



Office of Missouri State Auditor
Nicole Galloway, CPA

FOLLOW-UP REPORT ON AUDIT FINDINGS

City of St. Louis
Office of Treasurer

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City of St. Louis - Office of Treasurer

Follow-Up Report on Audit Findings

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NICOLE GALLOWAY, CPA
Missouri State Auditor

Honorable Tishaura O. Jones, Treasurer
City of St. Louis, Missouri

We have compiled the statuses of the audit report findings contained in Report No. 2008-97, *City of St. Louis, Office of Treasurer*, issued in December 2008, as part of our current audit of the City of St. Louis. These results were determined by city officials and have not been audited. We will evaluate each status and the procedures implemented to address the related audit findings as appropriate in our upcoming audit of the Office of Treasurer. The objectives of the follow-up compilation were to:

1. Provide status information from city officials for each recommendation. The status of each recommendation will be one of the following:
 - Implemented: Auditee fully implemented the recommendation, either as described in the report or in a manner that resolved the underlying issue.
 - In Progress: Auditee has specific plans to begin, or has begun, to implement and intends to fully implement the recommendation.
 - Partially Implemented: Auditee implemented the recommendation in part, but is not making efforts to fully implement it.
 - Not Implemented: Auditee has not implemented the recommendation and has no specific plans to implement the recommendation.
 - No Longer Applicable: The recommendation is no longer applicable.
2. Compile the information reported.

To obtain the status for each recommendation, we sent questionnaires to the Office of Treasurer that included a brief summary of each finding and recommendation, and requested the status of each finding and a brief description of the steps taken or planned to implement the recommendation or reason(s) why the recommendation has not been implemented or is no longer applicable. This report is a compilation of the information provided, which we received in May 2018.

Audits of various officials and departments of the City of St. Louis are in process, and any findings and recommendations will be included in the subsequent reports.

Nicole R. Galloway, CPA
State Auditor

City of St. Louis - Office of Treasurer

Follow-Up Report on Audit Findings

Status of Findings

Finding Title: Bank Accounts and Investments

Finding Number: 1.A.

Finding: The Treasury Division did not adequately document the competitive procurement of services for the deposit of city funds. The investment policy required the Treasurer to annually select financial institutions through a formal, competitive procurement process. However, the Treasury Division had not competitively procured the bank depositaries and the banks and accounts utilized by the Treasury Division had not changed in recent years.

Recommendation: The Treasurer's office periodically solicit formal bids or proposals for banking services and maintain adequate documentation of the factors considered and the decisions made.

Status of Finding: In Progress

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The Treasurer's office has met with the banks currently managing the city's largest accounts to identify potential savings. These meetings with the current city depositories have yielded over \$100,000 in potential savings in bank services. The Funds Committee meets annually to certify every bank that does business with the City of St. Louis after evaluating its lending data.

Per the Chief of Staff and Counsel, the Treasurer's office plans to issue a formal request for qualifications (RFQ) later this year for banking services.

Contact Person: Connie Johnson

Contact Phone Number: (314) 622-3510



City of St. Louis - Office of Treasurer
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Bank Accounts and Investments

Finding Number: 1.B.1.

Finding: The Treasury Division had not resolved old reconciling items in its accounts. The Dormant Account contained old unidentified monies from other bank accounts that were closed 10 or more years ago.

Recommendation: The Treasurer's office contact the payees and attempt to resolve the old outstanding checks and unidentified monies. If payees cannot be located, the amounts should be turned over to the state's Unclaimed Property Division. Old outstanding checks and unidentified monies should be followed up on and resolved timely.

Status of Finding: In Progress

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The Treasury Division works with other departments to get the necessary data to contact everyone that has outstanding checks before funds are submitted to the State of Missouri.

