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CITIZENS SUMMARY

Findings in the audit of Leadington Municipal Division

Accounting Controls and Procedures	The division lacked adequate controls and procedures to ensure money collected by the court was properly recorded and transmitted for deposit. The municipal judge and city personnel did not perform adequate supervisory or independent reviews of the accounting functions and records of the court clerk, the municipal division's only employee. The division did not prepare monthly lists of liabilities for comparison to bank account balances and was unable to determine the proper disposition for over \$3,300 held in an inactive bond bank account and over \$3,000 in the municipal division bank account, increasing the risk of misuse of funds. The clerk also did not periodically review accrued costs owed to the municipal division.
Municipal Division Procedures	Auditors identified case information for 178 cases was not included in monthly reports to the Office of State Courts Administrator because the division failed to detect coding errors in the case management system. The division did not assess court costs according to state law and the city lacked an ordinance for collection of a \$1 Judicial Education Fund fee. The division did not have procedures to review and approve adjustments to amounts owed by defendants or documentation to support all adjustments. The municipal judge did not approve the final disposition of all cases and the prosecuting attorney did not always clearly document his approval of dismissed tickets. The division did not require passwords be changed periodically to restrict access to computers and data.
Ticket Accountability	The city police and municipal division lacked procedures to adequately account for all traffic tickets issued. Auditors identified two missing ticket books, both of which had been issued to former police officers.
Monitoring of Excess Revenues	The division lacked adequate procedures to calculate revenue from traffic violations to determine excess revenues owed to the Missouri Department of Revenue. The city initially prepared calculations that would have understated traffic violation revenues and overstated general operating revenues but corrected those calculations, timely reported, and paid \$7,891.

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

*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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