



Office of Missouri State Auditor  
**Nicole Galloway, CPA**

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**FOLLOW-UP REPORT ON AUDIT FINDINGS**

City of St. Louis  
Office of Public Administrator

Report No. 2018-071  
September 2018

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# City of St. Louis - Office of Public Administrator

## Follow-Up Report on Audit Findings

### Table of Contents

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State Auditor's Letter	2
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#### Status of Findings

1. Public Administrator's Salary and Employee Benefits .....	3
2. Bond Coverage .....	4
3. Collateral Securities.....	5



## **NICOLE GALLOWAY, CPA** **Missouri State Auditor**

Honorable Jill Hanley, Public Administrator  
City of St. Louis, Missouri

We have compiled the statuses of the audit report findings contained in Report No. 2010-14, *City of St. Louis, Office of Public Administrator*, issued in January 2010, 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 Public Administrator. 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  - No Longer Applicable: The recommendation is no longer applicable.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 Public Administrator 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taken or planned to implement the recommendation or reason(s) why the recommendation has not been implemented or is no longer applicable.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.

A handwritten signature in cursive script that reads "Nicole R. Galloway".

Nicole R. Galloway, CPA  
State Auditor

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# City of St. Louis - Office of Public Administrator

## Follow-Up Report on Audit Findings

### Status of Findings

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**Finding Title:** Public Administrator's Salary and Employee Benefits

**Finding Number:** 1.A. and 1.B.

**Finding:** It appeared the Public Administrator's salary and employees' benefits had not been established in accordance with state law. Although the Public Administrator had requested to be paid on a salary basis as allowed by law, the city had not complied with his request. Employees of the Public Administrator's office were not considered city employees and did not receive city benefits (retirement, health insurance, life insurance, employee accidental death and dismemberment insurance, dental, vision, and a 457 plan) as required by state law.

**Recommendation:** The Public Administrator continue to work with the city to ensure his salary and employee benefits are handled in accordance with state law.

**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 Public Administrator and staff are now being paid salary and wages by the city and receiving city benefits.

**Contact Person:** Jill M. Hanley  
**Contact Phone Number:** (314) 622-4989



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

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**Finding Title:** Bond Coverage

**Finding Number:** 2.

**Finding:** The Public Administrator did not file a statement of assets annually, resulting in inadequate bond coverage. The Probate Court reviewed bond coverage for individual cases and the Public Administrator's blanket bond coverage when a statement of assets was filed. The Public Administrator indicated a statement of assets had not been filed since September 2006, when it was requested by the Probate Judge.

**Recommendation:** The Public Administrator work with the Probate Court to ensure a statement of assets is filed annually as required by state law. The Public Administrator should also obtain adequate bond coverage for all wards and estates.

**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 current Public Administrator was appointed on April 3, 2017. She is preparing an asset report and obtaining all of the new bonds and additional bonds necessary to cover all ward assets. She will work with the Probate Court to make sure this report is filed annually.

**Contact Person:** Jill M. Hanley  
**Contact Phone Number:** (314) 622-4989



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

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**Finding Title:** Collateral Securities

**Finding Number:** 3.

**Finding:** The Public Administrator did not ensure adequate collateral securities were pledged by depositary banks for two cases.

**Recommendation:** The Public Administrator ensure adequate collateral securities are pledged for all funds on deposit in excess of Federal Deposit Insurance Corporation (FDIC) coverage.

**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 two cases that were found that did not ensure adequate collateral securities were pledged by depositary banks have been closed and monies were distributed.

The current Public Administrator has reviewed all cash assets held and has confirmed that all cash assets held in accounts are within the insured limits of the FDIC, National Credit Union Administration, or Securities Investor Protection Corporation.

**Contact Person:** Jill M. Hanley  
**Contact Phone Number:** (314) 622-4989