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Missouri State Auditor

City of St. Louis
Department of Streets



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Office of the
Missouri State Auditor
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The following findings were included in our audit report on the City of St. Louis, Department of Streets.

At least \$1,210 in permit fee collections could not be accounted for properly and appear to be missing, and additional amounts may also be missing. These missing funds were not detected on a timely basis due to various internal control weaknesses including accounting duties in the Director's office are not adequately segregated, there is no independent oversight related to receipts, and the method of payment and date received are not recorded on some receipt slips. Receipt slips are not issued in numerical sequence, and the numerical sequence of receipt slips issued is not accounted for properly. Some receipts are not transmitted to the City Treasurer's office in a timely manner. In addition, procedures are not established to properly document, investigate, and resolve daily cash overages and shortages. The office does not maintain documentation of daily overages/shortages to determine if there is a pattern which should be investigated. Also, some receipt and transmittal documentation maintained by the Director's office accountant was poorly organized and maintained. The department does not account for the numerical sequence of permits issued, has not established adequate procedures related to the issuing of permits, and does not reconcile permits issued to monies collected and amounts transmitted.

At least \$1,380 in towing and storage fee monies could not be accounted for properly and appear to be missing, and additional amounts may also be missing. By not providing adequate oversight, the division placed funds at risk. Several control weaknesses allowed the missing monies to go undetected. The method of payment is not recorded on the towing tickets or the daily receipt ledger, thus the composition of receipts cannot be reconciled to the composition of transmittals to the City Treasurer's office. In addition, the division does not obtain information from the City Treasurer's office documenting the composition of transmittals. The division does not adequately document monies received for vehicles auctioned. As a result of making cash refunds for overpayments of towing and storage fees paid by debit card, transmittals to the City Treasurer's office are not made intact. The division does not adequately document approval and the reason why some allowable charges for towing and vehicle storage services are reduced and not collected. The division does not have a written policy and procedure for the distribution of excess auction monies. A \$200 administration charge is assessed on each vehicle sold to cover the costs of labor and paperwork involved in auctioning a vehicle; however, no documentation of costs or how this fee was determined was available, and the fee is not adequately recorded in the division's accounting records. The division does not have written procedures concerning the handling of damage claims and claims are not adequately documented.

YELLOW SHEET

Some emergency purchases did not appear to meet the city's definition of "emergency." In September 2007 and January 2008, the department purchased traffic signal detection devices totaling approximately \$433,000, to be used at heavily traveled intersections to help improve traffic flow. A solar powered trailer was purchased for approximately \$18,000 in May 2007. These purchases were made in conjunction with the closing of Interstate 64/40 in the St. Louis Metropolitan Area; however, the extensive advance planning of this project should have given the department enough time and notice to purchase these items through normal city purchasing procedures.

The department does not have a written policy concerning the sale of road salt. There is no written documentation of how the sale price was determined for the salt. The sale price on certain dates was not consistent between various entities. In addition, while the sale of salt to other political subdivisions low on salt can be viewed as necessary due to a public safety issue, it is unclear if the department has the legal authority to sell salt to landscaping and construction companies. Also, the department did not withhold and report sales tax from the sale of salt to these companies.

The department does not turn over old accounts receivable balances to a collection agency or the City Counselor's office in a timely manner and does not properly follow up on old outstanding paving and sealing invoices.

The department has not documented how fees charged for several permits were established or determined. The department has not recently updated the annual excavation fee charged to three large companies that have elected to pay a flat annual fee. Fees were not consistently charged in accordance with the established schedule for sidewalk permits.

The department does not adequately document changes to and approval of street paving and sealing invoices mailed to contractors. Some invoices are not mailed to the contractors in a timely manner for street paving and sealing work.

Records and monitoring procedures for vehicles and equipment are not sufficient. The department does not require vehicle usage logs be maintained for its vehicles and does not regularly monitor the fleet to ensure vehicles are used efficiently and effectively. The Street Division uses 16 pool/on call vehicles for commuting purposes but does not report commuting mileage to the IRS as compensation.

The audit also includes recommendations related to the 50/50 Sidewalk Program, the school crossing guard program and petty cash funds.

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CITY OF ST. LOUIS
DEPARTMENT OF STREETS

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STATE AUDITOR'S REPORT



SUSAN MONTEE, JD, CPA
Missouri State Auditor

To the Honorable Mayor
and
Director of Streets
City of St. Louis, Missouri

The State Auditor was petitioned under Section 29.230, RSMo, to audit the City of St. Louis. The city engaged KPMG LLP, Certified Public Accountants (CPAs), to audit the city's financial statements for the year ended June 30, 2008. To minimize duplication of effort, we reviewed the CPA firm's audit report. We have conducted an audit of the City of St. Louis Department of Streets. The scope of our audit included, but was not necessarily limited to, the year ended June 30, 2008. The objectives of our audit were to:

1. Obtain an understanding of the petitioners' concerns and perform various procedures to determine their validity and significance.
2. Determine if the department has adequate internal controls over significant management and financial functions.
3. Determine if the department has complied with certain legal provisions.

Our methodology included reviewing written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the department, as well as certain external parties; and testing selected transactions.

We obtained an understanding of internal controls that are significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. However, providing an opinion on the effectiveness of internal controls was not an objective of our audit and accordingly, we do not express such an opinion.

We obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions. However, providing an opinion on

compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. Abuse, which refers to behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary given the facts and circumstances, does not necessarily involve noncompliance with legal provisions. Because the determination of abuse is subjective, our audit is not required to provide reasonable assurance of detecting abuse.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our 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 such a basis.

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

The accompanying Management Advisory Report presents our findings arising from our audit of the City of St. Louis Department of Streets.

Additional audits of various officials and departments of the City of St. Louis, fulfilling our obligations under Section 29.230, RSMo, are still in process, and any additional findings and recommendations will be included in subsequent reports.



Susan Montee, JD, CPA
State Auditor

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MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

CITY OF ST. LOUIS
DEPARTMENT OF STREETS
MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

1. Director's Office Controls and Procedures

At least \$1,210 in permit fee collections could not be accounted for properly and appear to be missing, and additional amounts may also be missing. Accounting duties in the Director's office are not adequately segregated and there is no independent oversight of receipts. Various concerns were noted related to receipt procedures, change funds, and procedures for handling permits.

