



Susan Montee, CPA
Missouri State Auditor

Fifth Judicial Circuit

City of St. Joseph Municipal Division

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Office of
Missouri State Auditor
Susan Montee, CPA

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An audit was conducted by our office of the Fifth Judicial Circuit, city of St. Joseph, Missouri Municipal Division.

The city of St. Joseph, Municipal Division has shown significant improvement since our prior audit. Most of our prior recommendations have been implemented by the court.

The Police Department and other city departments have not developed adequate procedures to account for the numerical sequence of traffic and other municipal tickets issued and processed by the court. Most departments do not track the issuance of tickets in a manner that would allow them to account for all tickets assigned to officers. While the police department, which accounts for approximately 85 percent of the tickets issued, posts all tickets issued and returned by officers to a database, the department does not have procedures in place to ensure the numerical sequence of tickets is accounted for. A log of all tickets issued, by type, is not prepared and reviewed for gaps in sequence or missing tickets.

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YELLOW SHEET

FIFTH JUDICIAL CIRCUIT
CITY OF ST. JOSEPH
MUNICIPAL DIVISION

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STATE AUDITOR'S REPORT



SUSAN MONTEE, CPA
Missouri State Auditor

Presiding Judge
Fifth Judicial Circuit
and
Municipal Judge
St. Joseph, Missouri

We have audited certain operations of the city of St. Joseph Municipal Division of the Fifth Judicial Circuit. The scope of this audit included, but was not necessarily limited to, the two years ended June 30, 2007. The objectives of this audit were to:

1. Determine if the municipal division has adequate internal controls over significant financial functions such as receipts.
2. Determine if the municipal division has complied with certain legal provisions.
3. Determine the extent to which recommendations included in our prior audit report were implemented.

Our methodology included reviewing written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the municipal division, as well as certain external parties; and testing selected transactions.

We obtained an understanding of internal controls that are significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. However, providing an opinion on the effectiveness of internal controls was not an objective of our audit and accordingly, we do not express such an opinion.

We obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting significant instances of noncompliance with those provisions. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. Abuse, which refers to behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary given the facts and circumstances, does not

necessarily involve noncompliance with legal provisions. Because the determination of abuse is subjective, our audit is not required to provide reasonable assurance of detecting abuse.

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.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the municipal division's management and was not subjected to the procedures applied in the audit of the division.

The accompanying Management Advisory Report presents our finding arising from our audit of the city of St. Joseph Municipal Division of the Fifth Judicial Circuit.

A petition audit of the City of St. Joseph fulfilling our obligations under Section 29.230, RSMo, is still in process, and any additional findings and recommendations will be included in the subsequent report.



Susan Montee, CPA
State Auditor

The following auditors participated in the preparation of this report:

Director of Audits:	Thomas J. Kremer, CPA
Audit Manager:	Todd M. Schuler CPA
In-Charge Auditor:	Susan Beeler
Audit Staff:	Julie A. Orlowski Richard Stuck

MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

FIFTH JUDICIAL CIRCUIT
CITY OF ST. JOSEPH
MUNICIPAL DIVISION
MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

Ticket Accountability

The Police Department and other city departments have not developed adequate procedures to account for the numerical sequence of traffic and other municipal tickets issued. Most tickets are assigned by the police department to police officers and other enforcement agents (such as code enforcement and the fire department). However, some departments (such as animal control and the local state university) assign their own tickets to their agents independent of the police department.

There is no overall accountability of all ordinance violation tickets processed through Municipal Court. Each department is responsible for tracking its own tickets and forwarding the tickets issued to the Prosecuting Attorney's office. Most departments issue one sequence of tickets, and with the exception of the animal control department, do not track the issuance of tickets in a manner that would allow them to account for all tickets assigned to officers. In addition, the police department (which makes up 85 percent of all tickets issued) issues three different sequences of tickets (traffic, parking, and warning tickets). While the police department posts all tickets issued and returned by officers to a database, including void tickets, the department does not have procedures in place to ensure the numerical sequence of tickets is accounted for. A log of all tickets issued, by type, is not prepared and reviewed for gaps in sequence or missing tickets. The police department indicated this database is maintained for statistical purposes and is not used to account for the numerical sequence of tickets issued.

Without proper accounting for the numerical sequence and disposition of tickets, the municipal division cannot be assured that all tickets issued were properly submitted to the court for processing.

WE RECOMMEND the city of St. Joseph municipal division work with the police department and other city departments to develop a method of accounting for the numerical sequence of all tickets issued.

AUDITEE'S RESPONSE

The Municipal Judge, city financial services department, and Police Chief provided the following response:

The City of St. Joseph Municipal Court Division and the St. Joseph Police Department have a good working relationship. This was shown with all in attendance during the meeting with the State Auditor's staff on Friday, December 14, 2007.

