



SUSAN MONTEE, JD, CPA
Missouri State Auditor

July 22, 2010

R. Brent Elliott, Presiding Judge
Forty-Third Judicial Circuit
P.O. Box 275
Plattsburg, MO 64477

Dear Judge Elliott:

At your request, my office performed a limited review of the records and procedures of the Court Services Program of the Forty-Third Judicial Circuit. The program was created to supervise misdemeanor probationers in the circuit, as allowed by Section 559.600, RSMo, and currently employs six probation officers who each supervise over 100 probationers. We interviewed individuals involved with collecting program fees, reconciling program bank accounts, and tracking program activity. We reviewed bank reconciliations, monthly collections, and fee reports. Had we performed additional procedures, other information might have come to our attention that would have been included in this letter.

During our review, the following concerns related to the program were noted:

1. Fees charged to probationers provide significantly more revenue than is necessary to maintain the program. The program has been operational since July 2005, and as of December 31, 2009, the program reconciled book balance totaled approximately \$400,000. In addition, program fees were increased in 2010. The court did not have estimates on how much additional revenue is anticipated as a result of the increased fees. According to discussions with you, plans for the program fund balance include hiring individuals to provide security at the new office space after the office moves from Cameron to Hamilton and hiring two additional probation officers to handle the increasing case load, as well as a new computer system, new computers, and copy machines. There is no documentation estimating the costs of these additional employees and services.

Without a rate and cost analysis to justify the rate charged for probation services, it is unclear whether the rate assessed for these services is set at an appropriate level. Probation fees are user charges which should cover the cost of providing the related services, but rates should not be set which result in excessive fund balances. Preparation of a cost analysis would allow the court to determine the rates necessary to support current and future operations, as well as provide documentation to customers of the rationale behind the rates.

2. The program does not have procedures in place to ensure all monies collected by the probation officers are turned over to the supervisor for processing and depositing. Each of the six probation officers collects fees from probationers using a separate manual receipt slip book. The monies, copies of the receipt slips, and client sheets are turned over to the supervisor; however, there are no procedures in place to account for the numerical sequence of the receipt slips. In addition, the supervisor indicated he does not always reconcile the amounts received to the client sheets.

During the month of December 2009, deposits averaged approximately \$4,200 and were made about once a week. To ensure all monies are accounted for properly and to adequately safeguard receipts, the numerical sequence of receipt slips should be accounted for properly, amounts received should be reconciled to client sheets, and deposits should be made on a timely basis.

Should you have any questions or concerns regarding the above information, please contact Robert Showers, CPA, Audit Manager, at (573)751-4213.

Sincerely,

A handwritten signature in black ink that reads "Susan Montee". The signature is written in a cursive, flowing style.

Susan Montee, JD, CPA
State Auditor