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CITIZENS SUMMARY

Findings in the audit of Pine Lawn Municipal Division

Accounting Controls and Procedures	The municipal division lacks adequate procedures to ensure all electronic payments received are deposited. The division uses a vendor to process electronic payments. The vendor notifies division personnel when payments are made and direct deposits the payments into the city's bank accounts. Auditors identified \$15,200 in bond receipts recorded between February 17, 2015, and February 2, 2016, that were not deposited into the bond bank account until after our inquiry because of a processing error that went undetected. The division also does not prepare accurate bank reconciliations for the bond account and has inadequate procedures to follow up on outstanding checks. The court administrator does not generate a monthly list of liabilities (open bonds) for comparison to the reconciled bond bank account balance and is unable to identify open bonds comprising the account balance. Division personnel do not adequately monitor accrued costs owed to the court, including fines and court costs, and there is no follow-up on pending cases not transferred to the new case management system.
Municipal Division Procedures	Municipal division records are not maintained in an accurate, complete and organized manner. Division personnel could not locate 3 of 60 case files requested during the audit, and some files lacked necessary records, such as tickets, dockets, or warrants. The Prosecuting Attorney does not sign all tickets processed by the division, and his approval of amended or dismissed tickets is not always documented. The police department also collects a \$10 bond processing fee, but state law does not allow for this fee.
Ticket Accountability	The city police department and municipal division lacked procedures to adequately account for all tickets issued and could not locate 17 of 25 missing tickets selected for review from approximately 640 tickets that were unaccounted for during the audit period.
Monitoring of Excess Revenue	The city failed to accurately calculate excess revenues from traffic violations, and based on auditors' calculations, more than \$400,000 should be remitted to the Department of Revenue for the fiscal year ended June 30, 2015.
Vehicle Stop Reporting	The city did not retain adequate records to support 2014 vehicle stop data submitted to the Attorney General's Office, and auditors could not review the accuracy of the data submitted.

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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