The St. Joseph Police Department currently maintains documentation for all citations written within the Commission on Accreditation for Law Enforcement Agencies (CALEA) certification process. The Records Management System contains these records. Procedures are being developed to provide regular accountability and internal audit of the citations written. These procedures will be in place by January 15, 2008.

FOLLOW-UP ON PRIOR AUDIT FINDINGS

FIFTH JUDICIAL CIRCUIT
CITY OF ST. JOSEPH
MUNICIPAL DIVISION
FOLLOW-UP ON PRIOR AUDIT FINDINGS

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by the city of St. Joseph Municipal Division on the applicable finding in the Management Advisory Report (MAR) of our prior audit report issued for the two years ended June 30, 2002.

The prior recommendation which has not been implemented is repeated in the current MAR.

City of St. Joseph Municipal Division

- A. The court did not regularly print out a listing of accrued costs and did not always take appropriate action when a case was past due or when a defendant failed to appear in court.
- B. Access to the computer system was not adequately restricted and a formal contingency plan had not been developed.
- C. The municipal division had not implemented adequate procedures to follow up on cash bonds held for more than one year.
- D. The municipal division did not follow up on surety bonds posted by defendants who failed to make the required court appearances.
- E.1. Court receipts were not transmitted intact on a timely basis, and checks and money orders were not restrictively endorsed immediately upon receipt.
 - 2. While a log was maintained of all monies received through the mail, this log was not reconciled to receipt slips issued or to the transmittals made to the city.
 - 3. The court computer system produced a report of all voided receipts, but explanations of why a receipt slip was voided were not documented and reviewed by a supervisor.
 - 4. Bond forms issued by the police department were not prenumbered.
- F. Conviction reports produced by the system were sometimes incomplete or inaccurate.
- G. Neither the police department nor municipal division adequately accounted for the numerical sequence of traffic tickets assigned to and issued by officers and their ultimate disposition.

Recommendations:

The City of St. Joseph Municipal Division:

- A. Make a greater effort to pursue collection of accrued costs and ensure warrants are issued in a timely manner to those who fail to comply with the terms of a pay order or who fail to appear for court.
- B. Ensure passwords are not shared, remain confidential, and that user IDs and passwords are promptly deleted upon termination or resignation. In addition, develop a formal contingency plan for the court's computer system.
- C. Implement adequate procedures to follow up on cash bonds and dispose of them in accordance with state law.
- D. Ensure surety bonds are followed up in accordance with state statute. Implement procedures to forfeit surety bonds when appropriate.
- E.1. Transmit monies received intact daily or when accumulated receipts exceed \$100 and restrictively endorse all checks and money orders immediately upon receipt.
 - 2. Reconcile the mail log to the receipt slips issued and the amounts transmitted to the city.
 - 3. Maintain documentation for why receipt slips were voided.
 - 4. Request the police department issue prenumbered bond forms for all bond monies received and account for the numerical sequence.
- F. Ensure conviction reports are complete and accurate and reviewed by the court clerk prior to being submitted to the Department of Revenue.
- G. Work with the police department to ensure records are maintained to account for the numerical sequence and ultimate disposition of all tickets and summonses issued.

Status:

- A-F. Implemented.
- G. Not implemented. Neither the police department nor municipal division adequately account for the numerical sequence of traffic tickets assigned to and issued by officers and other city officials and their ultimate dispositions. See the current MAR.

HISTORY, ORGANIZATION, AND
STATISTICAL INFORMATION

FIFTH JUDICIAL CIRCUIT
CITY OF ST. JOSEPH
MUNICIPAL DIVISION
HISTORY, ORGANIZATION, AND
STATISTICAL INFORMATION

The city of St. Joseph Municipal Division is within the Fifth Judicial Circuit, which consists of Buchanan and Andrew counties. The Honorable Patrick Robb serves as Presiding Judge.

The municipal division is governed by Chapter 479, RSMo, and by Supreme Court Rule No. 37. Supreme Court Rule No. 37.49 provides that each municipal division may establish a violation bureau (VB) in which fines and costs are collected at times other than during court and transmitted to the city treasury.

Operating Costs

The operating costs and court salaries of the municipal division are paid by the municipality.

Personnel

Municipal Judge	John Boeh
Court Administrator	Joanie Geesing
City Revenue Manager	Judith Hovey

The municipal division also employs one part-time and three full-time employees to assist with transactions.

Financial and Caseload Information

	<u>Year Ended June 30,</u>	
	<u>2007</u>	<u>2006</u>
Receipts	\$1,361,160	1,238,110
Number of cases filed	21,585	19,642