



Thomas A. Schweich
Missouri State Auditor

Thirty-Eighth Judicial Circuit

City of Forsyth Municipal Division



February 2012
Report No. 2012-15

<http://auditor.mo.gov>



CITIZENS SUMMARY

Findings in the audit of the Thirty-Eighth Judicial Circuit, City of Forsyth Municipal Division

Municipal Division Procedures

The City Prosecuting Attorney did not sign traffic tickets submitted to the municipal division; instead, the Court Clerk used a stamp of his signature. The Municipal Judge approved a summary report of new cases heard but did not always sign court dockets after case dispositions were recorded, and the Court Clerk was allowed to amend certain speeding violations without the supervision or approval of the Prosecuting Attorney or Municipal Judge, which increases the risk tickets or monies will be mishandled. The Court Clerk was allowed to recall warrants using a facsimile of the Municipal Judge's signature and could contact an arresting law enforcement agency to request the release of a defendant on his/her own recognizance. Receipts were not always deposited on a timely basis, and the accounts receivable list maintained by the Court Clerk was not always accurate.

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

American Recovery and Reinvestment Act (Federal Stimulus)

The Thirty-Eighth Judicial Circuit, City of Forsyth Municipal Division, did not receive any federal stimulus monies during the audited time period.

*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.

Thirty-Eighth Judicial Circuit

City of Forsyth Municipal Division

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THOMAS A. SCHWEICH

Missouri State Auditor

Presiding Judge
Thirty-Eighth Judicial Circuit
and
Municipal Judge
City of Forsyth, Missouri

We have audited certain operations of the City of Forsyth Municipal Division of the Thirty-Eighth Judicial Circuit in fulfillment of our duties under Chapter 29, RSMo. The scope of our audit included, but was not necessarily limited to, the year ended August 31, 2011. The objectives of our audit were to:

1. Evaluate the municipal division's internal controls over significant financial functions.
2. Evaluate the municipal division's compliance with certain legal provisions.

Our methodology included reviewing written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the municipal division, as well as certain external parties; and testing selected transactions. We obtained an understanding of internal controls that are significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the municipal division's management and was not subjected to the procedures applied in our audit of the division.

For the areas audited, we identified (1) deficiencies in internal controls and (2) no significant noncompliance with legal provisions. The accompanying Management Advisory Report presents our findings arising from our audit of the City of Forsyth Municipal Division of the Thirty-Eighth Judicial Circuit.

A petition audit of the City of Forsyth, fulfilling our obligations under Section 29.230, RSMo, is still in process, and any additional findings and recommendations will be included in the subsequent report.

A handwritten signature in black ink that reads "Thomas A. Schweich". The signature is fluid and cursive, with the first name "Thomas" being the most prominent.

Thomas A. Schweich
State Auditor

The following auditors participated in the preparation of this report:

Deputy State Auditor:	Harry J. Otto, CPA
Director of Audits:	Alice M. Fast, CPA, CGFM, CIA
Audit Manager:	Pamela Allison Tillery, CPA
In-Charge Auditor:	Natalie B. McNish, CGAP

Thirty-Eighth Judicial Circuit

City of Forsyth Municipal Division

Management Advisory Report - State Auditor's Findings

1. Municipal Division Procedures

Municipal division procedures related to case dispositions, warrants, depositing, and accounts receivable need improvement.

1.1 Case and ticket disposition

The city Prosecuting Attorney does not sign traffic tickets submitted to the municipal division, and allows the Court Clerk to stamp his signature on the traffic tickets.

In addition, the Municipal Judge does not always sign court dockets after case dispositions are recorded. While the Municipal Judge approves a summary report of new cases heard at each court date documenting the name of defendant, traffic ticket number, case number, offense, and disposition, if applicable, this report is not complete. This report does not always document cases heard which have been continued from a previous court date.

The Court Clerk is also allowed to amend speeding violations to non-moving violations for defendants with clean driving records. Neither the city Prosecuting Attorney nor the Municipal Judge provide adequate oversight or document their approval of this process to ensure tickets are handled properly. Without better oversight over the disposition of tickets written, the risk of improper handling of tickets and related monies increases.

