In addition, the ultimate disposition of some tickets could not be determined.
- 3. The court clerk did not forward required records of convictions on traffic offenses to the Missouri State Highway Patrol (MSHP).
- 4. The police department and the court clerk were unable to locate three tickets.
- C.1. The \$2 Law Enforcement Training (LET) fee was collected on nonmoving traffic violations.
- 2. The Crime Victims' Compensation (CVC) and LET fees were collected on moving traffic violations, but were not collected on non-traffic violations.
- D. The Municipal Judge did not sign the docket after dispositions were recorded.

WE RECOMMEND the City of Foristell Municipal Division:

- A.1. Restrictively endorse all checks and money orders immediately upon receipt.

2. Request a receipt slip from the city for amounts transmitted.
 3. Issue prenumbered receipt slips for all bond monies received and account for the numerical sequence.
- B.1.
- & 2. Work with the police department to ensure records are maintained to account for the numerical sequence and ultimate disposition of all summonses and tickets assigned and issued.
 3. Forward records of convictions on traffic offenses to the MSHP as required by state law.
 4. Retain all tickets and summonses in accordance with the supreme court rule.
- C. Assess, collect, and remit the CVC and the LET fees in accordance with state law.
- D. Require the judge's signature on the court dockets.

Status:

A.1,
A.3,B,
C&D. Implemented.

- A2. Monies are no longer transmitted to the city, they are deposited into a court account and disbursed to the city monthly by check.

HISTORY, ORGANIZATION, AND
STATISTICAL INFORMATION

ELEVENTH JUDICIAL CIRCUIT
CITY OF FORISTELL, MISSOURI
MUNICIPAL DIVISION
HISTORY, ORGANIZATION, AND
STATISTICAL INFORMATION

Organization

The city of Foristell Municipal Division is one of nine municipal divisions within the Eleventh Judicial Circuit, which consists of St. Charles County. The Honorable Ellsworth Curdiff serves as Presiding Judge.

The municipal division is governed by Chapter 479, RSMo 1994 and RSMo Cumulative Supp. 1999, and by Supreme Court Rule No. 37. Supreme Court Rule No. 37.49 provides that each municipal division may establish a violation bureau (VB) in which fines and costs are collected at times other than during court and transmitted to the city treasury.

Operating Costs

The operating costs and court salaries of the municipal division are paid by the municipality.

Municipal Division Organization, Personnel, and Financial and Caseload Information

Organization

The Court Clerk is responsible for recording transactions as well as handling collections and disbursements. Fines and court costs are deposited by the Court Clerk or City Treasurer to the court's fines and costs bank account and then disbursed monthly. The police department and the Court Clerk collect bond monies. The police department transmits bond monies at least once a week to the Court Clerk. Bond monies are deposited in a separate court bank account pending disposition. Municipal court is held twice a month. A VB has been established to receive payments of fines and court costs at times other than during court.

Personnel

Municipal Judge	Joseph Porzenski
Court Clerk	Cindy Holland*

*Sandy Gordinier served as Court Clerk until January 2000. Tonya Bailey served as Court Clerk from January 2000 to February 2000.

Financial and Caseload Information

	<u>Year Ended February 28 (29),</u>	
	<u>2000</u>	<u>1999</u>
Receipts	\$401,675	182,912
Number of tickets issued	2,912	1,305

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