The Director's office is responsible for the administration of the department and handles the collection of monies for several divisions. The Towing Division and the Refuse Division collect and transmit monies to the City Treasurer's office separately. The Director's office oversees the issuance of permits for various items such as street blockages, parades, parking, sidewalk and driveway construction, etc. In addition, the office administers the collection of monies for the 50/50 Sidewalk Program, street paving and sealing repairs, and street light and traffic signal damage programs. During the year ended June 30, 2008, the Director's office transmitted approximately \$2,114,000 to the City Treasurer's office.

- A. At least \$1,210 in permit fee collections could not be accounted for properly and appear to be missing, and additional amounts may be missing. Payments to the Director's office are received primarily by check. The clerks in the director's front office issue receipt slips for fees collected from individuals in person, record checks received in the mail on the check log, and transmit collections to the Director's office accountant along with one copy of the receipt slip. The accountant initials the receipt slip indicating receipt of the monies, prepares a transmittal report, and transmits collections to the City Treasurer's office for deposit.

A review of April 2008 transmittals showed 19 receipt slips which did not appear to have been transmitted to the City Treasurer's office. The receipts slips were marked as cash received and the accountant's copies of the receipt slips were marked void. However, the front office clerk's copies of the receipt slips were not marked void, the permit numbers were recorded on the receipt slips, and valid permits appear to have been issued for each of the receipt slips in question (see Appendix for a complete list of unaccounted for receipts).

These missing funds were not detected on a timely basis due to various internal control weaknesses as discussed in B and C below. The department should take necessary action to recover missing funds and work with law enforcement

officials regarding any criminal prosecution. In addition, department personnel should determine if any additional monies are missing.

B. The following concerns were noted related to the Director's office receipts:

- 1) Accounting duties are not adequately segregated and there is no independent oversight related to receipts. Three front office clerks issue and collect monies for permits. The Director's office accountant receives and reconciles turnovers from the clerks, records the transactions, prepares transmittals to the City Treasurer's office, and reconciles the monies transmitted with the City Treasurer's documentation of the turnover. However, there is no documented supervisory review or comparison of monies received by the front office clerks to amounts transmitted to and received by the City Treasurer's office.

To safeguard against possible loss or misuse of funds, internal controls should provide reasonable assurance that all transactions are properly accounted for and assets are adequately safeguarded. Internal controls could be improved by segregating duties to the extent possible. If proper segregation of duties is not possible, timely supervisory or independent review of work performed and investigation into unusual items and variances is necessary.

- 2) The method of payment (i.e., cash, check, or money order) and date received are not recorded on some receipt slips. As a result, the composition of receipt slips cannot be reconciled to the composition of monies transmitted. To ensure all receipts have been recorded properly and transmitted intact, the method of payment and date received should be recorded on each receipt slip, and the composition of receipts should be reconciled to the composition of transmittals.
- 3) Receipt slips are not issued in numerical sequence, and the numerical sequence of receipt slips issued is not accounted for properly. The Director's office accountant is responsible for issuing receipt slip books to the front office clerks. The receipt slip sequences are not unique for each clerk and often receipt slip books are not issued in sequence. In addition, the clerks sometimes prepare permits in advance for customers to pick up at a later date and issue receipt slips, which are attached to the permits, before the monies are actually collected. Our test work also noted several missing receipt slip numbers. To adequately account for all monies received, receipt slips should be issued in numerical sequence and accounted for properly.
- 4) Some receipts are not transmitted to the City Treasurer's office in a timely manner. For example, an April 8, 2008, transmittal for \$875 included receipts from April 3, 2008. To adequately safeguard receipts and reduce

the risk of loss or misuse of funds, transmittals should be made on a timely basis.

- 5) Procedures are not established to properly document, investigate, and resolve daily cash overages and shortages. The three clerks in the Director's office, who collect monies, reconcile their cash drawers to the receipt slips issued and the check log each day. Any overage or shortage is simply absorbed by the change fund. A cash count on September 25, 2008, found one clerk's change fund was short \$49. In addition, office personnel indicated an additional \$100 change fund was normally maintained as an emergency fund; however, this fund had been used to replenish the change funds of the three front office clerks when shortages occurred. The office does not maintain documentation of daily overages/shortages to determine if there is a pattern which should be investigated.

To ensure all receipts are properly accounted for and deposited, the Director's office should adopt procedures to ensure differences between recorded receipts and amounts to be transmitted (overages/shortages) are properly documented, investigated, and resolved. In addition, the change funds should be maintained at a constant amount and the overages/shortages should be reflected in the amounts transmitted.

- 6) Some receipt and transmittal documentation maintained by the Director's office accountant was poorly organized and maintained. The accountant paperclips receipt slips included in a transmittal to the transmittal form. Several paperclips came off of documentation making a reconciliation of receipt slips and transmittals to the City Treasurer's office difficult. The receipt slips included in a transmittal are not identified on the transmittal form. Maintaining accounting records in an organized manner helps to ensure all records are present and can be located efficiently when needed.

C. The Director's office issues and collects fees for various types of permits. Procedures related to the handling of these permit fees need improvement:

- 1) The department does not account for the numerical sequence of permits issued. The department uses general permits for many types of permits, but there are instances when this general permit does not fit special circumstances or restrictions which need to be documented on the permit. The department voids the general permit and assigns its number to a "blank" permit. The "blank" permit has room for documentation of special restrictions. The "blank" permits are also used when a time frame has to be amended. In addition, unused permits are maintained in a supply room in an unsecured location with access by all department employees. To provide additional assurance all monies are properly collected, recorded, and transmitted, the numerical sequence of permits should be

accounted for properly. In addition, unused permits should be maintained in a secure location.

- 2) The department has not established adequate procedures related to the issuing of permits. The department prepares some permits from information received over the phone and holds the permit for the customer to pick up. The permit is voided if the individual does not pick it up. By holding the permits for customers, the department is not transmitting monies collected for permits in numerical sequence making it difficult to trace receipts to transmittals. The department needs to improve procedures which define how permits should be issued by the department to ensure the permits are properly processed and approved or more clearly indicate which receipt slips are included in each transmittal.
- 3) Permits issued are not reconciled to monies collected and amounts transmitted. For example, a \$20 parade permit issued on April 8, 2008, could not be traced to a receipt slip. In addition, an excavation permit was issued on August 15, 2007, for \$130 but the department collected \$195. The department also issues street blocking permits to storage unit companies, but does not issue receipt slips to the companies since they do a large amount of business in the city and do not want the receipt slips. The department started maintaining a ledger to record payments from these storage unit companies in December 2007; however, the ledger is not reconciled to amounts transmitted. To ensure fees for all permit charges are properly collected, recorded, and transmitted, permits issued should be periodically compared to amounts recorded and transmitted.

