



Office of Missouri State Auditor
Nicole Galloway, CPA

FOLLOW-UP REPORT ON AUDIT FINDINGS

City of St. Louis
Department of Streets

Report No. 2018-117
November 2018

auditor.mo.gov

City of St. Louis - Department of Streets

Follow-Up Report on Audit Findings

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NICOLE GALLOWAY, CPA Missouri State Auditor

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

We have compiled the statuses of the audit report findings contained in Report No. 2009-63, *City of St. Louis, Department of Streets*, issued in June 2009, as part of our current audit of the City of St. Louis. These results were determined by city officials and have not been audited. We will evaluate each status and the procedures implemented to address the related audit findings as appropriate in our upcoming audit of the Department of Streets. The objectives of the follow-up compilation were to:

1. Provide status information from city officials for each recommendation. The status of each recommendation will be one of the following:
 - Implemented: Auditee fully implemented the recommendation, either as described in the report or in a manner that resolved the underlying issue.
 - In Progress: Auditee has specific plans to begin, or has begun, to implement and intends to fully implement the recommendation.
 - Partially Implemented: Auditee implemented the recommendation in part, but is not making efforts to fully implement it.
 - Not Implemented: Auditee has not implemented the recommendation and has no specific plans to implement the recommendation.
 - No Longer Applicable: The recommendation is no longer applicable.
2. Compile the information reported.

To obtain the status for each recommendation, we sent questionnaires to the Department of Streets that included a brief summary of each finding and recommendation, and requested the status of each finding and a brief description of the steps taken or planned to implement the recommendation or reason(s) why the recommendation has not been implemented or is no longer applicable. This report is a compilation of the information provided, which we received in June, September, and October 2018.

Audits of various officials and departments of the City of St. Louis are in process, and any findings and recommendations will be included in the subsequent reports.

A handwritten signature in black ink that reads "Nicole R. Galloway".

Nicole R. Galloway, CPA
State Auditor

City of St. Louis - Department of Streets

Follow-Up Report on Audit Findings

Status of Findings

Finding Title: Director's Office Controls and Procedures

Finding Number: 1.A.

Finding: At least \$1,210 in permit fee collections were not accounted for properly and appeared to be missing, and additional amounts could have been missing.

Recommendation: The Department of Streets 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.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

This issue related to a prior employee who is no longer employed. Our current accountant started employment in November 2011. The St. Louis Metropolitan Police Department (SLMPD) investigated and the former accountant was charged with theft. The SLMPD did not identify any additional missing monies.

Contact Person: Jamie Wilson

Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Director's Office Controls and Procedures

Finding Number: 1.B.1.

Finding: Accounting duties were not adequately segregated and there was no independent oversight related to receipts.

Recommendation: The Department of Streets 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.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The current accounting duties are segregated, transactions are recorded daily, and activity is supervised.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Director's Office Controls and Procedures

Finding Number: 1.B.2.

Finding: The method of payment (i.e., cash, check, or money order) and date received were not recorded on some receipt slips. As a result, the composition of receipt slips could not be reconciled to the composition of monies transmitted.

Recommendation: The Department of Streets 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.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The method of payment and date received are recorded on each receipt slip and all receipt slips are reconciled daily.

Contact Person: Jamie Wilson

Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Director's Office Controls and Procedures

Finding Number: 1.B.3.

Finding: Receipt slips were not issued in numerical sequence, and the numerical sequence of receipt slips issued was not accounted for properly.

Recommendation: The Department of Streets require receipt slips be issued in numerical sequence and accounted for properly.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Receipt slips are issued in numerical sequence and the numerical sequence of receipt slips is accounted for properly. The accountant performs this duty.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Director's Office Controls and Procedures

Finding Number: 1.B.4.

Finding: Some receipts were not transmitted to the Treasurer's office in a timely manner.

Recommendation: The Department of Streets transmit all monies in a timely manner.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

All monies are transmitted in a timely manner.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Director's Office Controls and Procedures

Finding Number: 1.B.5.

Finding: Procedures were not established to properly document, investigate, and resolve daily cash overages and shortages. 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.

Recommendation: The Department of Streets 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.