Per the Treasury Division Operations Director, the outstanding checks at the time of the 2008 audit (i.e., checks as of October 31, 2007) have been identified and/or sent to the State of Missouri as unclaimed property. There is a requirement to send unclaimed property to the state within 3 years of its issuance. Currently, the department has three types of outstanding checks and the status of each is as follows:

- Election Board and Jury Checks: Outstanding jury checks were submitted to the state in a timely fashion. Board of Election checks are still outstanding. The Treasury Division is working to address these outstanding matters.
- Payroll Checks: Some outstanding payroll checks were submitted to the state, but there still are several outstanding checks within this timeframe. The Treasury Division is currently working to address whether these outstanding checks were issued to the state, but may not have been properly recorded or reconciled. The Treasury Division is working to address this issue.
- Miscellaneous Withholding: Outstanding withholding checks were submitted to the state for calendar year 2011, but there is still one check outstanding for December 31, 2008. Currently, the Treasury Division is working on 13 checks for the period February 11, 2015, to December 31, 2015.

Contact Person: Connie Johnson
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City of St. Louis - Office of Treasurer
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Status of Findings

Finding Title: Bank Accounts and Investments

Finding Number: 1.B.2.

Finding: The procedures of the Treasury Division for posting electronic deposits to the daily ledger and contacting other departments about unremitted Receipt Coding Forms (RCFs) or adjustments related to those electronic deposits were not sufficient to ensure timely posting of those receipts. We noted several items recorded on the November 2007 bank reconciliation that had been electronically deposited into the clearing bank account, but were not posted to the daily ledger until at least a month or more later.

Recommendation: The Treasurer's office work with other city departments as necessary to ensure that receipts are promptly posted to or adjusted on the accounting ledgers.

Status of Finding: Partially Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Per the Treasury Division Account Manager, electronic receipts go to the city clearing account, which is the omnibus account that is used to pay many of the city's bills and tax increment financing payments. Most of the electronic receipts are related to the Grants Department regarding federal grants, but many of the receipts pertain to wire transactions initiated by the Treasury Division. The RCF is required to book the receipt to the accounting ledgers. The Treasury Division Accounting Manager notifies all departments by email when a receipt arrives.

If an RCF is not received by the Treasury Division within 1 week, the recommended practice is to contact the department by email. The Treasury Division has two dedicated staff who conduct research and provide the Comptroller's office with customer service regarding outstanding RCFs.

RCFs are also prepared by the departments and submitted to the Treasury Division for booking. To be more proactive and to keep books as accurate as possible, the Treasury Division has recently implemented a process where Treasury Division clerks print out the daily incoming wire transactions and list the department for which each respective wire transaction is assigned. The Treasury Division clerks give this information daily to the Cashier so she will know which wire transactions have been completed. However, it is the responsibility of the receiving department to prepare and submit the RCF to claim the funds. Thus, these wire transactions will not be booked until the Cashier receives an RCF. In this case, the Treasury Division will only reflect receipt of the wire transaction.

The Treasury Division has created documentation using Google Docs which lists all wire transactions that have been posted for the month. This document covers the outstanding wire transactions from the Treasury Division, as well as wire transactions that have been claimed by departments. This document is available for the Comptroller's office to review.

Contact Person: Connie Johnson
Contact Phone Number: (314) 622-3510



City of St. Louis - Office of Treasurer
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Status of Findings

Finding Title: Bank Accounts and Investments

Finding Number: 1.C.

Finding: The Treasury Division did not always promptly prepare bank reconciliations.

Recommendation: The Treasurer's office perform bank reconciliations timely for all accounts.

Status of Finding: In Progress

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Per the Treasury Division Operations Director, specific timeframes for reconciliation have not been assigned on each of the 33 accounts. However, the Accounting Manager has been directed to oversee the process, and all accounts are expected to be reconciled within 2 weeks after month end. As of the date of this response (May 2018), all accounts have been reconciled through December 31, 2017, except for the payroll and city clearing accounts. The ability to perform timely reconciliations for all City of St. Louis accounts requires an additional accountant clerk, which requires funding through the budget process.

Contact Person: Connie Johnson
Contact Phone Number: (314) 622-3510



City of St. Louis - Office of Treasurer
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Bank Accounts and Investments

Finding Number: 1.D.

Finding: The Treasury Division did not maintain adequate documentation to support investment decisions.