WE RECOMMEND the Department of Streets:

- A. Take necessary action to recover missing funds and work with law enforcement officials regarding any criminal prosecution. In addition, department personnel should determine if any additional monies are missing.
- B.1. Segregate the accounting duties of the Director's office to the extent possible. If proper segregation of duties cannot be achieved, timely supervision or independent review of work performed and investigation into unusual items and variances is necessary.
 2. Ensure the method of payment and date received is recorded on each receipt slip, and the composition of receipt slips issued is reconciled to the composition of transmittals.
 3. Require receipt slips be issued in numerical sequence and accounted for properly.
 4. Transmit all monies in a timely manner.

5. Establish procedures to ensure personnel properly document, investigate and resolve daily overages and shortages. In addition, the department should ensure the change funds remain at a constant amount and any overages/shortages are reflected in amounts transmitted.
6. Ensure all records are well organized and properly maintained.
- C.1. Ensure the numerical sequence of permits is accounted for properly. In addition, unused permits should be maintained in a secure location.
 2. Improve procedures and requirements for handling and issuing permits.
 3. Reconcile permits issued to amounts transmitted.

AUDITEE'S RESPONSE

The Director provided the following written responses:

- A. *The information has been forwarded to the City of St Louis Police Department, the investigation is ongoing.*
- B.1. *The accounting duties have been segregated. The clerical supervisor reviews each transaction daily and creates a record of the daily review and verification. This is being performed separate from the accounting duty.*
 2. *Method of payment and date received is now recorded on each receipt slip. Reconciliation is occurring daily.*
 3. *The clerical supervisor is charged with this duty and receipts are secured in a locked cabinet.*
 4. *All monies are now transmitted daily.*
 5. *This is now covered in the actions of B.2, any shortages will be noted and handled on the daily sheet. Change funds are checked daily.*
 6. *Files have been established to handle all paperwork.*
- C.1. *The clerical supervisor now maintains a secure location for all numerical permits and issues them from a registrar. Unused permits are secured in locked desk drawers.*
 2. *Procedures for the insurance and voiding and variances of permits have been established.*
 3. *This is now completed daily.*

At least \$1,380 in towing and storage fee monies could not be accounted for properly and appear to be missing, and additional amounts may also be missing. The division does not send vehicle notification letters by certified mail, has not established a formal policy regarding the distribution of excess auction monies, and has not recorded in the accounting records or kept documentation to support the administration fee assessed and collected on auctioned vehicles. Finally, the division has not established written procedures for the handling of damage claims.

The Towing Division is responsible for the towing, storage, and if necessary, auction of abandoned, wrecked, and illegally parked vehicles within the city. The division assesses and collects fees for the towing and storage of vehicles. In addition, the division collects monies from the auction of vehicles which are not claimed by their owners within 30 days. The division collected approximately \$2,566,000 during the year ended June 30, 2008.

- A. Receipts totaling \$1,380 received by the division could not be accounted for properly and appear to be missing. The missing receipts were made up of all six towing tickets from the first shift on September 13, 2007. The towing manager indicated he reconciles the City Treasurer's receipt record to the daily receipt ledger; however, his reconciliation is not documented. Towing and storage fees are collected during three daily shifts by the division's front office clerks and recorded on a daily receipt ledger. At the end of each shift, the foreman compares the fees collected to the daily receipt ledger, initials the ledger, and transmits the fees to the towing manager. The towing manager compares the fees collected to the daily receipt ledger, initials the ledger, and prepares a transmittal to the City Treasurer. The monies are placed in a locked bag and given to a tow truck driver to deliver to the City Treasurer. The monies collected on one shift on September 13, 2007, could not be traced to a transmittal to the City Treasurer; however, the daily receipt ledger was properly initialed. The towing manager does not ensure all monies transmitted to the City Treasurer are properly received by the City Treasurer.

By not providing adequate oversight, the division placed funds at risk, resulting in the missing monies. The division should implement procedures to improve control weaknesses, as noted in Part B, that apparently allowed the missing monies to go undetected. The department should take the necessary action to recover the missing funds and work with law enforcement officials regarding any criminal prosecution. In addition, department personnel should determine if any additional monies are missing.

B. The following concerns were noted regarding receipt procedures:

- 1) The method of payment (i.e., cash or check) is not recorded on the towing tickets or the daily receipt ledger, thus the composition of receipts cannot be reconciled to the composition of transmittals to the City Treasurer's office. The division uses tow tickets to document the process involved in towing a vehicle including the fees to be charged to vehicle owners based on the type of tow, extra labor if needed, and the number of storage days. The division marks the tow tickets and daily receipt ledger if the payment is made by credit or debit card only.

In addition, the division does not obtain information from the City Treasurer's office documenting the composition of transmittal. Currently, the division receives the transmittal form signed by the City Treasurer's office to indicate the monies were received. The transmittal form only indicates the total amount received and not the amount of cash and check received for each shift and auction.

To adequately account for all monies received, the method of payment should be indicated on all towing tickets and the daily receipt ledger, and the composition of towing tickets and the daily receipt ledger should be reconciled to amounts transmitted to the City Treasurer's office.

- 2) The division does not adequately document monies received for vehicles auctioned. The division holds an auction every week for vehicles held in the storage lot for more than 30 days. The auction date, amount bid, if payment was cash, and the tow ticket number are recorded on a ledger sheet at the time of the auction. Most auction monies are collected the day of the auction; however, some regular customers are allowed to bring in payment and claim the vehicle over the course of the week. The payment date is not recorded on the ledger nor is the receipt of these monies recorded on any other records. To ensure all monies are properly handled and recorded, all monies received should be recorded in division records. In addition, posting the date received to the ledger for each vehicle auctioned would allow the ledger to be reconciled to the transmittal to the City Treasurer's office.
- 3) As a result of making cash refunds for overpayments of towing and storage fees paid by debit card, transmittals to the City Treasurer's office are not made intact. For example, the September 24, 2007, transmittal for \$2,440 contained a debit card payment of \$200. The division determined a refund of this payment was due to the individual. The refund of \$200 was made in cash. To adequately safeguard receipts and reduce the risk of loss, theft, or misuse of funds, all monies received should be recorded and transmitted intact daily and all refunds should be made by check.