Status of Finding: Partially Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The department's accountant reviews the recorded permit receipts and the amounts collected by the clerks on a daily basis. The amount transmitted is what was actually collected, not utilizing change funds to compensate for overages/shortages. The overages/shortages are documented to identify trends.

The change funds are maintained at a constant level and are not used to replenish cash drawers for overages/shortages.

This is the department's practice; however, to fully implement the recommendation we will document this as an official procedure.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Director's Office Controls and Procedures

Finding Number: 1.B.6.

Finding: Some receipt and transmittal documentation maintained by the Director's office accountant was poorly organized and maintained.

Recommendation: The Department of Streets ensure all records are well organized and properly maintained.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

A filing system is in place. Files and accounting records are organized and properly maintained.

Contact Person: Jamie Wilson

Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Director's Office Controls and Procedures

Finding Number: 1.C.1.

Finding: The department did not account for the numerical sequence of permits issued. In addition, unused permits were maintained in a supply room in an unsecured location with access by all department employees.

Recommendation: The Department of Streets ensure the numerical sequence of permits is accounted for properly. In addition, unused permits should be maintained in a secure location.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Currently, permits are issued from the Cityworks computerized system, and temporary paper permits are issued only on rare occasions when the system is down. The electronic permit data is stored on a secure city network. The paper permits, used as a temporary permit when the system is down, are stored in a combination-locked safe until they can be entered in the computerized system. Cityworks allows us to account for the numerical sequence of permit and receipt numbers issued and we can generate periodic reports (daily, weekly, monthly, etc.) to verify the numerical sequence. If a permit is voided (i.e., canceled), this status is indicated by the system and any reports generated from the system reflect the voided permit.

Contact Person: Jamie Wilson

Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Director's Office Controls and Procedures

Finding Number: 1.C.2.

Finding: The department had not established adequate procedures related to the issuing of permits. The department prepared some permits from information received over the phone and held the permit for the customer to pick up. By holding the permits for customers, the department was not transmitting monies collected for permits in numerical sequence which made it difficult to trace receipts to transmittals.

Recommendation: The Department of Streets improve procedures and requirements for handling and issuing permits.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Procedures for issuance, voiding, and variances of permits were established and have been effective.

Contact Person: Jamie Wilson

Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Director's Office Controls and Procedures

Finding Number: 1.C.3.

Finding: Permits issued were not reconciled to monies collected and amounts transmitted.

Recommendation: The Department of Streets reconcile permits issued to amounts transmitted.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Permits are reconciled to amounts collected and transmitted daily.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Towing Division

Finding Number: 2.A.

Finding: Receipts totaling \$1,380 received by the division were not accounted for properly and appear to be missing.

Recommendation: The Department of Streets 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.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The information was forwarded to the SLMPD for investigation. To the department's knowledge, this did not lead to the recovery of the missing funds or criminal prosecution. In addition, the department has not discovered any additional missing funds since that time.

Contact Person: Jamie Wilson

Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Towing Division

Finding Number: 2.B.1.

Finding: The method of payment (i.e., cash or check) was not recorded on the towing tickets or the daily receipt ledger, thus the composition of receipts could not be reconciled to the composition of transmittals to the Treasurer's office. In addition, the division did not obtain information from the Treasurer's office documenting the composition of transmittals.

Recommendation: The Department of Streets 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 Treasurer's office.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The method of payment is recorded on each towing ticket and the daily receipt ledger. We also receive documentation from the Treasurer's office indicating the composition of receipts in each transmittal. In addition, the composition of receipts is reconciled with the composition of transmittals.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Towing Division

Finding Number: 2.B.2.

Finding: The division did not adequately document monies received for vehicles auctioned. The auction date, amount bid, if payment was cash, and the tow ticket number were recorded on a ledger sheet at the time of the auction. Most auction monies were collected the day of the auction; however, some regular customers were allowed to bring in payment and claim the vehicle over the course of the week. The payment date was not recorded on the ledger nor was the receipt of these monies recorded on any other records.

Recommendation: The Department of Streets record the date monies are received for auctions and reconcile auction monies received to amounts transmitted.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Auction money is recorded in the daily receipt ledger with the date received and appropriate Treasurer's office receipt number. The auction monies received are reconciled to the amounts transmitted to the Treasurer's office.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Towing Division

Finding Number: 2.B.3.

