



**VILLAGE OF GOLF MANOR
HAMILTON COUNTY**

SPECIAL AUDIT

FOR THE PERIOD JANUARY 1, 2007 THROUGH MARCH 31, 2009



Mary Taylor, CPA
Auditor of State

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Honorable Alan Zaffiro, Mayor
Village of Golf Manor
6450 Wiehe Rd.
Cincinnati, Ohio 45237

We conducted a special audit of the Village of Golf Manor ("Village") mayor's court performing the procedures described in the attached Supplement to the Special Audit Report for the period January 1, 2007 through March 31, 2009 ("Period"). The audit procedures were performed solely to:

- Determine whether fines collected during the Period were recorded in the computer system, posted to case files and deposited intact. We also examined disbursements from the mayor's court account to determine whether funds were withdrawn for purposes other than distributions to the Village and State of Ohio.
- Determine whether cash bonds received during the Period were deposited into the mayor's court bond account. We also examined disbursements from the mayor's court bond account to determine whether funds were withdrawn for purposes other than refunds or distributions of forfeited amounts.

This engagement was conducted in accordance with the Quality Standards for Inspections established by the President's Council on Integrity and Efficiency (January 2005). The procedures and associated findings are detailed in the attached Supplement to the Special Audit Report. A summary of our procedures and significant results is as follows:

1. We examined available documentation supporting fines collected during the Period.

Significant Results – During the Period, Kristen Wocher was employed as clerk for the mayor's court. Ms. Wocher was responsible for collecting payments of fines and depositing the collections in the mayor's court fine collection bank account. We determined that collections totaled \$151,083 and deposits to the account totaled \$137,734 during the Period. We issued a finding for recovery for public monies collected but unaccounted for against Ms. Wocher in the amount of \$13,349.

We issued three noncompliance citations related to record retention, timely deposits and fine remittances. We also issued six management comments related to manual receipts, deposit and account reconciliations, policies and procedures, citation accountability, mayor's court reports and a clerk surety bond.

2. We examined available documentation supporting bonds received during the Period.

Significant Results— As clerk, Ms. Wocher was responsible for collecting bond payments posted by defendants and depositing the funds into the mayor's court bond bank account. We determined that bond collections during the Period totaled \$11,816 and deposits to the account totaled \$3,975. We issued a finding for recovery for public monies collected but unaccounted for against Ms. Wocher in the amount of \$7,841.

We issued a management comment related to bond collection and distribution information posted to the court's computer system.

3. On June 11, 2010, we held an exit conference with the following individuals representing the Village:

Alan Zaffiro, Mayor
Eddie Taylor, Chief of Police
Robert Butler, Village Solicitor

The attendees were provided an opportunity to respond to this special audit report. A response was received on July 15, 2010. The response was evaluated and changes were made to this report as we deemed necessary.



Mary Taylor, CPA
Auditor of State

March 5, 2010

Supplement to the Special Audit Report

Background

In July 2008, the Village police chief of 33 years retired and Eddie Taylor was appointed to the position. When Chief Taylor took office, he asked Kristen Wocher, the mayor's court clerk and police chief's assistant, to review the procedures she had in place as clerk. Ms. Wocher postponed several meetings with Chief Taylor in late 2008 and early 2009. In February 2009, she informed Chief Taylor that she was severing employment with the Village.

Upon leaving employment, Ms. Wocher was asked for her keys and the combination for the safe. Ms. Wocher did not return the keys in a timely manner and provided an incomplete safe combination. Chief Taylor noted that no deposits had been made in January and February 2009. When the safe was eventually opened, some money was found, but not enough to equal the collections for those two months. Additionally, several sealed drop envelopes were found in the safe with no money inside.

Ms. Wocher offered to train the new mayor's court clerk after her departure; however, due to these concerns, Chief Taylor informed her not to return.

In March 2009, Chief Taylor sent a letter to the Auditor of State's office describing the above information. His letter was considered by the Special Audit Task Force and on April 1, 2009, the Auditor of State initiated a special audit of the Village mayor's court.