Failure to implement adequate receipting procedures increases the risk that loss or misuse of monies received will go undetected.

- C. The division does not adequately document approval and the reason why some allowable charges for towing and vehicle storage services are reduced and not collected. The division documents the various services performed and the fees to be charged to vehicle owners for these services on the tow ticket. However, some tow tickets are subsequently marked as "no charge" or the amount collected is less than the charges noted on the tow ticket with no documentation of why the fees were reduced.

Adequate documentation and approval of a reduction in the amount collected on a tow bill is necessary to ensure consistency and to establish adequate internal controls over towing and storage fees.

- D. The division sends notification letters by first class mail instead of certified mail to vehicle owners whose vehicles have been towed. City Revised Code Sections 17.56.140 through 17.56.190, sets forth procedures concerning the impoundment and redemption of towed vehicles. The code indicates the division is required to send notification to the owner of a towed vehicle in a sealed envelope with postage prepaid. The notification informs the owner of the location of the vehicle and procedures for redemption of the vehicle. The code does not specifically mention if the notification should be sent by first class mail or certified mail. Although City Revised Code does not require notification letters to be sent by certified mail, the division should consider using certified mail in order to adequately document the division's attempt to contact owners.

Section 304.156.1, RSMo, provides requirements for private towing companies and states the towing company shall notify the owner of a towed vehicle by certified mail. Certified mail would give the division proper documentation of its attempt to contact the owner of a towed vehicle and notify them of the storage location and redemption procedures. Without this documentation, the division is unable to adequately document it made an attempt to contact the owner of a towed vehicle.

- E. The following concerns were noted with the auctioning of towed vehicles:
 - 1) The division does not have a written policy and procedure for the distribution of excess auction monies. When a vehicle is not claimed by the owner within 30 days of being towed, the division auctions the vehicle. If the amount received for the vehicle is greater than the towing, storage, and administration fees, the excess amount is transmitted to the City Treasurer's office for deposit into an escrow account. The vehicle owner has one year to claim these monies. The division transmitted excess auction monies totaling approximately \$48,000 during the year ended June 30, 2008, to the City Treasurer for deposit to the escrow account.

At the end of each fiscal year, the Comptroller's office distributes unclaimed monies to the city's General Fund. However, the Towing Division or city do not have written policies and procedures in place to ensure these unclaimed monies are properly distributed. There are several reasons a vehicle could be towed by the division including illegal parking, abandonment, accident, asset forfeiture, etc. The various reasons for towing a vehicle could warrant different courses of action concerning the distribution of unclaimed monies per various state laws.

The division should develop written policies and procedures to provide guidance when determining how excess auction monies should be distributed. This would allow for the consistent distribution of these monies. Without written policies and procedures, the division may be distributing unclaimed monies to the General Fund which possibly should have been distributed elsewhere such as the state Unclaimed Property Fund.

- 2) A \$200 administration charge is assessed on each vehicle sold to cover the costs of labor and paperwork involved in auctioning a vehicle; however, no documentation of costs or how this fee was determined was available.

The division should calculate and document the administrative costs of auctioning a vehicle. The fee charged should be set at a level sufficient to cover the costs of the auction service.

- 3) The \$200 administration fee for auctioning a vehicle is not adequately recorded in the division's accounting records, and as a result, the accounting records and the amount transmitted as surplus from the auction sale do not reconcile. The court based REJIS computer system is used by the division to obtain information concerning a vehicle it has towed and to record information such as the fees charged for towing and storage; however, the \$200 administration fee is not recorded on this system.

By not recording the \$200 administration fee on the REJIS system, the division's records do not adequately document the total amount of fees charged by the division. While the correct amount is transmitted to the escrow account, the system used to calculate any excess auction monies due to the vehicle's owner should properly reflect this information.

- F. The division does not have written procedures concerning the handling of damage claims and claims are not adequately documented. The owners of vehicles towed by the division can complete damage claim forms if they believe the division was responsible for damage to the vehicles. The towing manager reviews the situation and approves the claim if warranted. The vehicle owners have the option of obtaining two bids and receiving a check for the low bid amount, or letting the division use its vendor to make the repairs. The division expended approximately

\$28,000 in damage claims during the year ended June 30, 2008. The following are examples of concerns noted in a review of damage claims paid:

- The division did not obtain bids for three of four damage claims reviewed. These repairs were handled by the owners of the vehicles. Division officials indicated the vehicles from two of these claims were not drivable and they do not make owners tow the vehicles to several locations to obtain bids. It appears it is standard procedure for the division not to require owners to obtain bids when vehicles are not drivable; however, this is not a written procedure and this information is not properly documented in claim files. Bidding documentation could not be located for the third damage claim.
- The division has not obtained bids or entered into a written contract with the auto repair shop utilized by the division. During the year ended June 30, 2008, the division spent approximately \$6,000 on repairs by this vendor. Division personnel indicated they use the same repair shop for all damage claim repairs.
- The division did not properly complete damage claim forms. Two damage claims reviewed did not have a completed claim form on file. A third damage claim reviewed showed the towing manager had not signed the form approving the claim.
- The division did not obtain adequate documentation for a \$1,100 car rental paid on one damage claim reviewed. The division can approve a car rental for a vehicle owner while the vehicle is being repaired. The documentation obtained for the rental did not clearly indicate the type of vehicle rented and the dates of the car rental did not appear to agree with the dates noted on the repair shop invoice. The repair shop invoice indicated the vehicle repairs were completed on August 13, 2007, and the car rental documentation showed the rental car was returned on August 20, 2007. In addition, the car rental documentation did not clearly indicate the amount due for the rental.
- The division did not retain documentation for one damage claim reviewed; however, copies of some documentation was retrieved from the Comptroller's office. This documentation indicated the vehicle was repaired at a repair shop selected by the vehicle's owner; however, the repair shop documentation was not adequate. The invoice was not detailed and appeared to be an estimate for repairs.

A written policy or procedure for handling damage claims would provide guidance for handling damage claims fairly and uniformly. Such procedures should consist of obtaining and properly documenting bids for vehicle repairs. A damage claim form should always be completed and properly approved. In

addition, adequate documentation should be obtained to support disbursements, such as car rental and repairs. The invoices should be detailed and the division should ensure amounts paid are correct. Also, the division should ensure claim files are properly retained and request the city's Supply Division to obtain bids for auto repair services in compliance with city purchasing procedures.

