



Thomas A. Schweich
Missouri State Auditor

PUBLIC SAFETY

Missouri State Highway Patrol's Use of Highway Funds

Year Ended June 30, 2011

November 2011
Report No. 2011-108



<http://auditor.mo.gov>



Thomas A. Schweich
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of the Department of Public Safety, Missouri State Highway Patrol's Use of Highway Funds

Background	The State Auditor is required to determine whether appropriations from the State Highways and Transportation Fund (State Highway Fund) to the Missouri State Highway Patrol (MSHP) are used for administering and enforcing state motor vehicle laws and traffic regulations, as required by Article IV, Section 30(b) of the Missouri Constitution and Section 226.200.3, RSMo.
Methodology	Audit staff reviewed pertinent documents, conducted interviews, and tested selected transactions. Audit staff assessed and tested internal controls and reviewed and tested MSHP calculations.
Conclusions	During the year ended June 30, 2011, the MSHP appears to be in compliance with legal provisions related to the use of Highway Funds.

Because of the limited objective of this review, no overall rating is provided.

American Recovery and
Reinvestment Act 2009
(Federal Stimulus)

Not applicable to this report.

Department of Public Safety
Missouri State Highway Patrol's Use of Highway Funds
Table of Contents

State Auditor's Report 2

Background, Methodology,
and Conclusions 3



THOMAS A. SCHWEICH
Missouri State Auditor

Honorable Jeremiah W. (Jay) Nixon, Governor
and
Members of the General Assembly
and
Jerry Lee, Director
Department of Public Safety
and
Colonel Ronald K. Replogle, Superintendent
Missouri State Highway Patrol
Jefferson City, Missouri

We have audited the Department of Public Safety, Missouri State Highway Patrol's Use of Highway Funds, as required by Section 226.200.3, RSMo. The scope of our audit included, but was not necessarily limited to, the year ended June 30, 2011. The objective of our audit was to determine whether the agency is in compliance with legal provisions related to the use of Highway Funds.

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 Background, Methodology and Conclusions present our comments concerning the overall compliance related to the Department of Public Safety, Missouri State Highway Patrol's Use of Highway Funds.

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

Thomas A. Schweich
State Auditor

The following auditors participated in the preparation of this report:

Deputy State Auditor: Harry J. Otto, CPA
Director of Audits: John Luetkemeyer, CPA
Audit Manager: Dennis Lockwood, CPA
In-Charge Auditor: Steven J. Re, CPA

Department of Public Safety

Missouri State Highway Patrol's Use of Highway Funds

Background, Methodology, and Conclusions

Background

The State Auditor is required to determine whether appropriations from the State Highways and Transportation Fund (State Highway Fund) to the Missouri State Highway Patrol (MSHP) are used for administering and enforcing state motor vehicle laws and traffic regulations pursuant to the constitution.

Limitations and requirements

Article IV, Section 30(b), Missouri Constitution, limits the MSHP's use of highway funds to activities related to administering and enforcing state motor vehicle laws or traffic regulations. In addition, Section 226.200.3, RSMo, provides, in part:

". . . Appropriations allocated from the state highways and transportation department fund to the highway patrol shall only be used by the highway patrol to administer and enforce state motor vehicle laws or traffic regulations. Beginning July 1, 2007, any activities or functions conducted by the highway patrol not related to enforcing or administering state motor vehicle laws or traffic regulations shall not be funded by the state highways and transportation department fund, but shall be funded from general revenue or any other applicable source. Any current funding from the highways and transportation department fund used for activities not related to enforcing state motor vehicle laws or traffic regulations shall expire on June 30, 2007. The state auditor shall annually audit and examine the appropriations made to the highway patrol to determine whether such appropriations are actually being used for administering and enforcing state motor vehicle laws and traffic regulations pursuant to the constitution. The state auditor shall submit its annual findings to the general assembly by January fifteenth of each year."

During the year ended June 30, 2011, the MSHP utilized appropriations from the State Highway Fund as follows:



Department of Public Safety
Missouri State Highway Patrol's Use of Highway Funds
Background, Methodology, and Conclusions

	Appropriation Authority	Expenditures	Lapsed Balances*
Technical services personal service	\$ 12,330,406	11,516,764	813,642
Administration personal service	5,331,590	5,073,083	258,507
Administration expense and equipment	430,812	410,004	20,808
Enforcement program personal service	62,205,583	57,877,756	4,327,827
Law Enforcement Academy personal service	1,390,443	1,232,672	157,771
Law Enforcement Academy expense and equipment	76,872	65,293	11,579
Vehicle and driver safety personal service	10,175,307	9,851,963	323,344
Vehicle and driver safety expense and equipment	910,032	844,039	65,993
Enforcement program expense and equipment	6,238,855	5,732,841	506,014
Technical services expense and equipment	11,691,486	11,340,642	350,844
Refund unused motor vehicle inspection stickers	40,000	32,544	7,456
Fringe benefits personal service	59,411,104	53,994,818	5,416,286
Fringe benefits expense and equipment	6,288,232	5,746,398	541,834
Vehicle replacement expense and equipment	6,222,293	5,989,144	233,149
Gasoline expenses	3,448,218	3,344,771	103,447
Crime labs personal service	3,616,622	3,474,407	142,215
Crime labs expense and equipment	895,386	868,524	26,862
Interoperable system highway	23,251,052	18,568,382	4,682,670
Interoperable ongoing highway	2,350,000	104,395	2,245,605
Total	\$ 216,304,293	196,068,440	20,235,853

* The lapsed balances include withholdings made at the Governor's request totaling \$4,516,950.

Methodology

Our methodology included reviewing written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the agency; and testing selected transactions. We obtained an understanding of internal controls that are significant within the context of the audit objective and assessed whether such controls have been properly designed and placed in operation. We tested certain of those controls to obtain evidence regarding the effectiveness of their design and operation. We also obtained an understanding of legal provisions that are significant within the context of the audit objective, and we assessed the risk that illegal acts, including fraud, and violations of 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.

To determine the MSHP complied with the limitations on the use of highway funds, we reviewed the MSHP calculations of amounts expended from the State Highway Fund for non-highway activities and the amounts



Department of Public Safety
Missouri State Highway Patrol's Use of Highway Funds
Background, Methodology, and Conclusions

expended by the MSHP for highway-related activities from other funding sources. We compared the amounts used in the MSHP calculations to expenditures recorded in the state accounting system (SAM II) and to supporting documentation. In addition, we tested certain expenditures to determine they were properly recorded.

Conclusions

We concluded the MSHP appears to be in compliance with legal provisions related to the use of Highway Funds. During fiscal year 2011, the MSHP spent approximately \$2,336,000 appropriated from the State Highway Fund that was not related to highway activities. This amount included non-highway personal service and fringe benefit expenditures made from the State Highway Fund for the Crime Laboratory Division, Training Division, Technical Services Bureau, and Administrative Services Bureau; and some gasoline and expense and equipment expenditures from the Administrative Services Bureau. However, these expenditures were more than offset by expense and equipment expenditures of approximately \$4,460,000 incurred by the Crime Laboratory Division, Training Division, and Technical Services Bureau that were related to highway activities but were not paid from the State Highway Fund. As a result, approximately \$2,124,000 more was spent on highway-related activities than was paid from highway funds during fiscal year 2011.