



Nicole Galloway, CPA

Missouri State Auditor

**Missouri State Highway Patrol's
Use of Highway Funds**

Year Ended June 30, 2021

Report No. 2021-133

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auditor.mo.gov



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Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of Missouri State Highway Patrol's Use of Highway Funds

Background	Missouri state law requires the Missouri State Auditor to examine whether State Highways and Transportation Fund appropriations to the Missouri State Highway Patrol are used in accordance with the Missouri Constitution, which limits the use of these funds to activities related to administering and enforcing state motor vehicle laws or traffic regulations.
Methodology	Audit staff reviewed policies and procedures, financial records and other pertinent documents; interviewed agency personnel; and performed sample testing. Auditors also reviewed highway patrol calculations of amounts spent for non-highway activities; and the amounts spent for highway-related activities from other funding sources.
Conclusions	The audit determined the Missouri State Highway Patrol complied with legal provisions related to the use of highway funding for the 2021 fiscal year.

Because of the limited objective of this review, no overall rating is provided.

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Missouri State Highway Patrol's Use of Highway Funds

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NICOLE GALLOWAY, CPA

Missouri State Auditor

Honorable Michael L. Parson, Governor
and
Members of the General Assembly
and
Sandra K. Karsten, Director
Department of Public Safety
and
Colonel Eric T. Olson, Superintendent
Missouri State Highway Patrol
Jefferson City, Missouri

We have audited the Department of Public Safety, Missouri State Highway Patrol's Use of Highway Funds, as required by Section 226.200.3, RSMo. The scope of our audit included, but was not necessarily limited to, the year ended June 30, 2021. The objective of our audit was to determine whether the agency is in compliance with legal provisions related to the use of highway funds.

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 Background, Methodology, and Conclusions present our comments concerning the overall compliance related to the Department of Public Safety, Missouri State Highway Patrol's Use of Highway Funds.

A handwritten signature in black ink, reading "Nicole R. Galloway", is positioned above the printed name and title.

Nicole R. Galloway, CPA
State Auditor

Missouri State Highway Patrol's Use of Highway Funds

Background, Methodology, and Conclusions

Background

The State Auditor is required to determine whether appropriations from the State Highways and Transportation Fund (State Highway Fund) to the Missouri State Highway Patrol (MSHP) are used for administering and enforcing state motor vehicle laws and traffic regulations pursuant to the constitution.

Limitations and requirements

Article IV, Section 30(b), Missouri Constitution, limits the MSHP's use of highway funds to activities related to administering and enforcing state motor vehicle laws or traffic regulations. In addition, Section 226.200.3, RSMo, provides, in part:

" . . . Appropriations allocated from the state highways and transportation department fund to the highway patrol shall only be used by the highway patrol to administer and enforce state motor vehicle laws or traffic regulations. Beginning July 1, 2007, any activities or functions conducted by the highway patrol not related to enforcing or administering state motor vehicle laws or traffic regulations shall not be funded by the state highways and transportation department fund, but shall be funded from general revenue or any other applicable source. Any current funding from the highways and transportation department fund used for activities not related to enforcing state motor vehicle laws or traffic regulations shall expire on June 30, 2007. The state auditor shall annually audit and examine the appropriations made to the highway patrol to determine whether such appropriations are actually being used for administering and enforcing state motor vehicle laws and traffic regulations pursuant to the constitution. The state auditor shall submit its annual findings to the general assembly by January fifteenth of each year."

During the year ended June 30, 2021, the MSHP used appropriations from the State Highway Fund as follows:



Missouri State Highway Patrol's Use of Highway Funds Background, Methodology, and Conclusions

	Appropriation		Lapsed
	Authority	Expenditures ¹	Balances ²
Enforcement personal service	\$ 78,893,350	46,076,538	32,816,812
Enforcement expense and equipment	6,639,393	6,142,149	497,244
Technical services personal service	16,711,690	14,555,034	2,156,656
Technical services expense and equipment	14,839,238	14,652,074	187,164
Vehicle and driver safety personal service	11,814,015	10,488,761	1,325,254
Vehicle and driver safety expense and equipment	1,110,790	761,981	348,809
Refund unused motor vehicle inspection stickers	100,000	39,129	60,871
Administration personal service	6,612,726	6,008,222	604,504
Administration expense and equipment	527,891	435,634	92,257
Crime laboratories personal service	4,249,637	3,838,865	410,772
Crime laboratories expense and equipment	1,297,749	1,272,690	25,059
Law Enforcement Academy personal service	1,402,881	979,947	422,934
Law Enforcement Academy expense and equipment	73,576	47,780	25,796
Fringe benefits personal service	89,909,415	59,877,490	30,031,925
Fringe benefits expense and equipment	7,295,799	6,656,401	639,398
Vehicle replacement expense and equipment	6,323,075	2,746,760	3,576,315
Gasoline expenses	4,837,264	2,883,635	1,953,629
Interoperable system highway	5,612,926	5,207,503	405,423
Interoperable ongoing highway	4,100,000	3,738,539	361,461
Total	\$ 262,351,415	186,409,132	75,942,283

¹ Amounts exclude personal service expenditures totaling \$41,669,609 and expense and equipment expenditures totaling \$115,151 initially paid from MSHP appropriations from the State Highway Fund that were reclassified by the Office of Administration to Department of Public Safety appropriations from the State Emergency Management Federal Stimulus Fund for costs related to duties performed and expenses incurred in response to the Coronavirus Disease 2019 (COVID-19) emergency.

² The lapsed balances include withholdings made at the Governor's request totaling \$4,216,727.

Methodology

Our methodology included reviewing written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the agency; and performing sample testing using judgmental selection. The results of our sample testing cannot be projected to the entire population from which the test items were selected. We obtained an understanding of internal control that is significant to the audit objective and assessed the design, implementation, and operating effectiveness of such internal control to the extent necessary to address our audit objective. We also obtained an understanding of legal provisions that are significant within the context of the audit objective, 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.



Missouri State Highway Patrol's Use of Highway Funds Background, Methodology, and Conclusions

To determine whether the MSHP complied with the limitations on the use of highway funds, we reviewed the MSHP calculations of amounts expended from the State Highway Fund for non-highway activities and the amounts expended by the MSHP for highway-related activities from other funding sources. We compared the amounts used in the MSHP calculations to expenditures recorded in the state accounting system (SAM II) and other supporting documentation. In addition, we tested certain expenditures to determine if the expenditures were properly recorded.

Conclusions

We concluded the MSHP is in compliance with legal provisions related to the use of highway funds. During fiscal year 2021, the MSHP spent approximately \$2,640,000 appropriated from the State Highway Fund for expenditures not related to highway activities. This amount included non-highway personal service expenditures made from the State Highway Fund from appropriations for administration, crime laboratories, training academy, and fringe benefits; and expense and equipment expenditures from appropriations for administration, gasoline, and fringe benefits. However, these expenditures were more than offset by personal service and/or expense and equipment expenditures totaling approximately \$4,251,000 from appropriations for crime laboratories, training academy, and technical services that were related to highway activities, but not paid from the State Highway Fund. As a result, approximately \$1,611,000 more was spent on highway-related activities than was paid from highway funds during fiscal year 2021.