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CITIZENS SUMMARY

Findings in the audit of Huntsville municipal division

Accounting Controls and Procedures	Accounting controls and procedures need improvement. Neither the Municipal Judge nor city personnel perform adequate supervisory or independent reviews of accounting functions and records maintained by the division's one employee. The Court Clerk does not always deposit receipts timely and intact or receipt monies timely. Auditors identified multiple receipts held more than a week and found that some deposits included monies that had not been receipted. The division has not established procedures to maintain a listing of liabilities (open bonds), review the status of open bonds held in the municipal bank account, and ensure bond monies are disbursed timely. The division also does not have adequate procedures to monitor and review accrued costs owed to the court, including fines, court costs, and fees.
Municipal Division Procedures	Municipal division procedures need improvement. The division assesses a potentially improper warrant and contempt fees (\$25 each) for failure to appear in court and/or pay amounts due. According to municipal division records, warrant and contempt fees totaled \$350 for year ended June 30, 2015. Additionally, case files are not maintained in a complete and accurate manner. Auditors found that files did not always indicate the warrant fee or contempt fee when added to the fine and court cost amount and did not always include updated information such as plea agreements being reached.
Monitoring of Excess Revenues	The municipal division does not have procedures in place to identify minor traffic violation tickets and the associated fines and court costs collected. In addition, city procedures to calculate whether excess revenues are due to the Department of Revenue (DOR) are not adequate to ensure compliance with state law. City officials calculated no excess revenues were due to the DOR for the year ended June 30, 2015, but failed to retain documentation to support the numbers used in the calculation and the calculation may be inaccurate.

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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