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CITIZENS SUMMARY

Findings in the audit of the City of St. Louis - Office of the Circuit Attorney

Background

In January 2018, the City of St. Louis Board of Aldermen requested the State Auditor's Office (SAO) conduct a comprehensive audit of the city. Pursuant to that request, the audit of the Circuit Attorney's office (CAO) began on June 23, 2021. The Office of the Circuit Attorney is an elective office for the City of St. Louis.

From the beginning of the audit, the SAO met resistance from former Circuit Attorney Kim Gardner (FCA), who acted to prevent the SAO from conducting the audit. The FCA required all SAO requests for records be made to the First Assistant Circuit Attorney (FACA) who, along with other office representatives, repeatedly ignored or delayed responding to SAO requests for the next 2 years and only responded after being subpoenaed. The CAO also provided limited information, denied onsite access needed to conduct interviews and perform audit work, and unnecessarily redacted documentation. Full access to documents, personnel, and the office itself was only given after the new administration took over in May 2023. As a result, the audit was significantly delayed.

Efficiency and Effectiveness of Operations

During the FCA's tenure, the number of cases referred, filed, and closed significantly declined while the time to prosecute the reduced caseload significantly increased. Additionally, the CAO refused prosecution for significantly more cases than the prior administration. CAO personnel, on average, refused approximately 59 percent of referred cases, which is an increase of approximately 40 percent from the average percentage of cases refused by the prior administration. Under the FCA, it took office personnel significantly longer to file charges and significantly fewer cases were filed. The number of cases filed decreased from an average of 4,666 cases per year during the prior administration to only 2,529 cases per year during the FCA's tenure. CAO personnel took, on average, approximately 463 days to dispose of a case, which was significantly higher than the prior administration's average of approximately 293 days and the current administration's average of 142 days. In addition, the CAO did not dispose of 95 percent of felony cases within 14 months of case filing, as recommended by the Missouri Supreme Court.

The FCA did not devote her full time to the CAO as required. Instead, she took classes and completed clinical coursework to obtain a Family Nurse Practitioner, Post-Master's Certificate from Saint Louis University (SLU). This contributed to the lack of leadership at the CAO, caused the FCA to miss important case appearances, and prevented the FCA from fulfilling her statutory mandate. Based on the information provided by SLU, there were 40 separate instances (29 full days and 11 half days) in which the FCA spent time during normal CAO business hours completing clinical coursework. This equates to 34.5 working days, or approximately 7 weeks, away from her circuit attorney duties.

During the FCA's administration, a significant number of CAO personnel left employment, which contributed to the decline in the efficiency and effectiveness of the office. At the beginning of her tenure, the FCA had 141 employees. By May 2023, the office had only 89 employees, a 37 percent decline.

Disbursements

The FCA authorized reimbursements to herself totaling \$6,688 for personal legal fees. These payments were approved by the FCA and the Chief Clerk. When asked, CAO officials indicated the reimbursements were approved at the direction of the FCA. In August 2022, the Supreme Court of Missouri found the FCA violated the Rules of Professional Conduct during her prosecution of former Governor Eric Greitens. The Court assessed the FCA fines of \$5,004 and the FCA made 4 payments to the Court totaling this amount. On July 23, 2024, the FCA signed a diversion agreement with the United States Attorney's office, accepting responsibility for the misuse of more than \$5,000 in public funds and agreed to pay back the \$5,004 to the CAO. The FCA also directed the CAO to reimburse her for two payments totaling \$1,684 to the Missouri Supreme Court for *pro hac vice* fees associated with the petition for quo warranto filed by the Missouri Attorney General's office.

CAO officials issued 64 checks, totaling \$58,482, for disbursements from the Contingency account that were not allowed by state law. These purchases included food, flowers, disc jockey services, wall art, party and community meeting location rentals, a Sam's Club membership, chili cook-out supplies, Sunshine Law violation fines, car detailing, employee plaques, personal legal expenses, a new CAO website, and credit card late fees and interest charges. In addition, the CAO has not established any guidance or policies about food or entertainment purchases.

CAO personnel could not locate some or all of the supporting documentation for 47 of the 173 Contingency bank account disbursements reviewed, totaling \$10,639, and personnel did not retain/maintain adequate documentation to support 57 of the 160 credit card purchases reviewed, totaling \$8,652. In addition, CAO officials and personnel have not disbursed approximately \$15,600 in asset and bond forfeiture payments to the city's School Building Revolving Fund, and delayed an additional \$8,904 in similar payments to the fund.

Accounting Controls and Procedures

As a result of accounting control weaknesses, CAO officials and personnel do not know how much money should be in the bank accounts or who is owed the unidentified money in the Restitution and Bad Check bank accounts. CAO personnel do not reconcile the Restitution and Bad Check bank accounts, and do not maintain book balances or lists of liabilities for the accounts. CAO personnel do not follow up on old outstanding checks in the Restitution bank account. As of May 16, 2023, 63 checks, totaling \$10,417, issued from June 29, 2021, through April 28, 2022, had been outstanding for more than a year. CAO personnel incorrectly recorded in the accounting system the check number for 97 percent of the restitution checks the audit reviewed. This complicated the limited bank reconciliation process for CAO staff and made it more difficult to detect errors. CAO personnel do not account for the numerical sequence of receipt slips and some deleted transactions were not reviewed. The clerk that receipts and records payments also has the ability to delete transactions in the accounting system.

