



Office of Missouri State Auditor
Nicole Galloway, CPA

FOLLOW-UP REPORT ON AUDIT FINDINGS

City of St. Louis
Office of Sheriff

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City of St. Louis - Office of Sheriff

Follow-Up Report on Audit Findings

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NICOLE GALLOWAY, CPA Missouri State Auditor

Honorable Vernon Betts, Sheriff
City of St. Louis, Missouri

We have compiled the statuses of the audit report findings contained in Report No. 2010-35, *City of St. Louis, Office of Sheriff*, issued in March 2010, 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 Office of Sheriff. 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 - No Longer Applicable: The recommendation is no longer applicable.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 Office of Sheriff 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taken or planned to implement the recommendation or reason(s) why the recommendation has not been implemented or is no longer applicable.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 July 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 - Office of Sheriff

Follow-Up Report on Audit Findings

Status of Findings

Finding Title: Personnel Policies and Procedures

Finding Number: 1.A.

Finding: Outside service deputies regularly worked less than 40-hour weeks and were considered full-time employees; however, the Sheriff's written personnel policies did not define any exceptions which allowed these deputies to work less than 40-hour weeks. Records of outside service deputy time were recorded on service logs and sign-in sheets; however, these records were not routinely reviewed for the number of hours worked, leave and pay were not adjusted if total hours recorded were less than 40 per week, and disciplinary action was not taken if deputies did not adequately account for 40 hours per week.

Recommendation: The Sheriff review the required working hours for outside service deputies to ensure compliance with the 40-hour work week or revise the personnel policy as applicable. The personnel policy should address any meal time to be included as normal work time for all employees. In addition, accurate time and leave records should be maintained for all outside service deputies and the records should be reviewed by the deputies' supervisors.

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 outside service department has fully implemented the recommendations. A sergeant reviews the worksheets daily to track and analyze the documented meal and personal breaks. The deputy has the option to serve papers in his district that give him the best result as respondents may have to be served after hours or on weekends. With the installation of the current timekeeping system, the supervisors can review, control, and maintain accurate hourly recordkeeping.

Contact Person: Lieutenant Michael Hudson and Sergeant Neil Hogan

Contact Phone Number: (314) 622-3682 and (314) 622-4909



City of St. Louis - Office of Sheriff
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Personnel Policies and Procedures

Finding Number: 1.B.

Finding: Some Sheriff's employees distributed campaign materials at local polling places while scheduled for election service vacation; however, the applicable time was not charged to their vacation leave balances. It appeared no other leave balances were adjusted for the election service, and employees' pay was not docked for these time periods, resulting in regular salary payments while performing election campaign services.

Recommendation: The Sheriff ensure time spent for distributing campaign materials is charged to the applicable employees' vacation leave balances.

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 office now employs a timekeeping system (NovaTime) that requires fingerprint scanning to track hours worked. Hours worked are automatically calculated by this system as well as any time off work, including compensatory, medical, and vacation time. All time worked is automatically logged and recorded by the system. Additionally, supervisors review timesheets for discrepancies, all of which must be noted in the system and are reviewed by command staff.

If an employee is performing election-related activities, he/she is required to enter a leave request using either vacation or compensatory time.

Contact Person: Lieutenant Tammy R. Hogan
Contact Phone Number: (314) 622-3713



City of St. Louis - Office of Sheriff
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Personnel Policies and Procedures

Finding Number: 1.C.

Finding: The Sheriff had not established a formal written policy regarding his leave benefits, and it appeared the Sheriff was not tracking or recording any sick leave used. No sick leave usage had been recorded against his leave balance for several years. The Sheriff had not determined whether he would be paid a sick leave benefit upon retirement similar to other employees.

Recommendation: The Sheriff develop a policy regarding the Sheriff's accrual of leave, potential payout of accumulated sick leave upon retirement, and the reporting of leave usage.

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 city discontinued the practice of paying out lump sums for accumulation of unused sick leave for all city personnel effective August 17, 2013. Any personnel who have any "frozen" sick leave time accumulated from service in years prior to 2012 may receive a payout equal to 25 percent of any accumulated sick leave time, with the payouts limited to a maximum of 30 days.

The Sheriff was not a city employee under the previous policy, and thus he has no frozen sick leave. The Sheriff's leave policy is identical to that of every other deputy and his sick and vacation days are currently tracked through our NovaTime system.

Contact Person: Lieutenant Tammy R. Hogan
Contact Phone Number: (314) 622-3713



City of St. Louis - Office of Sheriff
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Personnel Policies and Procedures

Finding Number: 1.D.

