



Thomas A. Schweich
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of the Prosecuting Attorneys' and Circuit Attorneys' Retirement System

Monitoring of Surcharge Contributions

The Prosecuting Attorneys' and Circuit Attorneys' Retirement System (PACARS) Board of Trustees (Board) lacks adequate controls and procedures to ensure all surcharge contributions are received from courts. The Board receives contributions consisting of 1) a monthly fixed dollar amount from individual counties and the City of St. Louis and 2) a \$4 surcharge assessed on each criminal case filed in the state. The PACARS received surcharges of approximately \$893,000 in 2014 and approximately \$916,000 in 2013, representing approximately 60 percent of total contributions each year. The Office of the State Courts Administrator (OSCA) maintains statewide records of surcharges collected by most courts on the Judicial Information System; however the Executive Secretary has not requested this information from all courts or the OSCA.

Board of Trustees

The Board does not always follow Sunshine Law requirements relating to board meeting minutes and notices. The Board did not prepare meeting minutes for the second quarter meetings of 2012, 2013, and 2014; and did not prepare and/or post notices and related agendas for the second quarter meetings, or the first quarter meeting for 2014. In addition, meeting minutes are not prepared and approved timely. The Board did not meet quarterly as required by state law. The Board met 3 times per year during 2012, 2013, and 2014 (through August 2014). The Board lacks policies and procedures to ensure board members represents varied and balanced interests. Board members as of December 2014 included 3 prosecutors, 1 retired prosecutor, and 1 vested former prosecutor.

Executive Secretary

The Board lacks adequate oversight of the Executive Secretary, who administers the plan from her home. The Board does not have a formal written employment contract with the Executive Secretary and has not formally documented her job duties. In addition, the Board does not require that she complete and maintain records of time worked and leave taken. The Executive Secretary indicated she works from 20 to 50 hours a week and the Board Chair indicated that the Board expects the Executive Secretary to work as needed to conduct plan business, but has no other specific expectations regarding her work schedule.

Professional Services
Contracts

The Board has not periodically solicited proposals for any professional service providers. The Board has contracted with the same actuarial consultant, attorney, bank, auditor, legislative consultant, and accountant for up to 20 years. Neither the Executive Secretary nor the Board adequately monitors payments to professional service providers. Invoices from the actuarial consultant and accountant lacked adequate detail and the Executive Secretary had not retained a schedule of the accountant's rates. Auditors determined the attorney slightly overbilled the system.

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

*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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