Procurement Procedures	CAO officials did not solicit bids or proposals for goods and services as required, and did not maintain documentation to support procurement decisions. The audit identified 11 CAO vendors that provided services during the audit period and were paid a total of \$1,926,924 that should have been competitively procured. However, CAO personnel were unable to provide any documentation of a competitive selection process for any of the vendors. In addition, the FCA did not establish policies and procedures for the selection of vendors providing goods and services.
Seized Property	CAO personnel do not maintain a complete and accurate seized property inventory listing and do not conduct periodic physical inventories of seized property. Of 30 haphazardly selected seized property items from the 4,426 items on the seized property list, CAO personnel could not locate 1 of the items (3 percent). Of 30 haphazardly selected seized property items from property rooms, 3 of the items could not be located on the seized property listing (10 percent). Additionally, the CAO has not disposed of old seized property timely, nor have personnel responded timely to requests from other agencies for disposal of seized property.
Capital Assets	The CAO does not have procedures to ensure employees return office equipment upon termination as required by policy, and some employees did not return items. The former FACA did not return her office laptop computer until December 2023, after the SAO issued a subpoena in November 2023 ordering her to appear and produce all CAO-related information and property in her possession. She resigned in May 2023, 7 months before returning her property to the CAO. The CAO was unaware the laptop computer was missing. CAO personnel do not maintain complete capital asset records or conduct annual physical inventories of assets such as computers and cell phones.
User Access, Identifications, and Passwords	CAO attorneys share CaseNet user identifications and passwords with trial support staff and other office employees, who often enter information into the CaseNet system on behalf of the attorneys in the office. There are no controls or policies in place to limit case access to only those employees assigned to a particular case. Instead, personnel maintain a list with the login credentials of all attorneys. During recorded interviews, several attorneys stated case dismissals and nolle pros judgements were entered on their cases in the CaseNet system without their knowledge.

In the areas audited, the overall performance of this entity was **Poor**.*

*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.



Recommendations in the audit of the City of St. Louis - Office of the Circuit Attorney

Efficiency and Effectiveness of Operations

The Circuit Attorney:

- 1.1 Ensure cases are processed as timely as possible and in accordance with state standards and establish performance measures to assess the efficiency and effectiveness of the office.
- 1.2 Work full time to discharge his/her official duties as required by statute.
- 1.3 Ensure staffing is sufficient and proper hiring and training processes are in place for all staff levels.

Disbursements

The Circuit Attorney:

- 2.1 Continue efforts to recover misspent funds from the former Circuit Attorney (FCA) and ensure future reimbursements are appropriate.
- 2.2 Establish controls to ensure Contingency account disbursements are allowable and work with the city Treasurer to maintain the fund within the city treasury.
- 2.3 Establish policies and procedures to ensure adequate supporting documentation is maintained for all disbursements and retain all records in accordance with state law.
- 2.4 Ensure all disbursements are a reasonable and prudent use of public funds. Additionally, develop a comprehensive policy regarding food and other purchases.
- 2.5 Establish controls to ensure forfeiture payments are distributed as required.

Accounting Controls and Procedures

The Circuit Attorney:

- 3.1 Establish controls and procedures to ensure bank reconciliations are prepared, accurate cumulative book balances are maintained, and lists of liabilities are prepared and reconciled to book balances. Any amount that cannot be identified should be turned over to the Missouri State Treasurer's Unclaimed Property Division in accordance with state law.
- 3.2 Establish procedures to routinely investigate outstanding checks. Old outstanding checks should be voided and reissued to payees that can be readily located. If the payee cannot be located, the funds should be disbursed in accordance with state law.

- 3.3 Ensure accounting records are accurate, including check numbers entered, and correct inaccurate records.
- 3.4 Ensure personnel account for the numerical sequence of receipt slips and deleted receipt slips are supported by documentation and independently reviewed.

Procurement Procedures The Circuit Attorney formally adopt city procurement policies and procedures or establish office specific procurement policies and procedures that comply with state law. Policies and procedures should include documentation requirements for bids or proposals received and the justification for the vendor selected.

Seized Property The Circuit Attorney:

- 5.1 Establish procedures to maintain complete and accurate seized property inventory records, ensure a periodic inventory is conducted and reconciled to the seized property inventory records, and investigate any differences. In addition, the Circuit Attorney should ensure resources are sufficient to adequately track and monitor seized property.
- 5.2 Ensure appropriate resources are available to dispose of seized property timely and timely file disposal requests from other law enforcement agencies with the court.

Capital Assets The Circuit Attorney establish policies and procedures to ensure employees return all office property upon termination of employment, asset records are complete, and annual inventories are conducted. The Circuit Attorney should also ensure unaccounted for items are investigated, and take necessary action to recover any missing assets.

User Access, Identifications, and Passwords The Circuit Attorney establish controls and procedures to limit CaseNet access in accordance with the court operating rules.