Finding: Leave accruals were computed manually by the Office of Sheriff, and there was no independent or supervisory review of the leave accrual records. Our review of vacation, sick, and compensatory time leave accrual records for calendar year 2008 noted leave accruals were not calculated correctly for 4 of the 20 employee records reviewed. In addition, accrued leave was not always reduced or pay was not docked when time recorded for a work day was less than 8 hours.

Recommendation: The Sheriff maintain centralized records for all types of leave, ensure leave and compensatory time accrual is calculated accurately, and require independent reviews of leave calculations.

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 office has a timekeeping system that requires fingerprint scans to clock in and out. The time and hours are automatically recorded and computed. If there is a discrepancy, a supervisor has to review and note any changes.

The system tracks leave accruals, usage, and balances. When an employee is requesting leave, he/she enters the leave request into the system. The request is submitted to his/her supervisor who either approves or denies the request. If the request is approved the system will update accordingly. At the end of each pay period, supervisors verify each employee's time and leave records are correct. There are three designated timekeepers who ensure all employees have entered the correct time and are responsible for payroll closing duties.

Contact Person: Lieutenant Tammy R. Hogan

Contact Phone Number: (314) 622-3713



City of St. Louis - Office of Sheriff
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Property Room

Finding Number: 2.A.

Finding: The Sheriff's office held monies, evidence, and eviction property, some of which had been held for a few years and could have been disposed in accordance with state law.

Recommendation: The Sheriff establish procedures to periodically review the status of old monies, evidence, and eviction property. The Sheriff should work with the Circuit Attorney and request items no longer needed for evidentiary purposes be disposed in accordance with state law.

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:

All property and evidence must be stored until the Sheriff's office receives confirmation from the Circuit Attorney's office (CAO) that the items in question are no longer necessary to keep. There is new supervision in the property unit as well as new leadership in the CAO. We have made progress by depositing cash evidence into a bank account. With the CAO's new leadership, we anticipate increased cooperation in the future.

Contact Person: Lieutenant Tammy R. Hogan

Contact Phone Number: (314) 622-3713



City of St. Louis - Office of Sheriff
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Property Room

Finding Number: 2.B.

Finding: Information recorded on evidence item tags and bags did not always correspond to information recorded in the property room database or on property receipts. In addition, periodic physical inventories were not conducted.

Recommendation: The Sheriff establish procedures to ensure accurate information is recorded on the property room database and property tags and bags. Periodic physical inventories of the property room should be conducted or reviewed by personnel independent of property custody and the results of the inventories should be reconciled to the property room database.

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:

Physical inventories are being conducted, and all evidence has been entered into a database. The most recent property received is the most organized and accounted for. New shelving units and cabinets have been installed. They are clearly marked and labeled.

Contact Person: Lieutenant Tammy R. Hogan
Contact Phone Number: (314) 622-3713



City of St. Louis - Office of Sheriff
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Land Tax Sales

Finding Number: 3.A.

Finding: The Sheriff's office did not prepare lists of liabilities for funds held in trust pending distribution to the responsible party and did not attempt to reconcile liabilities to the balances in the Land Auction Sales Fund. Receipts of \$678,195 from a sale in 2003 were incorrectly posted to the pre-2003 Land Auction Sales Fund, and three 2006 distributions of pre-2003 sale proceeds totaling \$408,652 were incorrectly posted to the current Land Auction Sales Fund. In addition, we noted some duplicate payments, errors in calculations, and fees which were refunded but not recovered from applicable city officials which resulted in overpayments and underpayments. The Sheriff's office has not attempted to identify the liabilities for this account.

Recommendation: The Sheriff ensure liabilities lists for the Land Auction Sales Fund are prepared monthly and reconciled to the fund balance. The Sheriff should correct identified errors and attempt to recover overpayments. In addition, the Sheriff should work with the City Comptroller to determine the proper disposition of unclaimed and unidentified monies in both the current and pre-2003 Land Auction Sales Fund.

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's general ledger is used to verify fund distributions and is checked within the land tax department for accuracy against items such as:

- Disbursement vouchers
- Spreadsheets
- Monies held pending distribution
- List of parcels being sold, which includes the pending trust amount totals

After each sale, a final list of properties is created to verify against funds being held for distribution. Then, the checking account is reconciled against the log sheet to verify distributions from the Land Auction Sales Fund on a monthly basis. Reconciliation reports are reviewed by the supervisor of the department.

Contact Person: Ken Jennings/Liz Hudson
Contact Phone Number: (314) 622-4581



City of St. Louis - Office of Sheriff
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Land Tax Sales

Finding Number: 3.B.