Recommendation: The Treasurer's office maintain documentation to support investment decisions.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The Treasury Division maintains a listing of investments in the general pool and for bonds by maturity. As instruments mature or a determination has been made internally that funds are needed, the Treasury Division will inquire about investment strategy/direction from the Comptroller's office via email. The Treasury Division will periodically inquire about investment strategy.

The Treasury Division relies on the city's contracted asset manager (PFM) to help make investment decisions for the city. PFM sends quarterly reports to the city. In certain situations, we reach out to PFM to request information about certain investments, losses and gains, etc. All desired changes are communicated to PFM from the Treasury Division via email. These emails are the documentation to support any investment decisions relating to the general pool and bond issues and are kept in the Comptroller's office. The Treasury Division also maintains emails and other documentation regarding all investments and we encourage the departments to do the same. The listing of investments is updated daily and maintained on the Treasury Division's shared drive.

All investment decisions relating to the St. Louis Lambert International Airport (Airport) are directly communicated from the Airport to PFM. The Treasury Division does not maintain any documentation of these decisions. The Water Division and Airport are required to make their own investment decisions, but they also work with the Treasury Division. The Treasury Division maintains copies of all trade tickets as well.

Contact Person: Connie Johnson
Contact Phone Number: (314) 622-3510



City of St. Louis - Office of Treasurer
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Segregation of Duties

Finding Number: 2.

Finding: Receipting procedures did not provide adequate control over monies received in the Treasury Division. The various city departments turned over collections of fees, taxes, and other monies received to the Treasury Division for deposit into city accounts. The remitting city departments documented each turnover on a RCF and a Form 449 and remitted these forms along with the collections to the cashier in the Treasury Division. The Treasury Division indicated these forms were not prenumbered due to the forms originating in multiple city departments. The Treasurer's cashier verified the cash and checks to the form, stamped the RCF paid, recorded a sequential number on the form, remitted one copy of the RCF to the Comptroller's office, and returned one copy of the RCF to the remitting department. These procedures appeared adequate to ensure monies recorded on the daily ledger were deposited; however, errors or irregularities could have occurred that would not have been detected by current procedures. Because the RCFs and Forms 449 were not prenumbered, but were instead assigned a sequential number by the cashier who received these forms directly from the remitting departments and deposited the cash, there was less assurance that all collections were posted to the daily ledger.

Recommendation: The Treasurer's office strengthen controls over monies collected in the Treasury Division.

Status of Finding: In Progress

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The Treasury Division has a two-tier approach to receipting procedures which ensures adequate control over monies. The first tier involves the Cashier who is responsible for the daily operations and management of the cash window. The Cashier reconciles daily receipts, prepares deposits, receipts and journalizes payments made by cash and checks received from departments and the public, and completes and issues official receipt slips for all revenues received, as well as counts and balances amounts received against the revenue receipt slips issued daily. The Cashier books all transactions with approved RCFs.

The second tier involves the Accountant who is responsible for bank reconciliations and fund investments, including General Ledger research and reconciliations for 33 bank and investment accounts. This position also serves as a back-up Cashier when necessary. Recently, the Treasury Division acquired a temporary Investment and Reconciliation Clerk who works directly with the Accountant. The addition to the team has helped the Treasury Division make significant progress in updating most reconciliations handled by the Treasury Division. Through this team effort, with the assistance of the Comptroller's office, account books have been and are currently being researched on a regular basis to ensure all outstanding issues are addressed. This process usually results in the preparation of RCFs and adjustments for wire and investment transactions. Upon approval of the RCFs and adjustments by the Account Manager or the Assistant Treasurer, RCFs and adjustments are submitted to the Cashier for booking purposes.

Another way the Treasury Division has worked to strengthen procedures is by working more closely with the Comptroller's office. The Treasury Division and the Comptroller's office meet on an average of once a month and as



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needed. This collaboration with the Deputy Comptroller and her team of accountants in conjunction with the Treasury Division's Accountant, Investment and Reconciliation Clerk, and Assistant Treasurer have been a check and balance on providing quality assurance and control over the city's deposits and receipts.