WE RECOMMEND the Department of Streets:

- A. Take necessary action to recover missing funds and work with law enforcement officials regarding any criminal prosecution. In addition, department personnel should determine if any additional monies are missing.
- B.1. Require the method of payment to be recorded on each towing ticket and the daily receipt ledger, and the composition of receipts be reconciled to the composition of transmittals. In addition, the department should obtain documentation of the composition of transmittals from the City Treasurer's office.
 - 2. Record the date monies are received for auctions and reconcile auction monies received to amounts transmitted.
 - 3. Ensure monies are transmitted intact and checks are written to refund any overpayments.
- C. Ensure adequate documentation and approval is maintained for reductions in towing amounts.
- D. Evaluate the costs of sending towed vehicle notifications by certified mail versus the benefits of better documentation.
- E.1. Adopt a written policy and procedure concerning the distribution of excess auction monies.
 - 2. Review and document the division's costs of administering auctions of towed vehicles and establish the administrative fee to recover those costs.
 - 3. Ensure the fees for towing, storing, and auctioning a vehicle, including the \$200 administration fee, are documented in the REJIS system.
- F. Establish a written policy or procedure for the handling of vehicle damage claims. Procedures should include proper handling of bids, completing damage claim forms, and obtaining adequate documentation for expenditures. In addition, the Division should work with the city's Supply Division to obtain bids and enter into a written contract for auto repair services.

AUDITEE'S RESPONSE

The Director provided the following written responses:

- A. The information has been forwarded to the city of St Louis Police department, the investigation is ongoing.*
- B.1. Method of payment is now being recorded on each towing ticket and the daily receipt ledger. We are also receiving documentation back from the Treasurer's Office indicating the receipt's composition.*
 - 2. Auction money is now being recorded in the daily receipt ledger with the date received and appropriate Treasurer's receipt number.*
 - 3. Monies will be transmitted intact and checks will be issued for overpayments.*
- C. Documentation to reduce tow tickets, including an explanation, is now placed on the individual ticket.*
- D. As noted in the detailed report, code indicates to send notification in a sealed envelope, which we do. Very few vehicles are sold with notification being an issue. The vehicles for which this is an issue have out of state lien holders that would not be notified thru any process as they are unknown to our mailing system. Our claims for wrong action on our part for notification are very small, less than \$10,000 per year. To send certified letters instead of standard mail would increase costs annually by \$150,000. If these changes were done, it would increase the operating costs that would then be passed on thru the tow charges. We plan on continuing with our current plan.*
- E.1. Written policy and procedures will be developed regarding the distribution of excess auction money.*
 - 2. This cost is now documented.*
 - 3. We are updating REJIS with the \$200 fee.*
- F. A written procedure is now in place to handle damage claims. We are working with Supply Division to set up contracts for auto service repair.*

3. Emergency Purchases

Some emergency purchases did not appear to meet the city's definition of "emergency." City policy states an emergency purchase can only be made when a condition exists which might cause injury to a person or property damage, or seriously impair public health or services. Three of five emergency purchases reviewed, did not appear to meet this definition:

- In September 2007 and January 2008, the department purchased traffic signal detection devices totaling approximately \$433,000, to be used at heavily traveled intersections to help improve traffic flow. The department purchased these as a result of closing Interstate 64/40 in the St. Louis Metropolitan area for construction in January 2008. Due to the extensive advance planning of this construction project by the state, the Department of Streets appears to have had enough notice to make this purchase through normal city purchasing procedures.
- A solar powered trailer was purchased for approximately \$18,000 in May 2007. The trailer was needed to count traffic volumes on certain city streets before the start of the Interstate 64/40 construction project. As noted in the previous example, it appears the department had significant advance notice of this construction project.

It appears the department may be using emergency purchases to circumvent normal city purchasing procedures. The department should work with the city Supply Division and Comptroller's office to ensure emergency purchases meet the city's definition of an emergency and all applicable procedures are followed for such purchases. This would ensure purchases are reasonable and necessary and the city receives the best price for all purchases.

WE RECOMMEND the Department of Streets ensure emergency purchases meet the definition of an emergency.

AUDITEE'S RESPONSE

The Director provided the following written responses:

We agree with your recommendations, and will ensure that emergency purchases meet the definition of an emergency purchase.

4.	Sale of Salt
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The department does not have a written policy concerning the sale of road salt. The department purchased approximately \$275,000 of salt during the year ended June 30, 2008. The department determined it had excess reserves of salt, which it sold in February and March 2008, for approximately \$226,000. The salt was sold to various St. Louis metropolitan area cities and school districts, several cities in Wisconsin, and four landscaping and construction companies. The following concerns with the sale of salt were noted:

- There is no written documentation of how the sale price was determined for the salt. The department indicated it started with the city's purchase price of approximately \$34 per ton and added in costs for labor and equipment to have the salt loaded for transport to the entities; however, this was not documented.

The sale price ranged from \$40 to \$60 per ton. In addition, the department has not clearly documented if the salt was sold at a profit or loss.

- The sale price on certain dates was not consistent between the various entities. For example, on February 22, 2008, salt was sold to a city in Wisconsin for \$40 per ton, a landscaping company for \$60 per ton, and four other entities at \$50 per ton.
- The department did not enter into written agreements for the sale of salt.
- While the sale of salt to other political subdivisions low on salt can be viewed as necessary due to a public safety issue, it is unclear if the department has the legal authority to sell salt to the four landscaping and construction companies. In addition, the department did not withhold and report sales tax from the sale of salt to these companies. The department sold approximately \$134,000 of salt to these four companies. Three of these companies were located in Wisconsin and the other was located in St. Louis.

A written policy should establish procedures for selling salt including how the price is to be determined and the requirement of written agreements with the entities. In addition, a determination needs to be made if the department has the legal authority to sell salt to private companies and whether sales tax should be charged to the private companies. Such a policy would ensure the sale of salt in the future is done fairly and uniformly.

WE RECOMMEND the Department of Streets develop a written policy concerning the sale of salt.

AUDITEE'S RESPONSE

The Director provided the following written responses:

We agree and are preparing a policy dealing with sale of salt.

5.

Collection Procedures

The Department of Streets has not developed procedures to properly follow-up and turn over old accounts receivable balances to a collection agency or the City Counselor's office.