Finding: The Sheriff's spreadsheets used to track collections and distributions of land tax sale proceeds needed improvement. The spreadsheets did not have separate columns to designate when monies were paid to the Collector of Revenue, Recorder of Deeds, and City Treasurer (Sheriff's fees), even though these payments occurred at different times. Corrections and adjustments of land tax sale distributions calculated by the Collector of Revenue were not always recorded on the Sheriff's spreadsheets, which resulted in distribution errors made by the Sheriff's office.

Recommendation: The Sheriff work with information technology staff to revise the tracking spreadsheets to ensure all land tax sale receipt and disbursement information is accurately recorded, including all adjustments made by the Collector of Revenue. In addition, the Sheriff's office should correct all calculation errors and make the necessary adjustments to tax sale distributions.

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 tracking spreadsheet is used within the office which lists all distributions for each parcel of land being sold, making the distributions more accurate.

Contact Person: Ken Jennings/Liz Hudson

Contact Phone Number: (314) 622-4581



City of St. Louis - Office of Sheriff
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Land Tax Sales

Finding Number: 3.C.

Finding: The Sheriff's office did not recover fees received and turned over to the City Treasurer and Recorder of Deeds when properties were set aside and the sale proceeds were refunded to the purchaser.

Recommendation: The Sheriff recover all funds previously disbursed prior to refunding the sale proceeds to the purchaser when a parcel is set aside.

Status of Finding: Not Implemented

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

The office does not control the funds used to account for these monies; therefore, we do not feel that we have responsibility to recover fees paid to elected officials because they provided a service.

Contact Person: Ken Jennings/Liz Hudson

Contact Phone Number: (314) 622-4581



City of St. Louis - Office of Sheriff
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Land Tax Sales

Finding Number: 3.D.

Finding: The Sheriff's office did not adequately follow up on notification fees due from land tax sales, and as a result, it appeared some fees had not been collected.

Recommendation: The Sheriff establish and implement a method of tracking notification fees due from the Collector of Revenue and follow up on outstanding amounts due.

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 office utilizes the tax lawsuit payment document which contains payment information that can be checked and verified against the general ledger as well as internal spreadsheets.

Contact Person: Ken Jennings/Liz Hudson

Contact Phone Number: (314) 622-4581



City of St. Louis - Office of Sheriff
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Land Tax Sales

Finding Number: 3.E.

Finding: The Land Auction Sales Fund balance included funds from tax sales conducted between 2003 and 2005 which had not been confirmed by the courts in a timely manner. According to the Sheriff's records, no court hearings were conducted for these sales.

Recommendation: The Sheriff establish and implement a formal process and timeline for reporting and following up on properties for which additional actions are required to complete the land tax sale.

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 Office of Sheriff has implemented actions such as:

- Sending out acknowledgment letters
- Sending out letters when deeds are ready for pick up
- Sending out reminder acknowledgment letters
- Sending out reminder pick-up letters

In the event of no response after 2 years, we will send a list of parcels for which the sale has not been completed to the Collector of Revenue.

Contact Person: Ken Jennings/Liz Hudson

Contact Phone Number: (314) 622-4581



City of St. Louis - Office of Sheriff
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Accounting Controls and Procedures

Finding Number: 4.A.

Finding: The Sheriff's office did not prepare an initial record of monies received. In addition, some of the monies received by the Sheriff's office remained in unsecure locations after work hours, including various individuals' desks.

Recommendation: The Sheriff prepare and maintain an initial record or mail log for all monies immediately upon receipt, and ensure all receipts are maintained in a secure location prior to deposit or transmittal.

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 Office of Sheriff has implemented the following policies and procedures for the garnishments, foreign, city service, execution, and adult abuse departments:

- Each above listed department in the Office of Sheriff creates a daily log sheet(s) either by computer or hand for the money that is received that day.
- If a daily log sheet(s) is done by computer, a copy of the report is then e-mailed to the Lieutenant.
- The incoming checks are attached to the log sheet(s) and the person in the specific department will bring them to the inventory room (inside the cashier's office) for security purposes.
- The first door to the cashier's office is secure and made of thick wood and is locked on a nightly basis.
- The second door (inventory door) to the inventory room is secure and made of metal and locked on a nightly basis.
- The only people with keys to these two doors are the cashier, the backup cashier, and management in that department.
- The above listed departments have baskets they put their next day's work in that are secured in the conceal and carry weapon (CCW) room; this room has two thick wooden doors that are locked nightly.
- The only people with keys to the CCW room are the two administrative deputies and management.