The Treasurer's office requires each department to perform monthly reconciliations to ensure all funds have been posted.

Contact Person: Connie Johnson
Contact Phone Number: (314) 622-3510



City of St. Louis - Office of Treasurer
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Expenditures

Finding Number: 3.A.1.

Finding: The Treasurer's office did not execute written agreements for the services paid from bond proceeds related to parking projects. Additionally, the advisors remitted the invoices directly to the bond trustee for payment, and the Treasurer did not document or maintain evidence of formal approval of the payments. Furthermore, the invoices noted only the total amount due and provided no detail as to how the amount due was derived. For the 2006 bond issuance, the Treasurer's office contracted with one of the financial advisors to assist with the bond issuance and other matters for \$48,000 for one year. The Parking Division subsequently made monthly payments to the advisor totaling \$48,000 from the Parking Fund. Additionally, the advisor invoiced the bond trustee directly and received another payment totaling \$37,000 from the proceeds of the 2006 bonds. Consequently, it appears the advisor received \$37,000 more than he was entitled to under the terms of the contract.

Recommendation: The Treasurer's office execute written contracts for financial advisory services on bond issuances, document approval of related invoices, and ensure amounts paid are consistent with the contract terms. Additionally, the Treasurer should review the payments to the financial advisors and consider obtaining repayment for any amounts paid in excess of agreed-upon terms.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Per the Chief of Staff and Counsel, written contracts are in place for all current financial advisory services. Financial advisory services are paid a flat fee on a monthly basis specified by contract, which simplifies oversight over such payments. The contracts are placed on the executive drive and are accessible for review by all pertinent parties. Although financial advisory services are paid a flat fee, invoices are submitted for all payments. They are reviewed by the Chief Financial Officer (CFO), vouchered for payment, and submitted to the Treasurer, Chief of Staff, and Counsel for approval. Once approved, they are resubmitted to the Fiscal Department's Accounting Clerk II, who begins the cycle of payment with the Comptroller's Accounting Services Section. The advisory services were awarded after issuing a competitive request for proposal (RFP) or RFQ. Additionally, the Treasurer issued an RFQ for underwriters in 2015. The Treasurer ultimately selected three different firms to potentially serve as underwriters for bond issuances.

The current procedure that we have in place of the CFO reviewing all invoices before they are sent to the bond trustee for payment should prevent overpayment. If an overpayment should occur, the Parking Division will attempt to recoup funds from the vendor through reduction of current payments or seek legal action. We do not retain copies of invoices for financial advisory services that are paid by the bond trustee.

Contact Person: Jared Boyd
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City of St. Louis - Office of Treasurer
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Status of Findings

Finding Title: Expenditures

Finding Number: 3.A.2.

Finding: The Parking Division made payments to an advisor from the Parking Fund for ongoing financial advisory services based upon invoices that were not detailed.

Recommendation: The Treasurer's office require adequately detailed invoices for ongoing financial advisory services.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Per the Chief of Staff and Counsel, the current contracts for advisory services are at fixed rates. Any changes in services and/or financial advisors that would deviate from a fixed rate would require detailed invoicing.

Contact Person: Jared Boyd
Contact Phone Number: (314) 612-1478



City of St. Louis - Office of Treasurer
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Status of Findings

Finding Title: Expenditures

Finding Number: 3.B.

Finding: As of May 2008, the Treasurer's office had not installed a new payroll/personnel system that was acquired in December 2007 and some of the warranties had already expired.

Recommendation: The Treasurer's office install the automated payroll/personnel system promptly. Future equipment purchases should be installed in a timely manner.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The automated payroll/personnel system that was purchased in December 2007 was installed under the previous administration in 2009. That system became outdated and obsolete. The NOVAtime 5000 Workforce Management Solution was purchased in February 2016. The system and equipment were installed promptly and the system was fully implemented on August 7, 2016.

Contact Person: Shirley Rukcic
Contact Phone Number: (314) 612-1475



City of St. Louis - Office of Treasurer
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Status of Findings

Finding Title: Expenditures

Finding Number: 3.C.