Supplement to the Special Audit Report

Issue No. 1 – Mayor’s Court Fine Collection Account

Procedures

We traced collection information recorded on manual receipts, case files and other records maintained by the mayor’s court during the Period to the court’s computer system to determine whether revenue collected was posted to the computerized cashbook.

We examined docket records for indications of the magistrate’s decisions and judgments due. We compared this information to the court computer system to identify revenue collected. We sent letters to certain defendants to confirm payments made.

We examined citations issued during the Period to ensure completeness and attempted to compare this information to the Mayor’s Court computer system to identify revenue collected.

We obtained copies of the mayor’s court bank account deposit items and related supporting documentation for deposits made during the Period and traced the collections identified per the procedures above to the items deposited to determine whether the revenue collected was deposited intact.

We examined disbursements from the mayor’s court account to determine whether funds were withdrawn for purposes other than distributions to the Village and State of Ohio.

Results

The Regional Crime Information Center (“RCIC”) is responsible for providing computerized records management systems to law enforcement agencies operating in Hamilton County. The Village mayor’s court used the RCIC system for tracking the disposition of citations and collection information. The court clerk was responsible for entering information from citations issued by the Village police department and fines collected by the court into the RCIC system. RCIC provided us with an electronic file of the information entered in the system’s computerized cashbook, which we used for determining whether collections had been posted to the system.

Pre-numbered, manual receipts were to be issued by the court to defendants for payments received. However, receipt books were only available for examination for January 2007 through April 2007. All other receipt books for the remainder of the Period could not be located by the Village.

The clerk was responsible for creating case files for citations issued by the police department. The case files contained copies of the citations and manual receipts, if available, and were used for manually tracking information regarding the disposition of the citation and payments received. Although many case files did not contain manual receipts, we used payment information recorded in the files as a source for documentation of collections received during the Period.

The clerk was also responsible for generating a docket from the RCIC system listing cases to be heard by the court for each court date. The clerk indicated on the docket sheets “paid out” if a defendant paid the fine after the docket was generated, but prior to the court appearance. We identified 22 defendants for which the printed docket sheets indicated that the case was “paid out” and no payment record was recorded in the RCIC system. We sent letters to these defendants to obtain confirmation of payments. For nine of the 22 defendants, payments had been received by the court. The remaining defendants either did not respond or did not provide documentation of payments made.

Our examination of the court’s records indicated that approximately 825 citations were unaccounted for in the RCIC computer system. The Village was not able to provide an accounting of the citations issued during the Period. Additionally, a central file of all citations issued was not maintained by the mayor’s court or police department.

Supplement to the Special Audit Report

Our review of available manual receipts, case file information and the dockets revealed the RCIC system was not accurately updated for court activity and collections. Deposits to the fine collection account totaled \$137,734 for the Period. We determined actual collections totaled \$151,083, resulting in a shortage of \$13,349.

During the Period, the court distributed \$7,787 to the State of Ohio and \$111,496 to the Village. Although monthly distributions were required, the distributions to the State of Ohio were issued only four times from December 2006 through October 2007. The court did not make distributions to the State for November 2007 through the end of the Period. According to the court's check register, distribution checks were written to the State during 2008, but did not clear the bank.

Four checks totaling \$284 were written to individuals for overpayments of fines and returns of bonds. These payments were supported. There were no other disbursements from the fine collection account.

Finding for Recovery

During the Period, Kristen Wocher was employed as clerk for the Village of Golf Manor mayor's court. Ms. Wocher was responsible for tracking citations issued, collecting payments of fines and depositing the payments into the appropriate Village bank accounts. Ms. Wocher was also responsible for entering information from the citations issued and fine collections into the Regional Crime Information Center ("RCIC") database system.