Contact Person: Lieutenant Michael Hudson

Contact Phone Number: (314) 622 3682



City of St. Louis - Office of Sheriff
Follow-Up Report on Audit Findings
Status of Findings

Finding Title:	Accounting Controls and Procedures
Finding Number:	4.B.
Finding:	Procedures had not been established to resolve outstanding checks.
Recommendation:	The Sheriff establish procedures to periodically contact the payees and attempt to resolve outstanding checks. If payees cannot be located, the amounts should be turned over to the State Treasurer's Unclaimed Property Division.
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 Office of Sheriff has implemented the following policies and procedures:

- We have an Excel reconciliation sheet(s) for the Office of Sheriff's bank accounts.
- This reconciliation sheet(s) is prepared by the cashier and lists all outstanding checks and any voided checks, along with the reconciliation numbers.
- The reconciliation sheet is put in a large envelope with other paperwork for the bank for the month that has been reconciled.
- This large envelope is then given to a deputy designated by management to review the reconciliation information which is done every month for a double check.
- This large envelope is then given to the Lieutenant for review; this is done every month for a triple check.
- After three years from when the outstanding check was written, the cashier will download the State Treasurer's Unclaimed Property Division forms, fill them out with the outstanding check information, and write up a check request that will be approved by management. Once the cashier receives the approval back from management a check will be cut and sent to the State Treasurer's Unclaimed Property Division.

Contact Person: Lieutenant Michael Hudson
Contact Phone Number: (314) 622 3682



City of St. Louis - Office of Sheriff
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Accounting Controls and Procedures

Finding Number: 4.C.

Finding: Monthly lists of liabilities were prepared but were not reconciled to the balance of the Sheriff's bank account.

Recommendation: The Sheriff reconcile liabilities to the reconciled cash balance on a monthly basis and correct and resolve differences 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:

The office's cashier department has implemented the following policies and procedures:

- The cashier department will log all deposits on the daily deposit Excel worksheet, and will log all disbursements in the daily disbursement Excel worksheet. Data input is transmitted through Excel formulas to the month being reconciled.
- The cashier will review the above forms with the bank statement to ensure the information is correct on both documents, and the reconciliation totals match.
- The cashier will reconcile the account using the QuickBooks program for the month, review the report, and print the report as long as it matches to the bank statement and the Excel spreadsheets.
- All the paperwork is put in a large envelope, along with the daily small envelope, and passed on to the designated deputy by management to review the reconciliation information every month for a double check. The designated deputy will fill out a form if the reconciliation is okay or if there are corrections needed.
- The large envelope is then passed on to the Lieutenant for the triple check and his notes, which are placed on the supervisory oversight form, regarding his findings about the reconciliation. If there are errors, then the large envelope is given to the cashier to find the errors and fix them, and we repeat steps 4 and 5.

There are no longer liabilities to account for because we no longer handle garnishment sequestrations. All current monies collected, with the exception of fees for serving papers, are turned over to the Treasurer's office.

Contact Person: Lieutenant Michael Hudson
Contact Phone Number: (314) 622-3682



City of St. Louis - Office of Sheriff
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Vehicle Usage

Finding Number: 5.

Finding: Vehicle usage logs were not maintained for the seven Sheriff's office vehicles not used for prisoner transport, including the vehicle assigned to the Sheriff. While non-commuting personal use was prohibited for all other vehicles, the Sheriff was allowed to use his city-owned vehicle for personal use but did not maintain vehicle usage logs to document commuting and personal use of the vehicle.

Recommendation: The Sheriff prepare a usage log for the vehicle assigned to him that documents personal and commuting use. In addition, usage logs should be prepared for all Sheriff's vehicles and the logs should be periodically reviewed for reasonableness and propriety.

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 deputies and the Sheriff complete and sign an annual verification of compliance with city vehicle policy form. The Sheriff signs a personal use form from the city that details his personal mileage.

Contact Person: Lieutenant Tammy R. Hogan
Contact Phone Number: (314) 622-3713



City of St. Louis - Office of Sheriff
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Controls Over Weapons

Finding Number: 6.A.

Finding: The office did not conduct physical inventories of issued and unissued weapons.

Recommendation: The Sheriff conduct periodic inventories of all office weapons.

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 weapons are entered into a database and are signed for by the deputy that such weapon is issued to. The department performs a physical inventory of all weapons at least twice a year.

Contact Person: Lieutenant Dawn Kehoe-Roop

Contact Phone Number: (314) 622-4634



City of St. Louis - Office of Sheriff
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Controls Over Weapons

Finding Number: 6.B.

Finding: Records of deputies' qualifications to carry weapons were not complete and accurate.

Recommendation: The Sheriff adopt procedures to ensure complete and accurate records are maintained for employees' weapons qualifications.

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 office performs the qualification process twice a year. All qualifications are marked on paper with the score and the serial number of the weapon used and signed by the St. Louis Metropolitan Police Department personnel, and recorded and filed by our training coordinator.

Contact Person: Lieutenant Dawn Kehoe-Roop

Contact Phone Number: (314) 622-4634