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Missouri State Auditor

**Seventeenth Judicial Circuit
Johnson County**

Report No. 2020-102

November 2020

auditor.mo.gov



Nicole Galloway, CPA
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of the Seventeenth Judicial Circuit Johnson County

Time-Payment Fee	The court did not assess the time-payment fee on all cases as required by Missouri Supreme Court operating rules.
Payment Plans	The Circuit Clerk and the court do not have controls in place to ensure payment plans are established in the Judicial Information System (JIS) for all amounts not paid in full at case disposition as required by court rule.
Bond Accountability	The Sheriff's office does not issue prenumbered bond forms.

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.

Seventeenth Judicial Circuit

Johnson County

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NICOLE GALLOWAY, CPA

Missouri State Auditor

Presiding Judge and Court en Banc
and
Circuit Clerk of the
Seventeenth Judicial Circuit
Johnson County, Missouri

We have audited certain operations of the Seventeenth Judicial Circuit, Johnson County in fulfillment of our duties under Chapter 29, RSMo. The scope of our audit included, but was not necessarily limited to, the year ended December 31, 2019. The objectives of our audit were to:

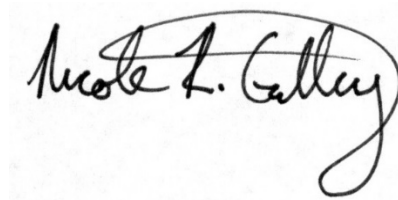
1. Evaluate the court's internal controls over significant financial functions.
2. Evaluate the court's compliance with certain legal provisions.
3. Evaluate the court's compliance with certain court rules.

Our methodology included reviewing written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the court, as well as certain external parties; and testing selected transactions. We obtained an understanding of internal control that is significant to the audit objectives and assessed the design and implementation of such internal control to the extent necessary to address our audit objectives. 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 applicable contract, grant agreement, or 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 court's management, the Office of State Courts Administrator, and Johnson County and was not subjected to the procedures applied in our audit of the court.

For the areas audited, we identified (1) deficiencies in internal controls, (2) no significant noncompliance with legal provisions, and (3) noncompliance with court rules. The accompanying Management Advisory Report presents our findings arising from our audit of the Seventeenth Judicial Circuit, Johnson County.

A handwritten signature in black ink, reading "Nicole R. Galloway". The signature is written in a cursive style with a large, looping "G" at the end.

Nicole R. Galloway, CPA
State Auditor

The following auditors participated in the preparation of this report:

Director of Audits:	Robert E. Showers, CPA
Audit Manager:	Julie A. Moulden, MBA, CPA
In-Charge Auditor:	Michelle Pummill, CFE
Audit Staff:	Thomas R. Johnson, MAcc
	Logan J. Vogel

Seventeenth Judicial Circuit

Johnson County

Management Advisory Report - State Auditor's Findings

1. Time-Payment Fee

The court did not assess the time-payment fee on all cases as required by Missouri Supreme Court operating rules. On December 13, 2018, the Presiding Judge signed an administrative order to suspend collection and assessment of the time-payment fee. The Presiding Judge indicated he issued the order because during a meeting with the presiding judges throughout the state, the Missouri Supreme Court directed the circuit courts to stop punishing defendants monetarily and to stop collecting fees. However, the court has not received anything in writing from the Missouri Supreme Court regarding this directive. We confirmed with the Missouri Supreme Court that an order suspending the assessment and collection of any fees, including the time payment fee, has not been issued. We reviewed 25 cases and determined that 15 cases did not have the time payment fee charged. The time payment fee was assessed on the other 10 cases reviewed prior to December 13, 2018.

Missouri Supreme Court Operating Rule (COR) 21.13 requires all divisions of the circuit courts, except municipal divisions, to assess a \$25 time-payment fee on all cases not paid in full within 30 days of disposition. Failure to follow this rule results in lost revenue to the court and the state.

Recommendation

The Circuit Clerk ensure time-payment fees are assessed in accordance with court operating rules.

Auditee's Response

The Circuit Court's written response, provided by the Circuit Clerk and the Presiding Judge, is included at Appendix A.

2. Payment Plans

The Circuit Clerk and the court do not have controls in place to ensure payment plans are established in the Judicial Information System (JIS) for all amounts not paid in full at case disposition as required by court rule. Our review of 25 cases with accrued court costs noted 2 cases (8 percent) did not have established payment plans in the JIS. In addition, no alternative procedures were performed by the court to ensure the collection of amounts owed.

For cases with established payment plans, the JIS automatically forwards unpaid balances to the contracted debt collection servicer if amounts owed are not paid within 60 days of the final payment plan date. However, if a payment plans is not established in the JIS, and no alternative procedures are performed, unpaid balances may not be collected. The court is required to create payment plans in the JIS for all amounts not paid in full at case disposition by COR 21.07.

Recommendation

The Circuit Clerk implement policies and procedures to ensure all accounts that are not paid within 30 days have payment plans established in the system.

Auditee's Response

The Circuit Court's written response, provided by the Circuit Clerk and the Presiding Judge, is included at Appendix A.