Finding: The Treasurer's office did not have a formal procurement policy. As a result, the decision of whether to solicit bids/proposals for a particular purchase was made on an item-by-item basis.

Recommendation: The Treasurer's office establish formal procurement policies and procedures, including documentation requirements regarding the bids or proposals received and justification for the vendor selected.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Per the Chief of Staff and Counsel, the Treasurer's office utilizes the RFP process for procuring professional services. Additional guidelines have been established this year regarding the minimum dollar amount required to justify utilizing the RFP process. Our office has issued RFPs or solicited bids for financial advisory services, financial management services, feasibility studies, and engineering services, which were identified in the 2008 audit. Our office has not issued formal RFPs for legal services based upon inheriting several cases from the previous administration. The law firms utilized by the Treasurer's office tend to have either specialized knowledge or institutional history with the office.

A minimum of three proposals are required, and if three proposals are not obtained, the office must issue another RFP. The Executive Committee will evaluate the proposals, which will include a financial analysis for due diligence as a part of the selection process. The RFP process is not utilized for nonprofessional services.

Contact Person: Jared Boyd
Contact Phone Number: (314) 612-1478



City of St. Louis - Office of Treasurer
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Expenditures

Finding Number: 3.D.

Finding: The Treasurer's office did not execute formal written contracts for legal services, engineering services, and feasibility study services.

Recommendation: The Treasurer's office execute formal written agreements for services received.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Per the Chief of Staff and Counsel, there are formal written agreements for current services being rendered. These contracts are on the executive drive and are accessible for review by all pertinent parties. These written agreements are to be finalized, signed, and placed on the executive drive prior to the start of any services being rendered.

Contact Person: Jared Boyd

Contact Phone Number: (314) 612-1478



City of St. Louis - Office of Treasurer
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Euclid/Buckingham Garage

Finding Number: 4.A. and 4.B.

Finding: The Parking Division did not ensure a developer complied with contract terms regarding invoicing and payment for the Euclid/Buckingham garage construction. The Parking Division did not require the developer to provide documentation of construction progress as a basis for requesting payment. The Parking Division processed the payments to the developer without applying a \$500,000 credit for the sale of the air rights.

Recommendation: The Treasurer's office ensure staff responsible for monitoring projects and approving invoices are aware of significant contract terms and make no further payments to the developer without documentation of construction completion and lien waivers. Subsequent payments should be linked to the documented percentage of construction completed. Additionally, amounts paid to the developer should be net of the \$500,000 air rights credit.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Per the Parking Administrator, the Treasurer's office has begun utilizing the services of outside independent project managers that will work in conjunction with the Facilities Manager for construction projects on a more systematic basis. For example, the most recent construction project was for Cupples #7 and the project manager was Kwame Building Group.

A timeline is provided that indicates construction progress and payment requirements, in conjunction with the contract. Updates are given to the Chief of Staff, Counsel, and Parking Administrator. Project information is uploaded to the My Smart Plans system for review. All signed and executed contracts are on the executive network drive for access. It is required that lien waivers be provided by each contractor. Invoices are presented for payment, along with an Application and Certificate for Payment, that indicates the portion of the contract that has been completed. This is approved by the Facilities Manager, the Chief of Staff, Counsel, or Parking Administrator before submission to the Fiscal Department for payment. The Fiscal Department ensures all pertinent documents have been prepared and executed prior to processing for payment. Air rights credits are no longer included in current construction projects.

Contact Person: Carl Phillips
Contact Phone Number: (314) 589-6730



City of St. Louis - Office of Treasurer
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Parking Ticket Processing Contract

Finding Number: 5.A.

Finding: The Parking Division did not consistently verify the number of processed tickets, paid tickets, or delinquent collections on the contractor's billings.

Recommendation: The Treasurer's office verify the number of tickets processed and paid and the delinquent collections on the contractor's billings to the totals of detailed reports.

