



SIXTH JUDICIAL CIRCUIT
ASSOCIATE DIVISION V
TRAFFIC VIOLATIONS BUREAU
PLATTE COUNTY, MISSOURI
JULY 1, 1999 THROUGH MAY 31, 2000

**From The Office Of State Auditor
Claire McCaskill**

Report No. 2000-128
December 21, 2000
www.auditor.state.mo.us

AUDIT REPORT



Office Of The
State Auditor Of Missouri
Claire McCaskill

December 2000

www.auditor.state.mo.us

The Traffic Violations Bureau of the Sixth Judicial Circuit, Associate Division V, Platte County, Missouri, is responsible for assessing, collecting, and distributing monies in connection with traffic tickets handled by the court.

During June and July 2000, court officials in Platte County identified discrepancies in the court's collection of fines and court costs on a number of traffic cases. On July 24, 2000, the Platte County Circuit Clerk notified the Platte County Sheriff of these discrepancies, reported that a shortage existed, and requested that the matter be investigated. The Platte County Sheriff's Department subsequently contacted the State Auditor's office regarding this situation. Our audit was performed to review these discrepancies and more fully determine the extent of misappropriated court funds.

Between October 1999 and May 2000, payments on at least nine traffic tickets, totaling \$925, were not recorded or deposited. Defendants produced receipt slips issued by the court showing these nine tickets were paid; however, the collections were not recorded or deposited. It appears these monies were misappropriated. Payments on twenty-three additional traffic tickets, totaling \$2,225, also appear to have been misappropriated. Defendants provided verbal or written statements indicating the tickets were paid or there was documentation the tickets were paid in the manual case files, but collections were not recorded in the court's computer system. In addition, payments on a number of other traffic tickets do not appear to have been properly handled and we are continuing to follow-up on these tickets. Documentation in the manual case files of many of these tickets indicate payments may have been made and it is likely that additional monies related to at least some of these tickets were also misappropriated.

Certain procedural or control weaknesses existed in the Traffic Violations Bureau which allowed this misappropriation to occur without being detected on a timely basis.

Owens Lee Hull, Jr. serves as Presiding Judge of the Sixth Judicial Circuit. Gary D. Witt serves as Associate Circuit Judge of Division V, and Sandra Dowd serves as Circuit Clerk. During the period under review, one clerk was primarily responsible for handling the receipt and recording of collections on traffic tickets. On July 21, 2000, this clerk submitted her resignation and also provided a written statement to court officials indicating she was aware some monies were missing from cases.

YELLOW SHEET

SIXTH JUDICIAL CIRCUIT
ASSOCIATE DIVISION V
TRAFFIC VIOLATIONS BUREAU
PLATTE COUNTY, MISSOURI
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CLAIRE C. McCASKILL
Missouri State Auditor

Presiding Circuit Judge
and
Associate Circuit Judge, Division V
and
Circuit Clerk
Sixth Judicial Circuit
Platte County, Missouri

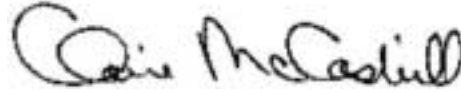
We have audited the traffic tickets and related collections handled by the Traffic Violations Bureau of the Sixth Judicial Circuit, Associate Division V, Platte County, Missouri. The scope of this audit included, but was not limited to, the period of July 1, 1999 through May 31, 2000. The objectives of this audit were to:

1. Investigate discrepancies in the handling of traffic tickets and the related collections, and determine the amount of court funds misappropriated.
2. Review and evaluate certain controls and procedures regarding the collection and processing of monies related to traffic tickets.

Our audit was conducted in accordance with applicable generally accepted government auditing standards and included such procedures as we considered necessary in the circumstances. We reviewed the records and procedures of the Traffic Violations Bureau, interviewed court personnel, and examined other records and documents as we considered necessary.

Our audit was limited to the specific matters described above and was based on selective tests and procedures considered appropriate in the circumstances. Had we performed additional procedures, other information might have come to our attention that would have been included in this report.

The accompanying Management Advisory Report presents our findings and recommendations concerning the Traffic Violations Bureau of the Sixth Judicial Circuit, Associate Division V, Platte County, Missouri.



Claire McCaskill
State Auditor

October 5, 2000 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Karen Laves, CPA
Audit Manager:	Gregory A. Slinkard, CPA, CIA
In-Charge Auditor:	Todd Stoll
Audit Staff:	Christina Brown

EXECUTIVE SUMMARY

SIXTH JUDICIAL CIRCUIT
ASSOCIATE DIVISION V
TRAFFIC VIOLATIONS BUREAU
PLATTE COUNTY, MISSOURI
EXECUTIVE SUMMARY

Between October 1999 and May 2000, payments on nine tickets, totaling \$925, were not recorded or deposited, but the defendants were able to produce receipt slips issued by the court showing the tickets were paid. Payments on twenty-three additional tickets, totaling \$2,225, were not recorded or deposited, but the defendants either provided verbal or written statements indicating the tickets were paid or there was documentation the tickets were paid in the manual case files. It appears these monies were misappropriated. In addition, payments on a number of other tickets do not appear to have been handled properly and it is likely additional monies related to at least some of these tickets were also misappropriated. The lack of records related to collections recorded on manual receipt slips prevented us from assuring ourselves of the extent of missing monies.