Finding: As a result of making cash refunds for overpayments of towing and storage fees paid by debit card, transmittals to the Treasurer's office were not made intact.

Recommendation: The Department of Streets ensure monies are transmitted intact and checks are written to refund any overpayments.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Monies are transmitted intact and overpayments are issued by the same method of original payment.

Contact Person: Jamie Wilson

Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Towing Division

Finding Number: 2.C.

Finding: The division did not adequately document approval and the reason why some allowable charges for towing and vehicle storage services were reduced and not collected.

Recommendation: The Department of Streets ensure adequate documentation and approval is maintained for reductions in towing amounts.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Documentation to reduce tow tickets, including an explanation, is placed on the individual ticket.

Contact Person: Jamie Wilson

Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Towing Division

Finding Number: 2.D.

Finding: The division sent notification letters by first class mail instead of certified mail to vehicle owners whose vehicles had been towed. City Revised Code Sections 17.56.140 through 17.56.190 set forth procedures concerning the impoundment and redemption of towed vehicles. The code indicated the division was required to send notification to the owner of a towed vehicle in a sealed envelope with postage prepaid. The notification informed the owner of the location of the vehicle and procedures for redemption of the vehicle. The code did not specifically mention if the notification should be sent by first class mail or certified mail.

Recommendation: The Department of Streets evaluate the costs of sending towed vehicle notifications by certified mail versus the benefits of better documentation.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

It was determined that sending letters via United States Postal Service certified mail was justified and beneficial for these purposes.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Towing Division

Finding Number: 2.E.1.

Finding: The division did not have a written policy and procedure for the distribution of excess auction monies. When a vehicle was not claimed by the owner within 30 days of being towed, the division auctioned the vehicle. If the amount received was greater than the towing, storage, and administration fees, the excess was transmitted to the Treasurer's office for deposit into an escrow account. At the end of each fiscal year, the Comptroller's office distributed unclaimed monies to the city's General Fund.

Recommendation: The Department of Streets adopt a written policy and procedure concerning the distribution of excess auction monies.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The department has a policy following the sale of auctioned vehicles that includes the transfer of monies (less the tow fee and storage fee) to the Treasurer's office to an escrow account. The Treasurer's office holds the amount for a period of 1 year in the event the vehicle owner comes forward with a valid claim to collect. If that time period expires, the monies are transmitted to the city's General Revenue Fund.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Towing Division

Finding Number: 2.E.2.

Finding: A \$200 administration charge was 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.

Recommendation: The Department of Streets review and document the division's costs of administering auctions of towed vehicles and establish the administrative fee to recover those costs.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The department reviewed the costs associated with administration of auctioning vehicles and determined them to be nominal and reasonably covered under the general administration efforts by staff, negating the need for an additional fee solely for auction administration time.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Towing Division

Finding Number: 2.E.3.

Finding: The \$200 administration fee for auctioning a vehicle was 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 did not reconcile. The court based Regional Justice Information System (REJIS) computer system was used by the division to obtain information concerning a vehicle it had towed and to record information such as the fees charged for towing and storage; however, the \$200 administration fee was not recorded on this system.

Recommendation: The Department of Streets ensure the fees for towing, storing, and auctioning a vehicle, including the \$200 administration fee, are documented in the REJIS system.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

All fees (less the auction administration fee no longer charged) are documented in the REJIS system.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Towing Division

Finding Number: 2.F.

Finding: The division did not have written procedures concerning the handling of damage claims and claims were not adequately documented. The division did not obtain bids for three of four damage claims reviewed. The division had not obtained bids or entered into a written contract with the auto repair shop utilized by the division. The division did not properly complete damage claim forms. The division did not obtain or retain adequate documentation for some damage claim expenditures.

Recommendation: The Department of Streets 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.

Status of Finding: No Longer Applicable

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The City Counselor's office has a written policy for handling damage claims. When a claim occurs, it is handled directly by the City Counselor's office. The City Counselor's office is responsible for properly handling of bids, completing damage claim forms, and obtaining adequate documentation for expenditures.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Emergency Purchases

Finding Number: 3.

Finding: Some emergency purchases did not appear to meet the city's definition of "emergency."

