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CITIZENS SUMMARY

Findings in the audit of Linn Creek Municipal Division

Accounting Controls and Procedures	Accounting controls and procedures need improvement. The division employs one person who collects, records, and posts court monies to the case management system, creating a need for supervisory or independent reviews of accounting records. However, neither the Municipal Judge nor city personnel perform independent reviews. The Court Clerk does not prepare accurate bank reconciliations and does not follow up on reconciling items identified. Auditors found a shortage of \$407 in a division bank account but also identified a payment of \$410 that needed to be reimbursed to the division by the city. The Court Clerk does not periodically review accrued costs owed to the municipal division, including fines and court costs. As of March 17, 2016, accrued costs totaled \$7,669 in the case management system.
Municipal Division Procedures	The division does not file a monthly report of cases with the city. Fee adjustments in the case management system are not always properly documented, and the division has not established procedures for independent review and approval of such transactions. In a review of 59 fee adjustments, auditors identified six cases without a written judicial order. A final docket showing case activity and disposition is not printed and provided to the Municipal Judge. As a result, the Municipal Judge does not review and approve the final disposition of tickets paid through the violations bureau. The Court Clerk was unable to locate 3 of 80 case files we requested. The division and the police department did not work together to adequately account for all tickets issued. Forty of 570 tickets were not accounted for on the court clerk's log. Auditors also identified inadequate password controls for division computers.
Monitoring of Excess Revenue	The city failed to accurately calculate excess revenues from traffic violations, and based on auditors' calculations, \$12,576 should be remitted to the Department of Revenue for the fiscal year ended June 30, 2015.

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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