Our examination of documents maintained by the Village and the information entered into the RCIC system indicated that fine collections during the Period totaled \$151,083. Deposits to the mayor's court fine collection account totaled \$137,734, resulting in an unaccounted for difference of \$13,349.

In accordance with the foregoing facts and pursuant to Ohio Revised Code §117.28, a finding for recovery for public money collected but unaccounted for in the amount of \$13,349 is hereby issued against Kristen Wocher, in favor of the Village of Golf Manor.

Noncompliance Citations

Record Retention

Ohio Revised Code Section 149.351(A) states in part, "(a)ll records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commissions provided for under sections 149.38 to 149.42 of the Revised Code..."

The Village was unable to locate fine collection receipt books for the period May 2007 through March 2009 and bond collection receipt books for the entire Period. Lack of supporting documentation increases the risk that collections may be diverted for improper uses.

We recommend the Village ensure all records are adequately safeguarded. In addition, the Village should establish a formal records retention policy. This will help ensure records are not lost or destroyed.

Timely Deposits

Ohio Revised Code Section 9.38 states in part, "... (i) f the total amount of the public monies so received does not exceed one thousand dollars, the person shall deposit the monies on the business day next following the day of receipt, unless the public office of which that person is a public official adopts a policy permitting a different time period, not to exceed three business days next following the day of receipt, for making such deposits, and the person is able to safeguard the monies until such time as the monies are deposited."

Supplement to the Special Audit Report

The Village has not adopted a written policy regarding the length of time funds can be held prior to being deposited. The mayor's court clerk deposited certain fine collection receipts up to 223 days after funds were received. The mayor's court clerk deposited certain bond receipts up to 89 days after funds were received, and no deposits were made to the bond account after July 2007 through the end of the Period. Failure to timely deposit public funds with the designated depository increases the possibility of theft.

We recommend the Village implement a written policy regarding depositing funds in a timely manner as described in Ohio Revised Code Section 9.38. The mayor or his designee should monitor the court's financial activity to ensure monies are deposited in accordance with the policy.

Fine Remittances

Ohio Revised Code Section 733.40 provides that the mayor shall account for and dispose of all such fines, forfeitures, fees, and costs collected. All moneys collected shall be paid by the mayor into the Village on the first Monday of each month. Also, at the first regular meeting of the legislative authority each month, the mayor shall submit a full statement of all money received, from whom and for what purposes received, and when paid into the treasury.

Ohio Revised Code Section 2743.70(A)(1) states, "The court, in which any person is convicted of or pleads guilty to any offense other than a traffic offense that is not a moving violation, shall impose the following sum as costs in the case in addition to any other court costs that the court is required by law to impose upon the offender; (a) Thirty dollars, if the offense is a felony; (b) Nine dollars, if the offense is a misdemeanor. ... All such moneys shall be transmitted on the first business day of each month by the clerk of the court to the treasurer of state and deposited by the treasurer in the reparations fund."

Ohio Revised Code Section 2949.091(A)(1) states, "The court, in which any person is convicted of or pleads guilty to any offense other than a traffic offense that is not a moving violation, shall impose the sum of fifteen dollars as costs in the case in addition to any other court costs that the court is required by law to impose upon the offender. All such moneys collected during a month shall be transmitted on or before the twentieth day of the following month by the clerk of the court to the treasurer of state and deposited by the treasurer of state into the general revenue fund."

Contrary to these Sections, the court did not distribute fines and court costs to the Village on the first Monday of each month, the Treasurer of State by the first business day of the month for reparation fines, or to the Treasurer of State by the 20th of the month. No distributions were made to the Village general operating accounts for fines collected for the periods of November and December 2007. No distributions were made to the State of Ohio for fines collected from November 2007 through the end of the Period. The Village's check log indicated that checks were prepared for the State of Ohio for each month in 2008, but these checks did not clear the Village's bank account.

We recommend the fines and court costs collected be distributed to the Treasurer of State and the respective Village funds in accordance with the aforementioned Ohio Revised Code Sections. During the monthly reconciliation review, the mayor or his designee should verify the distributions occurred.