Missouri Supreme Court Rule 37.35 states citations shall be in writing and signed by the prosecutor and filed with the municipal division. To ensure the proper disposition of all cases has been entered in the municipal division records, the Municipal Judge should sign the docket to indicate approval of the recorded disposition, and the Prosecuting Attorney should sign or initial all amended tickets indicating approval.

1.2 Warrants

The municipal division could not provide documentation showing the Municipal Judge authorized the recall of warrants or the release of defendants from jail, when bonding requirements were not met.

The Court Clerk, who is also responsible for collecting and depositing municipal division receipts, is allowed to recall warrants using a facsimile of the Municipal Judge's signature. The Municipal Judge issues warrants for defendants requiring the payment of a cash bond or a security bond. If the defendant is unable to post bond when the warrant is served, the Court Clerk is allowed to contact the arresting law enforcement agency and request the release of a defendant on their own recognizance.

To ensure warrants are properly recalled and bond requirements met, the Municipal Judge should sign all orders to recall warrants and document his approval of the release of a defendant, when bonding requirements are not met.



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1.3 Depositing

Receipts are not always deposited on a timely basis. During our review of receipts collected from June through August 2011, receipts were typically deposited once a week, and some cash receipts were held as long as 21 days before deposited. The failure to deposit timely increases the risk of theft or misuse of funds.

1.4 Accounts receivable

An accounts receivable list is maintained by the Court Clerk; however, it is not accurate. As of January 12, 2012, the accounts receivable list included 53 cases and totaled \$13,737. Our review of the 14 largest cases on the list (totaling \$8,091 or 59 percent) identified incorrect balances recorded for 3 of the cases. The list of balances did not always include board bills due.

An accurate list of accounts receivable would allow the Court Clerk and Municipal Judge to more easily review the amounts owed to the municipal division and take the appropriate steps to ensure all amounts owed are collected on a timely basis.

Recommendations

The City of Forsyth Municipal Division:

- 1.1 Ensure the city Prosecuting Attorney signs all traffic tickets, the proper disposition of cases is documented on the court dockets, and all court dockets are signed by the Municipal Judge. In addition, the municipal division should require the city Prosecuting Attorney to sign all amended tickets.
- 1.2 Require the Municipal Judge to document his approval of the recall of warrants and the release of defendants on their own recognizance.
- 1.3 Deposit monies in a timely manner.
- 1.4 Ensure the accounts receivable list is accurate.

Auditee's Response

The Municipal Judge provided the following written responses:

- 1.1 *I will ensure the City Prosecuting Attorney signs all tickets from this day forward. I will ensure the City Prosecuting Attorney signs all amended tickets and I will sign all dockets.*
- 1.2 *I will ensure I sign off on all recalled warrants and on defendants released on their own recognizance.*
- 1.3 *The Municipal Court Clerk and I will ensure deposits are made more timely.*



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- 1.4 *The Municipal Court Clerk has already updated the accounts receivable list.*

Thirty-Eighth Judicial Circuit

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Organization and Statistical Information

The City of Forsyth Municipal Division is in the Thirty-Eighth Judicial Circuit, which consists of Christian and Taney Counties. The Honorable Mark Orr serves as Presiding Judge.

The municipal division is governed by Chapter 479, RSMo, and by Supreme Court Rule No. 37. Supreme Court Rule No. 37.49 provides that each municipal division may establish a violation bureau in which fines and costs are collected at times other than during court and transmitted to the city treasury.

Personnel

At August 31, 2011, the municipal division employees were as follows:

Title	Name
Municipal Judge	Eric Eighmy
Court Clerk	Glenda Collins

Financial and Caseload Information

	Year Ended August 31, 2011
Receipts	\$22,972
Number of cases filed	305

American Recovery and Reinvestment Act 2009 (Federal Stimulus)

The City of Forsyth Municipal Division did not receive any federal stimulus monies during the year ended August 31, 2011.