Recommendation: The Department of Streets ensure emergency purchases meet the definition of an emergency.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The Street Department's purchasing agents have met with the Supply Division for training on the appropriate purchasing methods available to us. There were detailed discussions on the use of emergency purchasing including what constitutes an emergency and what does not. Reference materials were provided to the department by the Supply Division for use when evaluating which purchasing method is appropriate for a given need.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Sale of Salt

Finding Number: 4.

Finding: The department did not have a written policy concerning the sale of road salt.

Recommendation: The Department of Streets develop a written policy concerning the sale of salt.

Status of Finding: Partially Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Rarely do we sell salt, but in the event we do, the procedure is to do so at material cost. This is the department's practice; however, we will document this as an internal written procedure for the division prior to considering the status of this recommendation as "Implemented."

Contact Person: Jamie Wilson

Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Collection Procedures

Finding Number: 5.

Finding: The Department of Streets had not developed procedures to properly follow up and turn over old accounts receivable balances to a collection agency or the City Counselor's office. A report of amounts owed to the department could not be generated due to how files were organized.

Recommendation: 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.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The department maintains accurate listings of accounts receivable and the department monitors and pursues timely collection of outstanding amounts due to the city.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Permits and Fees

Finding Number: 6.A.

Finding: The Department of Streets had not documented how fees for several permits charged by the department were established or determined. Many permit fees charged by the department had been established by city revised code or ordinances; however, there were 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 were not set by city revised code or ordinance. These fees were set at the discretion of the director with no written documentation of how the fees were determined.

Recommendation: The Department of Streets review and document the costs of various permits, items, and services and establish fees to recover those costs.

Status of Finding: Partially Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Permit fee amounts were examined in 2010 and took into account the cost of these services and administration. Of the 28 permit items reviewed, 9 new fee increases were recommended for consideration. Primary examples of permit fees that changed following this review were excavations (previously \$65 and now \$125), blocking lanes (previously we charged various amounts for different conditions but now charge \$20 per curb/parking lane and \$30 per traffic lane), driveway construction (previously \$50 commercial/\$20 residential and now \$100 commercial/\$50 residential), sidewalk construction (previously \$10 residential/\$50 non-residential and now \$25 residential/\$50 non-residential), sidewalk vending (previously \$25 and now \$200), vacate streets/alleys (previously \$100 and now \$500), and bad check fee (previously \$20 per check and now \$40 per check). Fees that are no longer applicable are curbing (previously \$5/linear foot, but we no longer sell curbing), barricade rental (previously \$2.10 each day plus a \$25.00 delivery charge, but we no longer rent out barricades). The fee structure will be reviewed again in fiscal year 2019.

Contact Person: Jamie Wilson

Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Permits and Fees

Finding Number: 6.B.

Finding: The Department of Streets had not updated the annual excavation fee charged to three large companies.

Recommendation: The Department of Streets periodically review the annual fee charged to companies for excavation inspections to ensure it is adequate.

Status of Finding: In Progress

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The department has plans to update permit fees for 3 utility companies during fiscal year 2019. In fiscal year 2018, we began to reevaluate the fees for the local gas utility company.

Contact Person: Jamie Wilson

Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Permits and Fees

Finding Number: 6.C.

Finding: Fees were not consistently charged in accordance with the established schedule for sidewalk permits. City Revised Code Section 20.46.010, indicated a sidewalk construction permit in a residential zone was \$10 and all other zoning areas were \$50 per permit. The department had not adequately documented why these amounts were not charged for some sidewalk permits.

Recommendation: The Department of Streets ensure fees charged for sidewalk permits are in accordance with the established policies. Exceptions should be fully documented and approved by a supervisor.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Fees charged for sidewalk permits are reviewed daily by a supervisor per policy and city code.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Street Paving and Sealing

Finding Number: 7.A.

Finding: Some amounts recorded as payments received from contractors in the manual log did not agree to the invoices mailed to the contractors. After street paving and sealing work was complete, an invoice was prepared by a front office clerk, based on the inspection report, and mailed to the contractor for payment. The Director's office maintained a book with a ledger sheet for each contractor and an entry was made to this ledger indicating the amount due per the invoice. Department personnel indicated that sometimes a contractor informed the Director's office about a mistake in the charges on the invoice. The Director's office obtained verbal approval to change the invoiced amount from the Street and Traffic Inspector Supervisor. The Director's office did not maintain documentation of the revised invoice, but the entry in the ledger was revised when payment was received from the contractor.