Management Comments

Manual Receipts

During the Period, the Village issued manual receipts for fine collections and bond payments received; however, some receipt books were missing and other receipts lacked sufficient information. Receipts should include the date, payer, amount paid, citation/case number, and the type of tender received. Receipts should also be signed by the Village employee who collected the payments.

Failure to complete the entire receipt and document the payer and the defendant's names could prevent the court from identifying the amount received, the applicable case and whether the amount paid was posted to the court's computer system.

We recommend the individual collecting fines and bond payments complete a sequential, pre-numbered receipt documenting the date, payer, citation/case number, offense, amount, tender type and the defendant's name. These receipts should agree to the amount posted in the court's computer system and to the amount deposited.

Supplement to the Special Audit Report

Deposit and Account Reconciliations

During the Period, the following weaknesses were noted:

- Deposits made to the bank were not reviewed by a second party to ensure all money was deposited in a timely manner;
- Bank accounts were not reconciled on a monthly basis.

Failure to reconcile bank accounts and have a second party review and compare funds collected to funds deposited increases the risk that discrepancies due to errors or irregularities will not be detected in a timely manner.

We recommend the mayor or his designee review the deposits prepared by the mayor's court clerk and sign off on the deposit slip documentation indicating his review. The mayor should designate an individual separate from the clerk to be responsible for performing the monthly bank reconciliations to provide segregation of duties over cash collections. All reconciliations should be reviewed by a supervisor for completeness and accuracy.

Policies and Procedures

The mayor's court did not have a formal policy manual providing detailed procedures for the administration of the court's accounting system, including instructions for entering citations and bonds into the computer system, recording magistrate decisions in the computer system, collecting and posting payments, issuing receipts and making deposits.

The lack of uniform procedures could contribute to errors in processing court transactions.

We recommend the court develop written standardized procedures for the administration of the collection of monies, disbursements, and the bank accounts used by the court.

Citation Accountability

The Village police officers were responsible for issuing sequential citations; however, the Village did not record a listing of citation numbers assigned to each officer. Additionally, officers were not required to maintain logs of the citations that were issued or voided. Although the mayor's court clerk received citations issued by the police department to enter into the court computer system, a reconciliation of the citation numbers from the officers to the clerk was not performed.

A report generated by the court showed that 16 citations issued during the Period had been deleted from the computer system; however, seven of these were traced to related payments included in collection deposits. There was no indication why the records supporting these payments had been deleted. Additionally, by not performing a reconciliation of citation numbers, there is the possibility that a citation could be deleted from the system or be issued but not recorded which could lead to either fines not being collected by the court, or by fines collected but not recorded.

We recommend an individual other than the clerk periodically reconcile the citations received from the police department to the citations entered into the court computer system. The reconciliation should include contact with the police department to compare the number of citations issued to the number entered into the court system to ensure all citations have been recorded.

As of the date of this report, the Village asserted it has instituted new procedures to track citations through the use of logs; however, we did not independently examine the effectiveness of these new controls since they were implemented after the Period.

Mayor's Court Reports

The mayor's court clerk was responsible for preparing monthly reports for the mayor regarding the activity of the court. Monthly reports were only available for 18 of the 27 months of the Period. Additionally, the reports were not prepared on a timely basis, but in some instances were dated as many as six months later.

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Failure to prepare monthly reports increases the risk that the mayor will be unable to monitor the court's activities and detect errors or irregularities in a timely manner.

We recommend the clerk present complete monthly reports of the mayor's court activity to the mayor on a timely basis. The mayor should consider setting a due date for the reports and follow-up with the clerk in the event a report has not been received timely.

Clerk Surety Bond

During the Period, the mayor's court clerk was responsible for collecting significant amounts of money on behalf of the court. Although the Village maintained an insurance policy covering employee theft, the clerk was not individually bonded in the case of a loss or theft.

