



**Thomas A. Schweich**  
Missouri State Auditor

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# Twenty-First Judicial Circuit

## Village of Riverview Municipal Division



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June 2011  
Report No. 2011-27

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**Thomas A. Schweich**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of the Twenty-First Judicial Circuit, Village of Riverview Municipal Division

### Segregation of Duties

The court clerk is responsible for receiving, recording and preparing deposits of fines and court costs, but a documented supervisory or independent review is not performed to ensure all monies received are accounted for properly and deposited. The court clerk is not preparing and filing with the city each month a list of all cases heard, which is a requirement under state law.

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

### American Recovery and Reinvestment Act of 2009 (Federal Stimulus)

The Twenty-First Judicial Circuit, Village of Riverview Municipal Division did not receive any federal stimulus monies during the year ended December 31, 2010.

\*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.

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# THOMAS A. SCHWEICH

## Missouri State Auditor

Presiding Judge  
Twenty-First Judicial Circuit  
and  
Municipal Judge  
Riverview, Missouri

We have audited certain operations of the Village of Riverview Municipal Division of the Twenty-First 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 December 31, 2010. 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) a deficiency in internal controls, and (2) noncompliance with a legal provision. The accompanying Management Advisory Report presents our finding arising from our audit of the Village of Riverview Municipal Division of the Twenty-First Judicial Circuit.

A petition audit of the Village of Riverview, 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.



Thomas A. Schweich  
State Auditor

The following auditors participated in the preparation of this report:

Director of Audits:	Alice M. Fast, CPA, CGFM, CIA
Audit Manager:	Debra S. Lewis, CPA
In-Charge Auditor:	Chris Vetter, CPA

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Twenty-First Judicial Circuit  
Village of Riverview Municipal Division  
Management Advisory Report - State Auditor's Findings

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**1. Accounting  
Controls and  
Procedures**

Accounting duties related to fines and court costs receipts are not adequately segregated, and a monthly report of cases heard is not filed with the city.

1.1 Segregation of duties

The duties of receiving, recording, and preparing deposits of fines and court costs are not adequately segregated. The Court Clerk performs all of these duties. The city's financial advisor reconciles the bank account; however, no one independent of the collection process ensures all monies received are accounted for properly and deposited.

Proper segregation of duties helps ensure all transactions are accounted for properly and assets are adequately safeguarded against possible loss or misuse. If proper segregation of duties cannot be achieved, a timely supervisory or independent review of the work performed is necessary.

1.2 Listing of cases

A monthly list of all cases heard is not prepared and filed with the city. Without such a report, the city cannot effectively monitor the municipal division's activity and ensure monies are properly remitted. Section 479.080.3, RSMo, requires the Court Clerk to prepare a monthly list of all cases heard in the municipal division, including the names of the defendants and fines and court costs imposed, to be verified by the Court Clerk or Municipal Judge and filed with the city.

**Recommendations**

The Village of Riverview Municipal Division:

- 1.1 Segregate accounting duties to the extent possible and implement appropriate reviews and monitoring procedures.
- 1.2 Ensure a monthly list of cases heard in the municipal division is prepared and filed with the city in accordance with state law.

**Auditee's Response**

*The Municipal Judge and the Court Clerk provided the following written responses:*

- 1.1 *The number of court personnel is dictated by several factors including workload and budgetary restraints. At this time, the Village does not have enough court personnel to achieve proper segregation of duties. In the future, the Village's financial advisor will, on a random basis, select and verify court deposits.*
- 1.2 *The court currently prepares such reports and has the reports available for the Board of Trustees to review. The Court Clerk will prepare such a report and file it directly with each member of the Board of Trustees monthly.*

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# Twenty-First Judicial Circuit

## Village of Riverview Municipal Division

### Organization and Statistical Information

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The Village of Riverview Municipal Division is in the Twenty-First Judicial Circuit, which consists of St. Louis County. The Honorable John A. Ross 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 December 31, 2010, the municipal division employees were as follows:

Title	Name
Municipal Judge	W. Christopher McDonough
Court Clerk	Megan Asikainen

#### Financial and Caseload Information

	Year Ended December 31, 2010
Receipts	\$200,699
Number of cases filed	3,694

#### American Recovery and Reinvestment Act of 2009 (Federal Stimulus)

The Twenty-First Judicial Circuit, Village of Riverview Municipal Division, did not receive any federal stimulus monies during the year ended December 31, 2010.