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CITIZENS SUMMARY

Findings in the audit of Carl Junction Municipal Court

Missing Funds and Other Questionable Transactions	Based on discrepancies identified by the municipal judge, city officials requested the State Auditor's Office perform an audit of the municipal court. The audit found at least \$65,373 in recorded cash receipts were not deposited and are missing. In addition, another \$31,141 may be missing based on various discrepancies in case files, along with the former court clerk's failure to follow the municipal judge's orders related to warrants and driver license suspensions. The court clerk, who was primarily responsible for all court duties and record keeping, was terminated in June 2014. The Missouri State Highway Patrol is investigating.
Accounting Controls and Procedures	The municipal division has not adequately segregated the duties of receiving and recording receipts, depositing monies, and updating court records, and has not established adequate supervisory reviews to detect errors and irregularities. The municipal division has not established proper controls or procedures for issuing manual receipt slips or accounting for bonds received from the police department. There are no procedures in place to review and collect fines and court costs due on tickets. Voided receipt transactions are not properly documented and appropriate procedures do not exist for independent review and approval of these transactions.
Electronic Data Security	Password controls to reduce the risk of unauthorized access to computers and electronic data have not been established. The former court clerk and the office clerk used the same user identification and password to enter payments received into the computerized system. In addition, employees are not required to periodically change their passwords.
Municipal Division Procedures	The municipal division does not file a monthly report of cases heard with the city. In addition, the city did not file its 2014 financial statement with the State Auditor's Office, including the percent of general operating revenue from fines and court costs for traffic violations, as required by law.

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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