The Director's office handles the administrative duties for several of the department's programs and accounts receivable areas including the 50/50 Sidewalk Program, paving and sealing fees, and traffic and street light damage. The following items were noted with each of these areas:

- The Department of Streets does not turn over old accounts receivable balances to a collection agency in a timely manner. Traffic and street light damage invoices are for individuals and contractors who have caused damage to city traffic lights, street lights, or related items such as pipes, conduits, etc. The department sends an invoice for the repair of these items and posts the information to a spreadsheet. The department turns over old accounts receivable balances to a collection agency; however, these are not turned over in a timely manner. A turnover to the collection agency was last done in March 2008. An analysis of the department's spreadsheet from April 1, 2008 through November 7, 2008, shows outstanding balances of approximately \$288,000.
- The Department of Streets is not consistent or timely in turning over old accounts receivable balances for the 50/50 Sidewalk program to the City Counselor's office. The 50/50 Sidewalk Program is a program in which the city and property owner share in the cost of sidewalk repairs. Once the repairs are complete, the property owner has the option of paying their share of the cost immediately or in 10 monthly payments. Old accounts receivable balances are sent to the City Counselor's office to pursue collection, but the department is not timely or consistent in how this is handled. The department has been waiting until the end of the fiscal year to review invoices and then makes a judgment call on whether the property owner has consistently made payments. A report of amounts currently owed to the department could not be generated due to how files are organized. As a result, the total due to the department could not be determined.
- The Department of Streets does not properly follow up on old outstanding paving and sealing invoices. Paving and sealing invoices are prepared when the department must make repairs to the street as a result of contractors performing excavation work under the street. Contractors are required to obtain an excavation permit to perform this work. Once the excavation work is complete the department sends an invoice for the street repair work and records this information in a book containing a ledger sheet page for each contractor. Outstanding invoices are not sent to the City Counselor's office or a collection agency, but instead are added to a delinquent list. A contractor added to the delinquent list is not allowed to obtain future excavation permits. However, it appears the delinquent list is not updated in a timely manner. The delinquent list was last updated in September 2008. For example, an invoice from February 1, 2008, for \$396 was not marked as paid but was not on the delinquent list. A report of amounts currently owed to the department could not be generated due to how files are organized. As a result, the total due to the department could not be determined.

Inadequate collection procedures could result in lost revenue for the city. The department needs to develop a more efficient organization system for accounts receivable which would allow the department to more easily review the amounts owed to the department. The department also needs to ensure appropriate steps are developed to collect all

amounts owed on a timely basis, such as turning over old accounts receivable balances to the City Counselor's office or a collection agency.

WE RECOMMEND the Department of Streets develop procedures to ensure accurate lists of accounts receivable are prepared and updated on a timely basis, and to monitor and pursue timely collection of outstanding amounts due to the city.

AUDITEE'S RESPONSE

The Director provided the following written responses:

We agree and have established procedures to ensure accurate listings of accounts receivable and are prepared to monitor and pursue timely collection of outstanding amounts due the City.

6. Permits and Fees

The Department of Streets has not documented how fees for several permits were determined. The department has not recently updated the annual flat excavation fee charged to several large companies and sidewalk permit fees are not consistently charged in accordance with city code.

The Department of Streets issues permits and collects fees for such items as street blocking, excavation, barricade rental, oversized vehicles, etc. The Director's office handles the administration of permits, including issuing the permits and collecting the fees. The Department of Streets collected approximately \$800,000 in permit fees during the year ended June 30, 2008.

A. The Department of Streets has not documented how fees for several permits charged by the department were established or determined. Many permit fees charged by the department have been established by City Revised Code or City Ordinances; however, there are several permit fees such as bike rack rentals (security barriers), street performer permits, city street map sales, street paving and sealing charges, traffic count book (number of vehicles using specific city streets) sales, and dumpster impound charges which are not set by City Revised Code or City Ordinance. These fees are currently set at the discretion of the director with no written documentation of how the fees were determined.

To ensure fees are set at a level at least sufficient to cover the cost of the service, the Department of Streets should calculate and document the costs of various permits, items, or services.

B. The Department of Streets has not recently updated the annual excavation fee charged to three large companies. City Revised Code 20.30.140, addresses street excavation permits and allows companies to elect to pay a flat annual fee for inspections based on certain criteria or pay a fee per permit obtained. Currently,

three companies have elected to pay a flat annual fee, but the fee amount has not changed in over 10 years. Each company makes quarterly payments to the Department of Streets which totaled approximately \$15,500 for the three companies during the year ended June 30, 2008.

The Department of Streets should periodically review the flat annual fee charged to large companies for excavation inspections to ensure it is adequate for the current volume of work performed. This review would also help ensure fees charged are both fair and uniform. The department should consult with the Board of Aldermen if a change to the ordinance is necessary.

- C. Fees were not consistently charged in accordance with the established schedule for sidewalk permits. City Revised Code Section 20.46.010, indicates a sidewalk construction permit in a residential zone is \$10 and all other zoning areas are \$50 per permit. The department has not adequately documented why these amounts are not charged for some sidewalk permits. For example, a sidewalk permit issued on April 4, 2008, was charged \$20 instead of \$10 as required by the City Revised Code. There was no documentation to support the additional amount charged for this permit.

To ensure citizens receive equitable treatment, permit fees should be collected in accordance with the established policies. Any exceptions should be documented and approved by a supervisor.

WE RECOMMEND the Department of Streets:

- A. Review and document the costs of various permits, items, and services and establish fees to recover those costs.
- B. Periodically review the annual fee charged to companies for excavation inspections to ensure it is adequate.
- C. Ensure fees charged for sidewalk permits are in accordance with the established policies. Exceptions should be fully documented and approved by a supervisor.

AUDITEE'S RESPONSE

The Director provided the following written responses:

- A. *We are reviewing and updating costs for various permits and items and services, the costs for these items will be recovered.*
- B. *We are in the process of updating the annual fees for the three companies and will review these annual charges each year.*

- C. *Fees charged for each permit will be reviewed daily by the clerical supervisor as outlined in 1.B.2.*

7. Street Paving and Sealing

The Department of Streets does not adequately document changes to and approval of street paving and sealing invoices mailed to contractors. In addition, the department needs to improve procedures for the processing of inspection reports and invoices mailed to contractors.