Certain procedural or control weaknesses existed in the Traffic Violations Bureau which allowed this misappropriation to occur without being detected on a timely basis.

Owens Lee Hull, Jr. serves as Presiding Judge of the Sixth Judicial Circuit. Gary D. Witt serves as Associate Circuit Judge of Division V, and Sandra Dowd serves as Circuit Clerk. During the period under review, one clerk was primarily responsible for handling the receipt and recording of collections on traffic tickets. On July 21, 2000, this clerk submitted her resignation and also provided a written statement to court officials indicating she was aware some monies were missing from cases.

MANAGEMENT ADVISORY REPORT

SIXTH JUDICIAL CIRCUIT
ASSOCIATE DIVISION V
TRAFFIC VIOLATIONS BUREAU
PLATTE COUNTY, MISSOURI
MANAGEMENT ADVISORY REPORT

The Traffic Violations Bureau of the Sixth Judicial Circuit, Associate Division V, Platte County, Missouri, is responsible for assessing, collecting, and distributing monies in connection with traffic tickets handled by the court.

During June and July 2000, court officials in Platte County identified discrepancies in the court's collection of fines and court costs on a number of traffic cases. On July 24, 2000, the Platte County Circuit Clerk notified the Platte County Sheriff of these discrepancies, reported that a shortage existed, and requested that the matter be investigated. The Platte County Sheriff's Department subsequently contacted the State Auditor's office regarding this situation. This audit was performed to review these discrepancies and more fully determine the extent of misappropriated court funds.

Following are our comments regarding the misappropriated funds and the accounting controls and procedures over receipts of the Traffic Violations Bureau.

1.	Misappropriated Funds
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Payments on at least nine traffic tickets, totaling \$925, were not recorded or deposited. Defendants produced receipt slips issued by the court showing these nine tickets were paid; however, the collections were not recorded or deposited. It appears these monies were misappropriated. Payments on twenty-three additional traffic tickets, totaling \$2,225, also appear to have been misappropriated. Defendants provided verbal or written statements indicating the tickets were paid or there was documentation the tickets were paid in the manual case files, but collections were not recorded in the court's computer system. In addition, payments on a number of other traffic tickets do not appear to have been properly handled and we are continuing to follow-up on these tickets. Documentation in the manual case files of many of these tickets indicate payments may have been made and it is likely that additional monies related to at least some of these tickets were also misappropriated.

The discrepancies noted above were not detected, or were not detected on a timely basis, due to certain internal control weaknesses which existed (See Management Advisory Report [MAR] No. 2).

Information gathered during our audit has been turned over to the Platte County Sheriff's Department.

WE RECOMMEND the Associate Division V Judge and Circuit Clerk work with the various law enforcement authorities regarding any criminal prosecution of this matter and to obtain restitution.

AUDITEE'S RESPONSE

See letter included as an appendix.

2. Accounting Controls and Procedures
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- A. Most collections related to traffic tickets are recorded directly into the court's computer system and a computer-generated receipt slip is issued to the payor. However, manual receipt slips were issued to walk-in payors when payments could not be recorded directly into the system. Court personnel indicated this would occur when the computer system was not working, when the court clerk responsible for receipting monies into the system was not present, or when the monies were received after that day's transactions had been closed. These manual receipt slips were single copy receipts given to the payor, and were not prenumbered. No copy or other record of the manual receipt slips which were issued was maintained by the court.

This situation represented a serious control weakness and it appears the monies noted as misappropriated in MAR No. 1 were payments where these manual receipt slips were issued. The lack of records documenting collections recorded on these manual receipt slips prevented us from fully determining the extent of missing monies.

Since the discovery of these discrepancies, procedures have been changed. While manual receipt slips are still issued when payments cannot be recorded directly into the system, the current receipt slips are prenumbered and duplicate receipt slips are maintained and accounted for properly.

- B. It appears improvements are needed in the segregation of duties in the Traffic Violations Bureau. Except for collections received on court dates, one clerk was responsible for collecting and maintaining physical custody of receipts, recording payments into the court's computer system and filing the cases as closed. The clerk had access to the manual case files, the court's court computer system, and she had the ability to change or delete court dates and record case dispositions. In addition, this clerk had the capability of having warrants withdrawn.

