



Thomas A. Schweich
Missouri State Auditor

Fourteenth Judicial Circuit

City of Clark Municipal Division

October 2012
Report No. 2012-132



<http://auditor.mo.gov>



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Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of the Fourteenth Judicial Circuit, City of Clark Municipal Division

Comments

After a formal request by Randolph County Associate Circuit Judge Cynthia Suter, who also serves as the City of Clark Municipal Judge, we evaluated the municipal division's procedures to account for tickets issued and the city's compliance with Section 302.341.2, RSMo, regarding excess traffic violations revenues. This law requires municipalities deriving more than 35 percent of their annual general operating revenue from fines and court costs for traffic violations occurring on a state or federal highway to turn the excess over to the Department of Revenue for distribution to schools of the county. No findings resulted for the areas audited.

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

American Recovery and Reinvestment Act 2009 (Federal Stimulus)

The Fourteenth Judicial Circuit, City of Clark Municipal Division, did not receive any federal stimulus monies during the audited time period.

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

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

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THOMAS A. SCHWEICH

Missouri State Auditor

Presiding Judge
Fourteenth Judicial Circuit
and
Municipal Judge
and
Honorable Mayor
and
Members of the Board of Aldermen
City of Clark, Missouri

We have audited certain operations of the City of Clark Municipal Division of the Fourteenth Judicial Circuit in fulfillment of our duties under Chapter 29, RSMo. A formal request for an audit was received from the Randolph County Associate Circuit Judge who also serves as the Municipal Judge for the City of Clark. The objectives of our audit were to:

1. Evaluate procedures to account for tickets issued.
2. Evaluate the city's compliance with Section 302.341.2, RSMo, which restricts the amount of fines and court costs that may be retained by municipalities from traffic violations occurring on state and federal highways.

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.

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
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Fourteenth Judicial Circuit

City of Clark Municipal Division

Introduction

Background

In a letter dated April 5, 2012, Randolph County Associate Circuit Judge Cynthia Suter, who also serves as Municipal Judge for the City of Clark, formally requested the Office of the State Auditor perform an audit of the City of Clark Municipal Division. The letter expressed concerns about some practices of the city, including the amount of monies received from tickets and ticket accountability, and the possible lack of procedures to monitor excess revenue from traffic violations.

The City of Clark contracts with Randolph County to have city cases heard at the county justice center before the Associate Circuit Judge. The city has not established a violation bureau to collect fines and costs at times other than during court. Therefore, all court receipts are collected by the Associate Circuit Court and the court distributes fines and law enforcement training fees collected to the city on a monthly basis. On March 23, 2012, due to Judge Suter's concerns, city police and court activity were temporarily suspended. On May 3, 2012, the city disbanded its police department after the Police Chief resigned.

Financial and Caseload Information

	Year Ended June 30, 2012
Fines and court costs paid to the city by the Randolph County Circuit Court	\$22,014
Number of tickets issued	396

Scope and Methodology

The scope of the audit included, but was not necessarily limited to, the year ended June 30, 2012.

Our methodology included conducting interviews with appropriate court and city personnel and reviewing pertinent documents.

To evaluate the procedures to account for tickets issued, we obtained an understanding of internal controls related to accounting for traffic tickets, reviewed ticket logs maintained by the city's former Police Chief and the city Prosecuting Attorney, and reviewed reports from the Office of State Courts Administrator listing city tickets entered in the Justice Information System (JIS), the Missouri courts automated case management system, by the Randolph County Circuit Clerk's office. We also reviewed case files, copies of tickets and other documents maintained by the court and the city, and conducted interviews with various court and city employees.

Section 302.341.2, RSMo, requires municipalities deriving more than 35 percent of their annual general operating revenue from fines and court costs for traffic violations occurring on a state or federal highway to remit the excess amount to the Missouri Department of Revenue (DOR), to be distributed to schools of the county.



Fourteenth Judicial Circuit
City of Clark Municipal Division
Introduction

To evaluate the city of Clark's compliance with Section 302.341.2, RSMo, and to determine if the city had collected excess revenues, we obtained the amounts received by the city for fines and court costs for the year ended June 30, 2012, and deducted city ordinance violations and any traffic violations not occurring on state or federal highways to arrive at the total fines and court costs, as defined in Section 302.341.2, RSMo. We then determined what constituted general operating revenue for the city for the year ended June 30, 2012, and computed the 35 percent threshold for the year. We compared the computed threshold to the total applicable fines and court costs to ascertain if the city had excess revenue that should be remitted to the DOR.

Conclusion

For the areas audited, we identified (1) no deficiencies in procedures to account for tickets issued, and (2) no instances of noncompliance with Section 302.341.2, RSMo. No findings resulted from our audit of the City of Clark Municipal Division.