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CITIZENS SUMMARY

Findings in the audit of the Seventeenth Judicial Circuit, Cass County

Corrective Action

The court discovered \$36,743 missing and through the Sheriff's office recovered \$30,069 in checks and money orders from a deputy clerk. The deputy clerk pleaded guilty to felony stealing, was sentenced to 30 days in jail, and was ordered to pay \$6,674 in restitution. After the court discovered missing monies, the Office of the State Court Administrator (OSCA) conducted a review and identified several accounting control deficiencies. The former Circuit Clerk did not respond to and took little corrective action to implement the OSCA recommendations. Subsequently, the former Circuit Clerk was suspended for failure to perform her duties and later resigned. She also withdrew her candidacy for another term in office in exchange for the Missouri Attorney General's office dropping a civil lawsuit and misdemeanor criminal case against her.

Accounting Controls and Procedures

The Circuit Clerk's office has not adequately segregated accounting duties or limited user access rights in the Judicial Information System (JIS), and adequate supervisory reviews of accounting records are not performed. The court does not record monies received in the mail on a mail log, checks received are not restrictively endorsed immediately upon receipt, and the Probate Clerk does not immediately issue receipt slips for monies received. The Circuit Clerk's office does not perform monthly bank reconciliations of the JIS account and has not timely resolved reconciling items identified by the OSCA. The Circuit Clerk's office has not established procedures to follow up on outstanding checks, and interest earned on two certificates of deposit has not been recorded in the JIS. Personnel independent of the receipting process do not review non-monetary and adjusting transactions in the JIS, and supporting documentation for these types of transactions is not always adequate. Total accrued costs owed to the court totaled \$7.4 million as of January 28, 2014, but the Circuit Clerk's office does not review accrued case costs and the court's formal plan for debt is incomplete and has not been updated since January 2012. The former Circuit Clerk did not review cases with liabilities to ensure monies were disbursed in a timely manner, and, as of December 31, 2013, the court was holding \$275,237 on cases that have been disposed. The Circuit Clerk's office maintains three inactive bank accounts which should be closed, and the former Circuit Clerk failed to pay some invoices for goods and services in a timely manner. The Circuit Clerk's office has not developed formal policies and procedures related to voided checks, and 3 voided checks for which stop-payment orders were not issued later cleared the bank.

Case Disposition

Court personnel do not always properly record the final disposition of each case in the JIS and do not periodically review the report of open cases. Ten of the 25 (40 percent) suspended cases we reviewed should have been disposed because judgment was made and the related costs were satisfied.

Law Library	The court has not adequately segregated accounting duties. The Acting Circuit Clerk performs all accounting duties related to the law library bank account and financial activities without an independent review. In addition, court personnel do not maintain an inventory list of law library materials and could provide no documentation that physical inventories were performed.
Missing Records	The former Circuit Clerk hired temporary employees to purge and scan court records but did not properly train or supervise these temporary employees. As a result, court personnel cannot locate numerous documents previously contained in case files.
Juvenile Office Reconciliation Procedures	The Juvenile Officer does not properly identify and resolve monies remaining in the account at the end of the month. The bank account should have a zero balance after each disbursement, but the office collected \$545 more in restitution than ordered from a defendant and overpaid a victim \$187, resulting in a balance of \$358.

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.

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