Status of Finding: In Progress

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Currently, the contractor's bill reflects the tickets processed for the month (Police and Treasurer's office), along with the delinquent tickets collected, credit card charges, and reimbursable postage. We are not charged on tickets paid; these would be included in the tickets processed. The price is verified on the contractor's billings based on the contract. The tickets processed and the dollar amount of the delinquent collections are verified against the Payment Detail Reports from eTims (the contractor's database). The Fiscal Department has access to eTims, which has tickets issued and tickets paid. A methodology will be developed with the Parking Administrator to verify the tickets issued in eTims against the tickets issued and tracked by the Parking Enforcement Office for the Treasurer's office.

The tickets paid are not verified. However, the amount paid is verified through the UMB Bank reconciliation process. It should also be noted that this contract was awarded via a competitive RFP process in February 2015 to Xerox State and Local Solutions, Inc.

Contact Person: Michelle Smart
Contact Phone Number: (314) 622-5678



City of St. Louis - Office of Treasurer
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Parking Ticket Processing Contract

Finding Number: 5.B.

Finding: The Parking Division did not consistently verify the contractor met the performance criteria for the performance bonus. The contractor did not routinely provide the Parking Division with the details of its performance measurements. Additionally, the Parking Division did not periodically test the contractor's measures or its compliance with most standards.

Recommendation: The Treasurer's office require the contractor to routinely provide reports supporting its performance measurements and periodically test the contractor's compliance with each of the performance standards before paying the performance bonus.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The performance bonus has been eliminated. However, the contractor's compliance with performance standards is still crucial. To ensure compliance, the Parking Division receives the Service Organization Compliance Report on an annual basis from the contractor's independent auditor.

Contact Person: Michelle Smart
Contact Phone Number: (314) 622-5678



City of St. Louis - Office of Treasurer
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Parking Ticket Processing Contract

Finding Number: 5.C.

Finding: The 2005 contract amendment appeared to have provided no additional services to the Parking Division and city while allowing the contractor to earn additional bonuses related to the early collection incentive bonus.

Recommendation: The Treasurer's office require additional services from the contractor for any subsequent contract amendments which allow additional bonuses.

Status of Finding: No Longer Applicable

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The bonus structure was a part of a contractual obligation with Duncan Solutions, which no longer exists. This contract ended in January 2014. This is no longer applicable.

Contact Person: Michelle Smart

Contact Phone Number: (314) 622-5678



City of St. Louis - Office of Treasurer
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Parking Meters

Finding Number: 6.

Finding: The Parking Division had not analyzed and compared meter costs and related revenues.

Recommendation: The Treasurer's office analyze and compare meter costs and revenues and consider removing the low revenue meters or service, replace, and collect coins from those meters with less frequency than other meters.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The Treasurer's office issued a competitive RFP for meter costs and related revenues in 2014. Additionally, the Treasurer's office commissioned an independent parking study examining the city's current parking system and national best practices in 2014. In February 2015, an agreement was entered into between the Treasurer's office and Xerox State and Local Solutions, Inc. for the management of the Integrated Parking Management System for the City of St. Louis. This consists of managing the Parking Violations Bureau, meter maintenance and collections, and the sub-contractor companies (Hudson, IPS, and Parkeon) that offer their services to the city for parking purposes. Xerox is now operating under the name Conduent.

Contact Person: Carl Phillips

Contact Phone Number: (314) 589-6730



City of St. Louis - Office of Treasurer
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Personnel Policies and Payroll Procedures

Finding Number: 7.A.

Finding: The Treasurer's office did not have written policies addressing related employees. Employees were not required to disclose to management their relationship to other employees and related employees were sometimes in supervisory/subordinate positions.

Recommendation: The Treasurer's office develop a written policy on related employees, require employees to disclose such relationships, and prohibit employees from supervising relatives.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The Treasurer's office Employee Handbook, effective January 1, 2015, includes an anti-nepotism policy that prohibits close relatives, partners, those in dating relationships, or members of the same household to be in positions that have a reporting responsibility to each other. The Treasurer's office application for employment requires applicants to disclose whether the applicant has relatives that work for the office. Additionally, the anti-nepotism policy requires employees to inform management and human resources if they begin a dating relationship or become relatives, partners, or members of the same household when one party is in a supervisory position.