Recommendation: The Department of Streets ensure proper documentation, including supervisory approval, is maintained for changes to street paving and sealing invoices.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The department verifies documentation is proper, including a supervisor approval, on all street paving invoice charges.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Street Paving and Sealing

Finding Number: 7.B.

Finding: Some invoices were not mailed to the contractors in a timely manner for street paving and sealing work. Invoices were sent to the contractors after a street inspector approved the work performed at the site. The inspectors submitted the inspection report to the Director's office and the invoice was prepared by the clerical staff. The inspector's report indicated when the work was completed but did not clearly indicate when it was submitted to the clerical staff for processing.

Recommendation: The Department of Streets improve procedures for the processing of inspection reports and ensure invoices for street paving and sealing are mailed in a timely manner.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Invoices for street paving and sealing are mailed in a timely manner. A review of the division procedure is as follows. An asphalt ticket is prepared as soon as the backfill inspection is completed. The asphalt ticket is forwarded to the asphalt crews on the next business day. The asphalt crews then patch the area. Upon completion, the asphalt ticket is delivered to the accountant either the same day or the next business day. The completed work request has always been delivered back to the accountant no later than the next business day. Asphalt tickets are customarily signed and dated by the employee completing the work.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Vehicles

Finding Number: 8.A.

Finding: The Department of Streets did not require vehicle usage logs be maintained for its vehicles. In addition, the Department of Streets did not regularly monitor the fleet to ensure vehicles were used efficiently and effectively.

Recommendation: The Department of Streets require the preparation of usage logs for all vehicles and ensure these logs are properly reviewed.

Status of Finding: In Progress

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Global Positioning System (GPS) devices are installed on vehicles with the ability to generate daily logs on demand for usage/activity. The department has recently procured new GPS technology due to discontinuation of the prior GPS product by the manufacturer. The new system will also allow us to prepare usage logs and our policy will be to review them regularly to verify fleet efficiency.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Vehicles

Finding Number: 8.B.

Finding: The Street Division used 16 pool/on-call vehicles for commuting purposes but did not report commuting mileage to the Internal Revenue Service (IRS) as compensation.

Recommendation: The Department of Streets ensure commuting mileage is reported in compliance with IRS requirements.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Commuting mileage is reported in accordance with IRS requirements.

Contact Person: Jamie Wilson

Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: 50/50 Sidewalk Program

Finding Number: 9.

Finding: The Department of Streets did not submit a monthly report to the Board of Public Service (BPS) on the 50/50 Sidewalk Program as required by city code. The code appeared to require revision since the report was actually required and used by the Comptroller's office.

Recommendation: The Department of Streets forward the monthly list of unpaid sidewalk repairs to the BPS as required by city code or request the city code be revised.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Monthly listings of unpaid sidewalk repairs are forwarded to the BPS and the Comptroller's office.

Contact Person: Jamie Wilson

Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: School Crossing Guard Program

Finding Number: 10.

Finding: The Department of Streets did not have written policies and procedures for the school crossing guard program. Both private and public schools could request the Director of Streets provide a crossing guard for its school. The crossing guards were considered Department of Streets employees and paid through city payroll.

Recommendation: The Department of Streets develop written policies and procedures for the handling of the school crossing guard program.

Status of Finding: In Progress

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Historically, the department has funded school crossing guards at approximately 22 schools. However, in fiscal year 2018 we were only allowed to support 3 schools with our budget. Depending on the direction of the program and funding availability for subsequent fiscal years, we will fully document a procedure and policy accordingly.

Contact Person: Jamie Wilson
Contact Phone Number: (314) 647-3111



City of St. Louis - Department of Streets
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Petty Cash

Finding Number: 11.

Finding: Controls and procedures over the department's petty cash funds needed improvement. The petty cash funds were not maintained on an imprest basis and complete and accurate petty cash ledgers were not maintained.

Recommendation: 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.

Status of Finding: No Longer Applicable

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The department has not used a petty cash fund since prior to November 2011.

Contact Person: Jamie Wilson

Contact Phone Number: (314) 647-3111