To reduce the risk of loss of court assets, employees collecting fines, court costs and defendants' bonds should be bonded in an amount that is commensurate with their responsibility.

We recommend the Village obtain surety bonds for the clerk and any other employees collecting court fines, court costs and defendants' bonds.

Supplement to the Special Audit Report

Issue No. 2 – Mayor’s Court Bond Collection Account

Procedures

We traced information recorded on manual receipts, case files and docket records for cash bonds received during the Period to the mayor’s court computer system to determine whether the amounts collected were posted to the computerized cashbook.

We obtained copies of the mayor’s court bond account bank deposits and related supporting documentation for deposits made during the Period and traced the amounts identified per the procedure above to the items deposited to determine whether the amounts collected were deposited intact.

We examined disbursements from the mayor’s court bond account to determine whether cash bonds received were refunded or forfeited.

Results

In certain cases, defendants posted cash bonds to be released from jail until their cases were heard by the mayor’s court. Bond monies were refunded to defendants when cases were dismissed or defendants were found not guilty. Bonds were forfeited if the defendants failed to appear in court and bonds were applied to satisfy court fines and fees assessed if defendants were found guilty.

Pre-numbered, manual receipts were to be issued by the court to defendants for bond payments received. However, receipt books were not available for the Period.

The clerk entered information from bond collections into the RCIC computer system. Using the information we obtained from the case files and docket records, we concluded the RCIC file was incomplete.

Our examination of the case files, docket records and other documents maintained by the Village compared to the information entered into the RCIC system indicated that bond collections during the Period totaled \$11,816. Only five deposits totaling \$3,975 were made to the bond account during the entire Period, resulting in a shortage of \$7,841.

When a bond was forfeited or applied against amounts due from the defendant, the clerk issued a check from the bond account payable to the Village that was deposited in the mayor’s court fine collection account. During the Period, 41 checks totaling \$4,080 representing bonds forfeited or applied were deposited in the collection account. During the Period, 11 checks totaling \$870 were issued to defendants for bonds that were refunded. Each of these payments was supported. There were no other disbursements from the account.

Finding for Recovery

During the Period, Kristen Wocher was employed as clerk for the Village of Golf Manor mayor’s court. Ms. Wocher was responsible for tracking citations, collecting payments of bonds and depositing the payments into the appropriate Village bank accounts. Ms. Wocher was also responsible for entering information from the citations issued and bond collections into the Regional Crime Information Center (“RCIC”) database system.

Our examination of documents maintained by the Village and the information entered into the RCIC system indicated that bond collections during the Period totaled \$11,816. Deposits of bond collections to the mayor’s court bond account totaled \$3,975, resulting in an unaccounted for difference of \$7,841.

In accordance with the foregoing facts and pursuant to Ohio Revised Code §117.28, a finding for recovery for public money collected but unaccounted for in the amount of \$7,841 is hereby issued against Kristen Wocher, in favor of the Village of Golf Manor.

Supplement to the Special Audit Report

Management Comment

Bond Collection and Distribution Information

The mayor's court clerk was responsible for entering information from bond collections and distributions in the court's computer system. An examination of detailed reports generated by the court's computer system noted the following:

- 30 bonds were not listed on the bond journal, and 29 other bonds had incorrect or incomplete check distribution information.
- 21 bonds distributed or partially returned were not updated in the system according to the Open Bond report.
- Ten bonds shown as forfeited according to the Forfeited Bond report could not be traced to a check clearing the bond account.

Failure to document the disposition of defendants' bonds in the computer system could result in the bonds being improperly forfeited or returned.

We recommend the court take steps to ensure that information is correctly entered into the court's computer system. The bond journal and open and forfeited bond lists should be reconciled on a regular basis and all discrepancies should be explained or resolved. All reconciliations should be reviewed for completeness and accuracy by a supervisor.



Mary Taylor, CPA
Auditor of State

VILLAGE OF GOLF MANOR

HAMILTON COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JULY 29, 2010