Contact Person: Shirley Rukcic

Contact Phone Number: (314) 612-1475



City of St. Louis - Office of Treasurer
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Personnel Policies and Payroll Procedures

Finding Number: 7.B.

Finding: Policies related to employee leave were not always enforced, and leave balances were not always maintained accurately. Additionally, employees were not periodically notified of their accumulated leave balances and the leave balances kept by the Treasurer's office were not periodically compared to the balances maintained by the Comptroller's office.

Recommendation: The Treasurer's office enforce employee leave policies and ensure accurate leave balance records are maintained. Periodically, employees should be notified of their leave balances and leave balances should be reconciled with the Comptroller's office.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

The Treasurer's office implemented the NOVAtime 5000 Workforce Management Solution on August 7, 2016, for the purposes of capturing, tracking, and managing employee time, labor, and attendance. The system automatically processes employee accruals on a bi-weekly basis and tracks current leave balances based on the manual entry of accrual usage by payroll clerks. All employees can view current accrued leave balances at any time via Employee Web Services from a computer or at a hand punch data collection terminal. The employees of the Treasurer's office are not civil service employees and do not fall under the civil service pay ordinance, and therefore, leave balances are not tracked by the Comptroller's office.

Contact Person: Shirley Rukcic
Contact Phone Number: (314) 612-1475



City of St. Louis - Office of Treasurer
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Vehicle Policies and Records

Finding Number: 8.A.

Finding: Vehicle usage/maintenance logs were often incomplete. Usage/maintenance logs were maintained in each vehicle and contained columns for the date, beginning and ending odometer readings, fuel dispensed, and maintenance. We noted 14 of the usage/maintenance logs had no odometer readings recorded for 2007, although the fuel invoices indicated usage for those vehicles, and many of the other logs lacked usage data for one or more days during 2007. Also, none of the logs included information about the daily destinations and purposes of the trip.

Recommendation: The Treasurer's office require employees record daily destinations, purpose, and odometer readings on the usage/maintenance logs. The logs should be periodically reviewed and the usage of the vehicles evaluated for reasonableness and propriety.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

Indication of the daily destination and purpose for routine drivers (i.e., parking enforcement officers, parking enforcement supervisors, and couriers) is not necessary as they are required to utilize vehicles to complete essential functions of their jobs. Drivers are required to complete the daily mileage and safety ticket form which assures the documentation of mileage and the vehicle safety check. Information captured on the daily mileage and safety ticket form is reviewed by management to ensure completeness prior to submitting to the Fleet Section.

Maintenance logs are maintained by the Director of Fleet and Safety. Once the driver's daily mileage logs are received by the Fleet Section, they are reviewed by the Administrative Clerk. If there are any maintenance items checked off or recorded on the forms, the Administrative Clerk forwards them to the Director of Fleet and Safety. The Director then reviews the items that need attention and addresses those items by making the repair (i.e., replace burned out light bulbs; replace worn windshield wiper blades; add windshield washer fluid, engine oil, anti-freeze/coolant, etc.). Items that need to be addressed through routine maintenance or repair are then scheduled for service at a repair facility.

Contact Person: Carl Phillips

Contact Phone Number: (314) 589-6730



City of St. Louis - Office of Treasurer
Follow-Up Report on Audit Findings
Status of Findings

Finding Title: Vehicle Policies and Records

Finding Number: 8.B.

Finding: The review of fuel usage was not adequately documented.

Recommendation: The Treasurer's office develop expected fuel mileage parameters for each vehicle and document the investigation of mileage outside the established parameters.

Status of Finding: Implemented

Description of steps taken or planned to implement the finding or reason for not implementing or why finding is no longer applicable:

If an abnormal number of miles are noticed on a city vehicle in any given month, the Fiscal Department will alert the Parking Administrator. The Parking Administrator will then speak with the necessary department head and inquire why the excess miles were on the vehicle in question.

Contact Person: Carl Phillips
Contact Phone Number: (314) 589-6730