To safeguard against possible loss or misuse of funds and to ensure that receipts are properly handled, duties should be segregated to the extent practical. If it is not feasible to segregate duties further, procedures should be established to periodically identify and review any traffic cases that have had no recorded activity or have not been otherwise resolved for an extended period of time.

WE RECOMMEND the Circuit Clerk:

- A. Continue to ensure any manual receipt slips issued are prenumbered, duplicate receipt slips are maintained, and that these receipt slips are accounted for properly.
- B. Ensure the duties surrounding the handling of traffic tickets and the related payments are segregated to the extent practical. At a minimum, procedures should be established to periodically identify and review any traffic cases that have had no recorded activity or have not been otherwise resolved for an extended period of time.

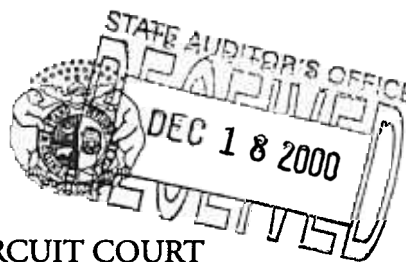
AUDITEE'S RESPONSE

See letter included as an appendix.

This report is intended for the information of the management of the Sixth Judicial Circuit, Associate Division V of Platte County, Missouri, and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

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APPENDIX



CIRCUIT COURT
SIXTH JUDICIAL CIRCUIT
OF MISSOURI
COURTHOUSE, PLATTE CITY, MO 64079

OWENS LEE HULL, JR.
CIRCUIT JUDGE
DIVISION II

December 13, 2000

415 THIRD STREET SUITE 65
PLATTE CITY, MO 64079
PHONE: 816-858-2232

Claire C. McCaskill
Office of the State Auditor
Truman State Office Bldg., Room 880
Jefferson City, MO 65101

ATTENTION: Greg Slinkard

RE: Audit Report regarding audit of traffic department, Platte County, Missouri,
July 1, 1999 through May 31, 2000

Dear Mr. Slinkard:

Having reviewed the management advisory report portion of the above-reference report, the Platte County Circuit Court and Circuit Clerk make the following response to paragraphs A and B set forth therein:

Manual receipting with regard to payment of traffic tickets became an absolute necessity as a result of the entire Platte County Court system and Circuit Clerk's Office undergoing a computer conversion between approximately October, 1999 and late December, 1999. There were lengthy "down times" for the entire computer system, i.e., the system would be up for an hour and then down for the rest of the day, and there were literally days when the system was of no use and could not be used for any purpose.

Manual receipt slips are still used when payments cannot be recorded directly with the system for whatever reason, but they are pre-numbered, and duplicate receipts are kept in a separate record which is not available to the traffic violations bureau.

Segregation of receipting collections, recording receipts, and maintaining case records in the traffic department, as suggested by the audit report, is not possible, feasible, nor practical because of limited personnel, required vacation time, sick leave, and staff turnover. All traffic personnel are cross-trained with regard to the various duties of the traffic violations bureau and

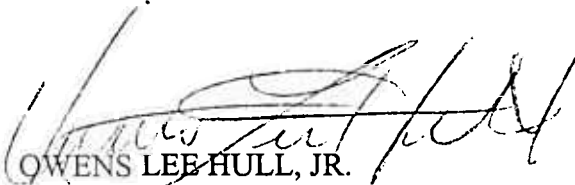
all circuit clerk and court personnel need access to the physical traffic files and to the traffic record maintained within the computer system. It is often necessary that various circuit clerk personnel access traffic files to provide attorneys, the public, judges, and law enforcement personnel with court date information. It may be necessary that cases be continued and court personnel must memorialize court action on the files and in the computer, and record the final disposition of the cases.

In the year 1999, there were 12,941 traffic cases filed, which is an average of 1,078 filings per month. In order for cases to be processed as expeditiously as possible, all traffic personnel, including other court personnel, have access to these files. We do not have a "secure room" or "secure, locked file system" to limit access to case files, nor do we have enough personnel to accomplish this type of segregation.


The Circuit Clerk's Office does a daily reconciliation of traffic payments and deposits and that duty is performed by a clerk who is independent of the collection function.

Every six (6) months, a computer run will be made of traffic cases that have had no recorded activity or otherwise been resolved within that period of time, and said cases will be docketed and reviewed by the Court and Circuit Clerk. This process was previously used but delayed because of computer conversion.


The Circuit Court and Circuit Clerk and related personnel have provided access and all relevant information to law enforcement authorities and audit officials since the institution of this investigation, and will continue to cooperate with regard to any criminal, civil or other legal proceeding that may be necessary. The Court and Clerk appreciate the help and assistance of the Missouri State Auditor's Office and that of the Platte County Sheriff's Department.



OWENS LEE HULL, JR.
PRESIDING CIRCUIT JUDGE



GARY D. WITT
ASSOCIATE CIRCUIT JUDGE
DIVISION V



SANDRA L. DOWD
CIRCUIT CLERK

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