The Department of Streets performs street paving and sealing repairs to excavation sites in the city. Contractors obtain excavation permits to perform work needed under city streets. The Director's office handles the administration of the street paving and sealing program. The Department of Streets charges \$3 per square foot to pave over an excavation site once complete and \$3 per linear foot for sealing around the pavement patch. The department collected fees for street paving and sealing totaling approximately \$602,000 for the year ended June 30, 2008.

- A. Some amounts recorded as payments received from contractors in the manual log do not agree to the invoices mailed to the contractors. After the street paving and sealing work is complete, an invoice is prepared by a front office clerk, based on the inspection report, and mailed to the contractor for payment. The Director's office maintains a book with a ledger sheet for each contractor and an entry is made to this ledger indicating the amount due per the invoice. Department personnel indicated that sometimes a contractor informs the Director's office about a mistake in the charges on the invoice. The Director's office obtains verbal approval to change the invoiced amount from the Street and Traffic Inspector Supervisor. The Director's office does not maintain documentation of the revised invoice, but the entry in the ledger is revised when payment is received from the contractor. For example, an invoice was mailed to a contractor in April 2008 for \$1,886. The ledger indicates the amount of payment received later that month was \$1,706. There is no documentation to explain the difference of \$180.

The department should ensure proper documentation including supervisory approval is maintained for changes to street paving and sealing bills. The documentation should properly reflect the approval process for adjusting these invoices. Without proper documentation, the department cannot ensure proper authorization was obtained for the changes.

- B. Some invoices are not mailed to the contractors in a timely manner for street paving and sealing work. Invoices are sent to the contractors after a street inspector approves the work performed at the site. The inspectors submit the inspection report to the Director's office and the invoice is prepared by the clerical staff. The inspector's report indicates when the work was completed but does not clearly indicate when it was submitted to the clerical staff for processing. One

street paving and sealing invoice reviewed was prepared over 100 days after the paving and sealing work had been completed.

The department needs to improve procedures to ensure inspection reports are processed quickly and invoices are mailed in a timely manner. In addition, the department should clearly indicate when inspections are received by the clerical staff. By not mailing invoices in a timely manner, the department is delaying the receipt of revenue for the city.

WE RECOMMEND the Department of Streets:

- A. Ensure proper documentation, including supervisory approval, is maintained for changes to street paving and sealing invoices.
- B. Improve procedures for the processing of inspection reports and ensure invoices for street paving and sealing are mailed in a timely manner.

AUDITEE'S RESPONSE

The Director provided the following written responses:

- A. *We now verify proper documentation, including supervisors approval is maintained on all street paving invoice changes.*
- B. *Procedures have been improved and invoices for street paving and sealing are mailed in a timely manner.*

8. Vehicles

Records and monitoring procedures for department vehicles and equipment are not sufficient. In addition, the Street Division does not report commuting mileage on employee Internal Revenue Service (IRS) W2 Forms as compensation for some vehicles.

- A. Records and monitoring procedures for the Department of Street's vehicles and equipment are not sufficient. The city's vehicle policy does not address records to be maintained for vehicles (see audit report No. 2008-61, *City of St. Louis Board of Public Service*, issued in September 2008). The Department of Streets has approximately 646 vehicles and other pieces of equipment such as street maintenance equipment, trash trucks, tow trucks, etc.

The Department of Streets does not require vehicle usage logs be maintained for its vehicles. Although a check out log is maintained for the Street Division's maintenance equipment, mileage is not documented on the log. The division does not maintain a check out log for its pool vehicles. The Refuse Division maintains mileage logs for the garbage trucks.

In addition, the Department of Streets does not regularly monitor the fleet to ensure vehicles are used efficiently and effectively. The department could accomplish this with a review of usage logs. Also, the Board of Public Service Equipment Services Division maintains a fleet management report of all city vehicles, including those of the Department of Streets, which shows the mileage for vehicles when they are refueled; however, the Department of Streets does not regularly obtain these reports and review them to ensure vehicles are used efficiently and effectively. For example, one of the pool vehicles in the Street Division was driven only 5,866 miles during the year ended June 30, 2008.

Vehicle usage logs should include trip information (i.e., beginning and ending odometer readings, destination, and purpose) which should be reviewed by a supervisor to ensure vehicles are used only for city business and are used efficiently and effectively.

- B. The Street Division uses 16 pool/on call vehicles for commuting purposes but does not report commuting mileage to the IRS as compensation. These vehicles are assigned to division employees for use during the snow season of approximately Thanksgiving through March. Most of these employees are supervisors in charge of snow removal for the city. The employees have the option of taking the vehicles home every day during the snow season or just before a snow storm. A snow plow was added to the 10 full-size trucks which are used by the supervisors but no modifications were added to the remaining 6 smaller trucks. Normally, the 6 smaller trucks are used as backup if the supervisors are sick, on vacation, etc. The employees do not maintain vehicle usage logs to document miles driven for official, commuting, and personal use (See part A). The department was unable to show why these vehicles should be exempt from IRS reporting requirements.

The IRS reporting guidelines indicate commuting mileage is reportable compensation. The department may be subject to penalties and/or fines for failure to report all taxable benefits. The department needs to review the situation to identify and comply with applicable IRS guidelines and reporting requirements.

WE RECOMMEND the Department of Streets:

- A. Require the preparation of usage logs for all vehicles and ensure these logs are properly reviewed.
- B. Ensure commuting mileage is reported in compliance with IRS requirements.

AUDITEE'S RESPONSE

The Director provided the following written responses:

- A. *Vehicle logs are now generated daily and GPS devices are being added to these vehicles to more closely monitor their use.*
- B. *Commuting mileage is now reported in compliance with IRS standards.*

9. 50/50 Sidewalk Program

The Department of Streets does not submit a monthly report to the Board of Public Service on the 50/50 Sidewalk Program as required by city code; however, the code appears to require revision since this report is actually required and used by the Comptroller's office. City Revised Code Section 20.26.210, states the Board of Public Service is authorized to issue special tax bills for sidewalk repair when property owners have refused to accept the 50/50 Sidewalk Program and indicates the Department of Streets is to forward a list of locations where the special tax bills need to be issued to the Board of Public Service monthly. Currently, the Department of Streets forwards this list to the Comptroller's office, where the tax bills are issued, and not the Board of Public Service as required by city code.

The special tax bills for sidewalk repairs are a tool used by the city to help ensure monies are collected for work performed by the Department of Streets. The Department of Streets should ensure the report is sent to the correct department per the city code to help in this process or request the city code be revised as necessary if it is determined the Comptroller's office is the correct office to receive this report.