Seventeenth Judicial Circuit
Johnson County
Management Advisory Report - State Auditor's Findings

3. Bond Accountability

The Sheriff's office does not issue prenumbered bond forms. In addition, while a bond log is maintained, it is not sequentially numbered and the receipt slips issued for bond money received is not reconciled with the bond log. As a result, neither the Circuit Clerk nor the Sheriff's office can account for all bond forms issued. Additionally, the use of unnumbered bond forms decreases the ability to ensure bond receipts are recorded and properly transmitted to the court. Properly accounting for the numerical sequence of bonds forms is necessary to ensure all bonds received are properly submitted to the court for processing, and to reduce the risk of loss, theft, or misuse of bond funds going undetected.

Recommendation

The Circuit Clerk work with the Sheriff's office to ensure prenumbered bond forms are issued and accounted for properly.

Auditee's Response

The Circuit Court's written response, provided by the Circuit Clerk and the Presiding Judge is included at Appendix A. A written response from the Sheriff is included at Appendix B.

Seventeenth Judicial Circuit

Johnson County

Organization and Statistical Information

The Seventeenth Judicial Circuit consists of Johnson County and Cass County.

The Seventeenth Judicial Circuit consists of 2 circuit judges and 2 associate judges. The circuit judges hear cases in Johnson and Cass counties. Of the 6 associate judges, 2 are located in Johnson county and 4 in Cass County. Circuit personnel located in Cass County are not included in the scope of the audit.

Personnel

At December 31, 2019, the judges and Circuit Clerk of the Seventeenth Judicial Circuit, Johnson County, were as follows:

Title	Name
Presiding Circuit Judge (1)	William B. Collins
Circuit Judge, Division II (1)	R. Michael Wagner
Associate Circuit Judge	Sue Dodson
Associate Circuit Judge	Brent F. Teichman
Circuit Clerk	Stephanie Elkins

(1) The Presiding Circuit Judge and Circuit Judge, Division II are located in Cass County but also hear cases in Johnson County.

In addition, the Seventeenth Judicial Circuit, Johnson County, employed 14 full-time employees and 1 part-time employee on December 31, 2019.

Financial Information

Receipts of the Seventeenth Judicial Circuit, Johnson County, were as follows:

	Year Ended December 31, 2019
Court deposits, fees, bonds, and other	\$ 1,184,801
Interest income	12,166
Total	\$ 1,196,966

Caseload Information

From the Office of State Courts Administrator Missouri Judicial Reports, case filings of the Seventeenth Judicial Circuit, Johnson County, were as follows:

	Year Ended June 30, 2019
Civil	1,856
Criminal	3,753
Juvenile	180
Probate	178
Total	5,967



Appendix A
Seventeenth Judicial Circuit Johnson County
Circuit Clerk and Court en Banc's Response

Stephanie Elkins

CIRCUIT CLERK
Johnson County Justice Center
101 West Market
WARRENSBURG, MISSOURI 64093
PHONE (660) 422-7413
FAX (660) 422-7417

MARCY ANDERSON, SUPERVISOR
CINDY CORREA, SUPERVISOR
CARISSA SMALL, SUPERVISOR
ERIN PETERSON, SUPERVISOR
FIONA TAUS, DEPUTY
KATELYNN CANTRELL, DEPUTY

GLORIA BARNHART, DEPUTY
ALICIA MYERS, DEPUTY
BETH BURKHART, DEPUTY
KATE ADAMS, DEPUTY
DONNA TURNER-WITBECK, DEPUTY

September 25, 2020

AUDIT RESPONSES

1. TIME-PAYMENT FEE

RECOMMENDATION: The Circuit Clerk ensure time-payment fees are assessed in accordance with court operating rules

RESPONSE: The Show Me Courts Judicial information system will automatically allocate the fee to be collected. We will comply with the court operating rule.

2. PAYMENT PLANS

RECOMMENDATION: The Circuit Clerk implement policies and procedures to ensure all accounts that are not paid within 30 days have payment plans established in the system

RESPONSE: It is our policy to ensure payment plans have been established on all applicable cases. Supervisors in the office are running management reports on a timely basis to check accuracy.

3. BOND ACCOUNTABILITY

RECOMMENDATION: The Circuit Clerk work with the Sheriff's office to ensure prenumbered bond forms are issued and accounted for properly

RESPONSE: We will work with the Sheriff's office to implement a procedure for accepting prenumbered bond forms.

William B Collins
Presiding Judge
17th Judicial Circuit

Stephanie Elkins
Circuit Clerk
17th Judicial Circuit
Johnson County



Appendix B
Seventeenth Judicial Circuit Johnson County
Sheriff's Response

State of Missouri
Johnson County Sheriff's Office



Scott W. Munsterman
Sheriff

To: Julie A. Moulden, MBA, CPA - Audit Manager
From: Sheriff Scott Munsterman
Reference: Management Advisory Report - Sheriff's Written Response

Recommendations: We as the Johnson County Sheriff's Office will be working with the Johnson County Court Clerks to implement a procedure for numbering bond forms.

A handwritten signature in blue ink, appearing to read "Scott W. Munsterman".

Scott W. Munsterman, Sheriff