WE RECOMMEND the Department of Streets forward the monthly list of unpaid sidewalk repairs to the Board of Public Services as required by city code or request the city code be revised.

AUDITEE'S RESPONSE

The Director provided the following written responses:

Monthly listings of unpaid sidewalk repairs are now forwarded to the Board of Public Service as required by City Code and to the Comptroller's office.

10. School Crossing Guard Program
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The Department of Streets does not have written policies and procedures for the school crossing guard program. Both private and public schools can request the Director of Streets to provide a crossing guard for its school. Department personnel indicated they

evaluate the intersection affected by each request and determine if a crossing guard is needed; however, this review is not documented. The crossing guards are considered Department of Streets employees and paid through city payroll. The crossing guards report to the school, who determines the appropriate working hours and location of the crossing guard. During the year ending June 30, 2008, the Department of Streets spent approximately \$149,000 on the crossing guard program.

Developing written policies and procedures for the school crossing guard program would help ensure the program is handled fairly and uniformly for each school. The procedures could help in establishing how a school makes a request to the Department of Streets. In addition, the procedures would establish criteria the Department of Streets should use when evaluating the need for a crossing guard versus possible improvements to a street intersection. These procedures could also address the relationship between the school and the crossing guard and the school's reporting requirements to the Department of Streets concerning the employee's performance.

WE RECOMMEND the Department of Streets develop written policies and procedures for the handling of the school crossing guard program.

AUDITEE'S RESPONSE

The Director provided the following written responses:

We now have an established policy for the school crossing guard program.

11.

Petty Cash

Controls and procedures over the department's petty cash funds need improvement. The petty cash funds are not maintained on an imprest basis and complete and accurate petty cash ledgers are not maintained. The Director's office maintains a petty cash fund of \$100 for office supplies and the Traffic and Lighting Division maintains a petty cash fund of \$100 for street sign purchases and to make change. A cash count on September 24, 2008, showed paid receipts of \$160 and cash on hand of \$6, resulting in an overage of \$66 in the Director's office petty cash fund and paid receipts of \$57 and cash on hand of \$47, resulting in an overage of \$4 for the Traffic and Lighting Division petty cash fund. The two petty cash funds did not receive any reimbursement during the year ended June 30, 2008.

Good internal controls require petty cash be set at an established amount and be reimbursed when it has been expended. An imprest basis petty cash fund would improve accountability over petty cash monies. In addition, receipt and disbursement records should be maintained. Due to the low amount of activity, the department should also determine if the petty cash funds are necessary.

WE RECOMMEND the Department of Streets determine if petty cash funds are needed, and if needed, ensure they are maintained at a constant amount on an imprest basis. In addition, a complete and accurate petty cash ledger should be maintained to support reimbursement of the petty cash funds.

AUDITEE'S RESPONSE

The Director provided the following written responses:

No petty cash funds will be used, all petty cash has been deposited.

HISTORY AND ORGANIZATION

CITY OF ST. LOUIS
DEPARTMENT OF STREETS
HISTORY AND ORGANIZATION

The City of St. Louis Department of Streets was created by a Charter Amendment in 1958. The department consists of five divisions which include streets, refuse, traffic and lighting, towing, and port authority. The Mayor appoints a director to oversee the operations of the department. The director is responsible for the supervision and coordination of all activities for the five divisions. Currently, the Director of Streets is Todd Waeltermann who was appointed in December 2006. The department has approximately 424 full-time and 51 part-time equivalent employees.

The following briefly describes the responsibilities of the Director's Office and each of the five divisions in the department:

1. Director's Office

The Director's Office is responsible for the administration of the department. This includes various accounting duties of the department, as well as oversight on purchasing, accounts payable, and receivables. The office also oversees the issuance of permits and collection of permit fees for various items such as street blockages, parades, parking, and sidewalk and driveway construction. In addition, the office administers the sewer lateral repair, 50/50 sidewalk, and school crossing guard programs. The office also handles the billing and collection for damage to street signals and signs caused by accidents and for the 50/50 sidewalk program.

2. Division of Streets

This division is responsible for the maintenance of streets and alleys within the city. These duties include resurfacing, repairing, and cleaning the streets; removing snow from the streets; cleaning the wharf; and maintaining the riverfront. The division is also responsible for maintaining the city floodwalls and levees.

3. Division of Refuse

This division is responsible for the collection and disposal of all refuse from city residences. The division also coordinates efforts to recycle and reduce the amount of waste going to landfills. The division collects fees for the sale of extra trash carts, rentals of refuse containers for events, recycling, and the sale of scrap metal.

4. Division of Traffic and Lighting

This division is responsible for the management of the traffic and lighting needs of the city. The division ensures traffic signals are properly maintained and repaired when needed. In addition, the division fabricates, installs, and maintains all street and traffic

signs and markings throughout the city. The division also repairs any damage to the traffic signals and signs caused by accidents.

5. Division of Towing

This division is responsible for the towing of abandoned, wrecked, and illegally parked vehicles within the city as requested by the St Louis Police Department and other city departments. The division also stores the towed vehicles on its lot and auctions any not claimed. The division collects fees for towing, storage, and auctioning of vehicles.

6. Division of Port Authority

The Port Authority is established under the authority of Chapter 68, RSMo. This entity is responsible for managing and leasing the city-owned riverfront property, including dock and mooring space and parking lots. Its activities are funded through a combination of state and federal grants and self-generated revenues which are maintained in city accounts. The St. Louis Development Corporation, a not-for-profit corporation, provides administrative services for the Port Authority.

APPENDIX

CITY OF ST. LOUIS
DEPARTMENT OF STREETS
APPENDIX

The following table provides supporting documentation for the unaccounted for monies discussed in MAR finding number 1.

Receipt Slip Number	Date Issued	Amount
24275	4/15/08	\$ 10
23667	4/08/08	65
23670	4/08/08	100
23682	4/08/08	100
23693	4/09/08	20
23694	4/09/08	80
23778	4/14/08	450
23786	4/15/08	20
23789	4/15/08	30
23790	4/15/08	20
23793	4/15/08	20
23802	4/15/08	10
23808	4/16/08	20
23818	4/16/08	20
23819	4/16/08	20
23820	4/16/08	10
23821	4/16/08	10
23828	4/17/08	10
23846	4/17/08	195
	Total	<u>\$ 1,210</u>